



## **ETHICS AND CONDUCT CODE**

**October, 2019**

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## Message from Senior Management

Dear collaborators:

We form a very special company, created upon the initiative of the Development Banking System in the year of 2006, as a vehicle to promote the industry of private equity in Mexico; this has been quite a challenge and an opportunity.

As you already know, Corporación Mexicana de Inversiones de Capital, S.A. de C.V. and Administradora CMIC, S.A. de C.V., founded in the same year by the same shareholders, has been entrusted with the preparation of policies, controls, methodologies and systems to establish a Fund of Funds of private equity, which seeks to promote the industry of private equity and, at the same time, to maintain and increase the value of its shareholders' investment.

It is essential to assure that we have an excellent representation in all aspects, insofar that it is the basis for a long-term strategy and, without doubt, acting in ethical manner generates the confidence from shareholders and institutions.

We act appropriately when we make a reflection, measure consequences, become aware of facts, seek for advice and act with integrity. As members of Fondo de Fondos, we have a personal commitment to preserve and promote a culture of ethics and compliance.

I kindly invite you to work together so that we can achieve excellent results. Ethical values are essential to Fondo de Fondos, insofar that they define our legacy and our future.

Seven years have elapsed since the first Code of Ethics and Conduct of the company was issued, and it is with great enthusiasm that I present this update to the Ethics and Conduct Code of Fondo de Fondos; and our staff, the members of the Board and Committees, fund managers and suppliers are kindly invited to observe the guidelines established in this document on an autonomous and daily basis.

Respectfully,

Chairman of the Board of Directors

Chief Executive Officer

## I. Our Ethics Code

### A. Scope



This Ethics and Conduct Code applies to the community that makes up Fondo de Fondos, formed by its staff, directors, and members of committees, fund managers and suppliers.

The adherence to the principles and rules included herein also applies to external advisors, fee paid personnel, staff contracted for a certain period of time and other suppliers, notwithstanding they provide their services within Fondo de Fondos or conduct their activities in other spheres in the name of all the companies and investment vehicles of Fondo de Fondos.

The Code implies a commitment in the behavior of all participants of Fondo de Fondos, and the Office of the Chief Executive assumes the responsibility to disseminate and to apply it, and its efficacy lies in the good will of all of us to understand and observe it.

This document establishes our Mission and Values, which have been defined and updated throughout time. It is the duty of all of us who participate in Fondo de Fondos to propose suggestions for its improvement to the Corporate Practices Committee. This is a dynamic document and thus, it will be reviewed from time to time.

It is important to note that the principles, values and standards contained in this Code apply to: Corporación Mexicana de Inversiones de Capital in its capacity as investor, to Administradora CMIC as the General Partner of Fondo de Fondos and to its affiliates, and Administradora PEVC and PMIC LATAM as managers of the investment vehicles.

## a) Stakeholders



### 1. Shareholders

We are committed to our shareholders to protect their patrimony and to increase it in real terms, as well as to seek the generation of value they expect through effectively managing their investments.

### 2. Our Staff

We offer our people an environment that promotes a high sense of responsibility, productivity, development and quality of life in accordance with their environment.

### 3. Fund Managers and Suppliers

We are committed to maintain fair and honest business relationships with our fund managers and our suppliers. To this end, they must share our values and maintain a steady reputation and integrity in their dealings.

With respect to the election of suppliers, such election must be impartial, based on criteria of quality, price, safety and service.

## B. Objective

To guide, practically and schematically, the behavior of people who make up, or who have a relationship with, Fondo de Fondos.

Fondo de Fondos, through its corporate bodies, has established the guidelines that will provide guidance in the performance of those who collaborate or are related to its operation, which have been expressed in this document.



## C. Philosophy of Fondo de Fondos

### a) Mission

Promote, modernize and consolidate the Private Capital industry in Mexico, investing long-term financial resources with better Corporate Governance Practices and Administrative Techniques that increase the productivity, profitability and sustainability of companies.

### b) Vision

To be the most profitable Institutional Administrator of alternative assets, and promoter of best practices in Mexico and Latin America.

### c) Our Ethical Values

#### Individual Values and Conducts:

- ✓ Integrity.
- ✓ Honesty.
- ✓ Impartiality.
- ✓ Determination.
- ✓ Excellence in the processes.
- ✓ Commitment.
- ✓ Motivation.

#### Corporate Values:

- ✓ High quality in the analysis, supervision and management of investments.
- ✓ Innovation in financial schemes.
- ✓ Solid institutional image.
- ✓ Focus in expansion and growth.
- ✓ Perseverance in the attainment of results.
- ✓ Leadership in the market of capital risk in Mexico.
- ✓ Strategic approach.

## D. Our Responsibility as to Compliance



Each one of us are responsible for knowing and applying the rules, policies, manuals, procedures and directives of **Fondo de Fondos** as well as the external regulatory frameworks, according to the activities we perform and our specific duties. We must act at all times observing the truth, and any unethical conduct must not be disregarded.

All persons to whom this Code is aimed have the duty to report any conduct that they may believe, in good faith, violates the applicable laws or the Ethics and Conduct Code of Fondos de Fondos; to this end, they are invited to use the anonymous reporting toll-free number.

## E. Commitments of Members of Fondo de Fondos

**We, who form Fondo de Fondos, accepted the commitment to:**

- ✓ Respect the company's mission, taking as basis the values of Fondo de Fondos.
- ✓ Consider the interests of Fondo de Fondos as a priority in the adoption of our decisions.
- ✓ Use the resources entrusted to us with transparency and responsibility.
- ✓ Accept responsibilities in consistent, honest and transparent manner.
- ✓ Maintain and promote the untarnished reputation of Fondo de Fondos at all times.
- ✓ Comply and to ensure the compliance of the institutional policies and procedures.
- ✓ Observe the regulations.



## a) Basic Behavior Requirements

All of us must behave with:

### 1. Honesty and Responsibility

We shall conduct any action, task or activity with honesty and responsibility at all times, presupposing that any action has a consequence for **Fondo de Fondos**; thus, we shall always face any circumstances, difficulties, mishaps with which we may deal with determination.

### 2. Fair Treatment and Lack of Discrimination

Using the principle of equality of opportunities and showing respect to all people, all of us shall:

- ✓ Acknowledge the dignity of people and treat them with respect.
- ✓ Respect the freedom and the right to privacy of all persons.
- ✓ Respect and value the identity and the differences amongst people.
- ✓ Offer equal opportunities to all people.
- ✓ Respect the race, religion, nationality, sex, sexual orientation, age, disabilities or any other reason inherent to the nature of people.
- ✓ Ensure that all people are treated in fair and equal manner.

### 3. Behavior within the Premises

- ✓ As collaborators of Fondo de Fondos, we must promptly meet the communications and requests for information that may be addressed to us in the performance of the duties we perform.
- ✓ We must comply with all duties and responsibilities entrusted to us according to the instructions of our superiors, provided, however, the execution or compliance thereof do not imply a violation of the Ethics and Conduct Code or the applicable regulations.
- ✓ We must meet the needs for constant training in order to improve our performance to the benefit of Fondo de Fondos.

### 4. Behavior out of the Premises and External Commitments

- ✓ We must maintain consistency between our acts within and outside the premises of Fondo de Fondos, promoting our ethic values and the dignified behavior that represents our principles.

- ✓ Our duty is not to commit ourselves in external commercial interests that may generate a conflict of interests whereby the interests of Fondo de Fondos may be harmed.

## **5. Health, Safety and Work Environment**

The protection of the safety and health of the staff in the workplace is one of the highest priorities of Fondo de Fondos.

- ✓ The workplace must be a safe and healthy place which promotes the safety and health of everyone involved.
- ✓ Discriminatory, aggressive or abusive conducts which may endanger the integrity of people must be avoided; likewise, these types of conducts by third parties must be reported to the pertinent authorities.

## **6. Use of Properties of the Company**

### **i) Protection of Goods, Information and Records**

- ✓ With respect to the assets property of Fondo de Fondos, all the people who use or safeguard them are responsible for protecting and maintaining them in optimal conditions, avoiding any damages, theft, misuse or change in their end use.
- ✓ The use of the premises, resources, information, technological structure, intellectual property rights, software, equipment and machinery shall be limited to comply with the purposes of Fondo de Fondos, the duties of the position entrusted to us and observing the applicable regulations. We must be on the alert and inform any loss or risk of loss of the assets property of Fondo de Fondos.



### **ii) Resources and Systems**

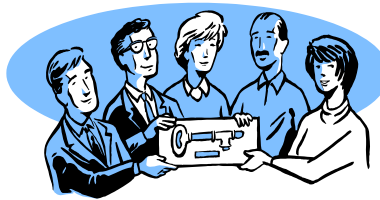
- ✓ The computer information systems and the telecommunication systems of Fondo de Fondos, including telephones, cell phones, electronic mail, voice mail and computer equipment shall be used for their intended purposes.
- ✓ The use of the Internet must be consistent with our working purposes. The pertinent guidelines shall be incorporated into the policies to use these systems.
- ✓ The use of the computer systems of Fondo de Fondos offer access to confidential information based on the duties we may perform. We have access to the different computer systems to comply with our working obligations.
- ✓ The unacceptable use of the systems of Fondo de Fondos includes to process, send, recover, access, visualize, store, print or otherwise disseminate materials, information which nature is fraudulent, harassing, threatening, illegal, racial, sexist, obscene, intimidating, defamatory, or of any other nature inconsistent with a professional conduct.
- ✓ The passwords to access systems and equipments have a confidential nature and are for our personal use; under no circumstance may they be shared, even in the case of senior management officers.
- ✓ The confidential information of Fondo de Fondos shall not be disclosed under any circumstance. All stakeholders are urged to use responsibly any data they may post in social networks.
- ✓ The electronic mail system shall not be used to request funds, to originate or forward chain letters, nor to process information unrelated to Fondo de Fondos. The information of Fondo de Fondos shall be used for publicity purposes only, and with the prior authorization from the Office of the Chief Executive.
- ✓ The areas of Systems, and of Compliance and Risks, will conduct inspections with respect to the safety and confidentiality of the information contained in the systems of Fondo de Fondos.
- ✓ In case of violations of the disclosure of passwords or undue accesses to third parties, the pertinent penalizations shall be imposed pursuant to the applicable provisions.



## **7. Relationship with other Funds, Authorities and Suppliers**

- ✓ Both investors and promoters shall be offered a kind, fair and honest treatment, with quality, observing the internal regulations and the applicable regulatory framework.

- ✓ The information of investors is confidential, as well as the information with respect to investments in capitalized funds, which nature is not public; thus, it is prohibited to disclose it to third parties in any manner.
- ✓ The requirements that our authorities with competent jurisdiction submit to our shareholders shall be met pursuant to the applicable internal procedures.
- ✓ The relationships with public officers shall not compromise the integrity, nor harm the reputation, of the employee or of Fondo de Fondos.
- ✓ The suppliers shall be treated kindly, fairly and with honesty.
- ✓ Suppliers shall abstain themselves from offering or receiving any kind of benefit by reason of the contracting of their services.
- ✓ The suppliers with which a commercial or services relationship exists shall be informed of the contents of this Code, and shall adhere to its principles.
- ✓ Fondo de Fondos, through Administradora CMIC or Administradora PEVC and through the policies to contract suppliers, shall make sure that the supplier contracted has a good reputation and, preferably, that it has implemented an Ethics Code, as well as a toll-free number service to make reports.



## 8. Gifts throughout the Year

Throughout the year, particularly during the Holiday Season, gifts can be accepted, but their value shall not exceed an amount equal to 20 minimum daily wages in force, and provided they do not violate the principles and policies of this Code on the topic.

Any gift received that exceeds the value established shall be forwarded to the Office of the Director of Compliance and Risks, in order to submit to the consideration of the Auditing Committee the destination that the gift will have.



## F. Inappropriate Conducts and Acts

These are conducts and acts where a personal benefit is put before the values of the institution.

By way of enumeration, but not limitation, we present here the following ones:

- To misappropriate assets or information:
- To dispose of privileged information to obtain a personal benefit or a benefit for our family, or to the benefit of third parties.
- To reproduce, falsify or alter information.
- To take advantage of our positions or titles to steal or use the properties, assets and information of Fondo de Fondos to obtain a personal benefit or for purposes not authorized.



## **G. Unethical conducts**

### **1. Harassment**

Notwithstanding the position or hierarchic level of the persons involved, any form of harassment is unacceptable, including:

- Verbal harassment: Degrading commentaries, nicknames, or offensive, discriminatory or defamatory words.
- Physical harassment: Offensive or intimidating contact.
- Visual harassment: dissemination of offensive images.
- Sexual harassment: Sexual insinuations or other verbal or physical conduct of sexual nature.
- Psychological harassment: intimidating or threatening treatment or conduct.
- Physical or verbal violence.
- Offensiveness, insults, verbal abuse or mistreatment to workmates, bosses, subordinates, cleaning staff or any third party present at the premises of the company.

### **2. Prohibition of Drugs and Alcohol**

- ✓ The use, consumption, possession, sale, propaganda or distribution of any type of narcotic substance defined as such in the applicable laws in the premises of Fondo de Fondos is prohibited.

- ✓ Likewise, the use, consumption, possession, sale or distribution of alcoholic beverages is prohibited.
- ✓ In the case of the social events of the institution, the consumption of alcoholic beverages in moderation is recommended, and only for those employees that take part in the event. This practice shall motivate the caution and prevention of their abuse by the workmates.
- ✓ It is prohibited to present oneself at the workplace under the effects of any of the substances mentioned in the preceding items.

### **3. Corruption and Inappropriate Payments**

- ✓ It shall not be tolerated to illicitly grant money or any type of remuneration to any third party in the name of Fondo de Fondos in order to facilitate the attainment of a purpose.
- ✓ It is prohibited to ask for, or to condition a negotiation upon, the reception of a favor, courtesy, gift or monetary amount.
- ✓ Under no circumstance shall it be acceptable to offer, deposit, request or receive, under any circumstance or modality, any type of bribe, bonus, gifts, benefit or concealed payment of illegal or unethical nature. No exception shall apply.
- ✓ This prohibition includes payments that have not been set forth by law for a national or foreign officer, employee or agent.

### **4. Acceptance of Gifts or Favors**

It is prohibited to receive money, gifts, gratuities, tickets for cultural or sports events or events of any nature which purpose is to give rise to an undue benefit with those who represent Private Equity Funds, the managing team or any person related to the Funds in which an investment has been made or it is intended to be made. A similar prohibition applies to the suppliers of Fondo de Fondos or those persons who expect to receive any investment, support or even any donation from Fondo de Fondos.

The promotional items and other gratuities of symbolic value are excluded and, above all, which do not compromise the criterion and objectivity of the negotiation or give rise to a feeling or expectation of personal commitment.

These prohibitions shall also include the personnel that travels abroad in representation of Fondo de Fondos.

## 5. Financial Information.

The financial information shall be disclosed at all times pursuant to the standards of financial information, and observing the applicable standards, directives and laws. Also the standards, directives and laws applicable to the preservation, protection and destruction of information and documents.

The following shall not be made:

- To misstate the accounting records in intentional manner with information that does not reflect the actual financial position of Fondo de Fondos, and their companies or vehicles.
- To omit transactions with related persons or conduct these types of transactions outside the margins established under the applicable regulation.
- Make fictitious transactions such as purchases, vouchers of expenses, *inter alia*, as well as the alteration of documentation related to purchases of goods and services.
- Omit or not informing in prompt manner any serious irregularity of financial or operational nature.

Any transactions made with related parties shall observe the values and conditions of the market, and shall be disclosed pursuant to the standards of financial information.

## H. Conflicts of Interest

### a) Some situations that we must prevent to take place or that appear to be taking place.

A “conflict of interest” arises when a direct or indirect personal interest in a transaction or an obligation to third parties contradicts the obligations with respect to Fondo de Fondos. The foregoing includes the use of the position to propitiate a personal benefit or the benefit of a third party, or any advantage motivated by reasons different to the proper and faithful performance of the responsibilities of such position based on confidential information obtained during the time such position has been fulfilled in or for Fondo de Fondos.

#### 1. Regular and Alternate Directors and Members of Committees

They shall abstain themselves from receiving proposals directly from Fund Managers that seek the investment from Fondo de Fondos. All entrepreneurs and Fund Managers shall channel their opportunities to the Office of the Chief Executive and/or to the Office of the Investment Director of Fondo de Fondos in order to comply with the stages of the investment process set forth in the Manuals and Policies of the CMIC so that the assessment of the investment is made through the team of Fondo de Fondos.

They shall abstain, at all times, of incurring in conflicts of interest upon approving or rejecting the investment in any Fund; likewise, they shall observe the Operating Rules of the Board of Directors and those rules of the Investment Committee, respectively.

Directors and members of the Committees of Fondo de Fondos that have an economic, family or other kind of relationship with investors and/or suppliers of services shall abstain themselves from sponsoring investment projects through Fondo de Fondos.

The members of the Investment Committee shall analyze in whole the information and documentation to be submitted within the stage to assess a Fund, avoiding at all times a conflict of interest.

## **2. Contracting of Family Members**

It shall be unacceptable the imposition to contract persons in the companies or vehicles of Fondo de Fondos.

In the case of collaborators, it shall be previously stated whether a relationship of affinity or consanguinity exists between the candidate and the employee.

All contracting shall be analyzed in the Corporate Practices Committee.

## **3. Collaborators and the Investment Process**

The Investment Executives and the Assistant Executives that deal with Fund Managers shall perform their duties and conduct themselves with truthfulness, in a respectful and cordial environment, always seeking to protect the interests of Fondo de Fondos.

The Investment Assistant Directors shall conduct themselves at all times in truthful manner upon making the assessments for the eligibility of a Fund, expressing their opinions in consistent manner. In the Due Diligence for the investment process, they shall make sure that they know and have verified, to the extent of their capabilities, the experience of the Fund Managers that have requested resources from Fondo de Fondos, identifying the risks that exist in this type of investment, and inform these elements to the Office of the Chief Executive Officer, the Investment Committee and the Board so that they may take an informed decision, with the support from the Office of the Director of Risk Compliance.

## **4. Personal Investments**



Every employee of Fondo de Fondos has a personal life, as well as private interests outside the workplace. However, in our capacities as employees, we must handle financial and business matters without incurring in conflicts of interest.

In their personal investments, particularly those derived from quotations in the stock market, the employees shall not take advantage of the information they may have in advance regarding investments in the Funds' portfolios which are, or will be, quoted in any stock market.

It is extremely important to avoid the disclosure of false or incorrect information, or information tending to discredit the companies that make up the portfolio of a Fund.

## **b) Solution of Conflicts of Interest and the Auditing Committee**

The Auditing Committee shall be the body empowered to solve any conflicts of interests submitted to its consideration.

In case the directors and employees face a conflict of this type in the performance of their duties, they shall inform it to the Auditing Committee of Fondo de Fondos through the Office of the Director of Compliance and Risks of Fondo de Fondos, submitting a description of the facts that gave rise to the conflict, and shall await the instructions that may be issued on this case.

The Directors and employees of Fondo de Fondos shall prepare before the Office of the Director of Compliance and Risks a statement whereby they shall record, in such a case, their economic, family or other type of relationships with any Fund Managers. This list shall be updated permanently, and shall be put at the disposition of the Auditing Committee.

The situations of conflicts of interests shall be reported to the Auditing Committee upon their detection or prior to their performance.

By way of enumeration, but not limitation, we present here the following ones:

- When any employee of Fondo de Fondos has a personal interest that interferes, directly or indirectly, with the interests of Fondo de Fondos.
- When a personal relationship exists between the employees of Fondo de Fondos and advisors, suppliers, clients; particularly when they have any influence on the assessment or the election for the provision of services.
- When Fondo de Fondos has a business relationship with persons who have a kinship or friendship with employees of Fondo de Fondos, or with corporations controlled by relatives or friends of employees of Fondo de Fondos.
- When a significant influence in the decisions of capital investment is held.

The statements of nonexistence of a conflict of interest shall be submitted on an annual basis to the Office of the Chief Executive Officer by all directors and employees of Fondo de Fondos, using the pertinent form to this end; said statements shall be submitted and ratified in the Committee of Corporate Practices.

## **I. Information**

### **a) Confidential Information**

The performance of our work or our professional activities imply the obtainment of both information and knowledge considered as confidential by reason of the confidence and reciprocal safety under which they are expressed.

Confidential information is considered as information made up by amounts of investments, information of shareholders, managers, documents to formalize the fund<sup>1</sup>, amounts of calls, disinvestment schemes and, in general, all data and information related to the operation and investment of the different funds in which Fondo de Fondos is a shareholder.

Likewise, confidential information is any information regarding policies, procedures, wages, payment schemes, strategic plans, contingency plans and in general, all information with respect to Fondo de Fondos.

All members that form part of Fondo de Fondos are responsible for protecting the confidential information of the company, of the Funds invested, of suppliers or entities.

All persons who directly and indirectly interact with Fondo de Fondos are bound to treat the information they have in their possession and the information regarding shareholders, policies, procedures and manuals, studies, investments, business, projects and systems of Fondo de Fondos as strictly confidential.

The employees of the shareholders of Fondo de Fondos who have access to confidential information shall observe the highest standards of confidentiality, and shall duly safeguard the information, in case it is provided to them or have any type of access to such information.

No notice or any information shall be provided to third parties, and even to other employees of Fondo de Fondos, in case it is not fully justified that they may have access to such information.

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<sup>1</sup> Makes reference to all documentation required to formalize the Fund, according to the provisions of the Manual of Rules and Policies of the Investment Process of Fondo de Fondos.

The employees of Fondo de Fondos shall have the obligation to maintain, in absolute manner, the privilege resulting from their professional relationships with respect to the provisions of the preceding paragraph, as well as with respect to all information of Fondo de Fondos, as long as such information has not been disclosed to the public.

The obligation to preserve the confidentiality of the information shall remain even after the employee has ceased to work in Fondo de Fondos, pursuant to the confidentiality clause of the individual labor contract of such employee, as well as the Internal Employment Regulations.

It is prohibited to disclose confidential information, except with the prior authorization established through the pertinent channels, or pursuant to the requirements of the regulations, rules and laws, or either, whenever it may be mandatory pursuant to a final decision, and issued under the law.

### **b) Reserved Information**

Reserved information is defined as information which disclosure may harm the financial stability, image and development of Fondo de Fondos, as well as which may endanger the life, safety and health of any person.

All information generated in the financial, accounting, operating or computer information records is considered as property of Fondo de Fondos, and has a confidential nature; therefore, only the users duly authorized therefor may access such information.

All persons that form part of Fondo de Fondos and who perform external activities in their capacity as instructors, speakers or students, shall abstain themselves from using the confidential materials or information of Fondo de Fondos and, in case of any doubt, they shall consult the Office of the Director of Compliance and Risks.

All employees of Fondo de Fondos shall abstain themselves from conducting actions to influence, exert coercion, manipulate or deceive any internal or external auditor or public officer that is performing any regulatory procedure.

All employees of Fondo de Fondos shall control, as part of their activities, the access, availability and use of reserved information.

In this regard, the principles mentioned hereinbelow shall be observed at all times:

- ✓ Prevention of undue conducts which may have their origin in the use of reserved or confidential information.
- ✓ Protection of the confidence of investors.
- ✓ Observance of sound uses and practices of corporate governance.
- ✓ Absence of conflicts of interest.

The Office of the Director of Compliance and Risks shall review the observance of these provisions.

### **c) Privacy and Safety of Data**

Fondo de Fondos protects the personal data of its collaborators. The labor and medical files of its collaborators shall be protected under the strictest confidentiality.

### **d) Information Barriers**

Information barriers are measures, rules of conduct and organizational procedures adopted in order to guarantee the confidentiality of the information, and to control the flow of Reserved and Confidential Information amongst each one of the areas of Fondo de Fondos, preventing its transmission without any control.

The Office of the Director of Compliance and Risks shall adopt precise administrative procedures to guarantee the confidentiality in the performance of the areas that make up Fondo de Fondos and, particularly, in order to avoid the uncontrolled flow of Reserved and Confidential Information.

## **J. Prevention of Money Laundering**

“Money laundering” is a process whereby the identity of the money illegally obtained is concealed to make it appear that its origin came from a legitimate source. Companies, institutions and persons are not exempt from being used by intermediaries that seek to use their illegal resources to introduce them into formal economy.

Fondo de Fondo has established policies and procedures tending to prevent money laundering setting forth specific controls for its prevention, which shall be applied in mandatory manner prior to the acceptance of an investment in a certain Fund or co-investment in a company. These policies and procedures are aimed to fully identify the shareholders (“Limited Partners”) and Fund managers, as well as the source of the resources.

In view of the nature of this industry, the responsibility to choose the investment of the portfolio lies in the Manager of each Private Equity Fund (“General Partner”), which shall establish applicable policies and procedures tending to prevent money laundering.

In case there exist politically exposed persons amongst investors and fund managers (identified by the legislation as PEP’s), they shall be identified and disclosed to the committees and the board of directors, and these bodies shall adopt the investment decisions fully aware of such consequences.

## K. Interpretation of the Code

The Office of the Director of Compliance and Risks shall consider all consultations that allow the clarification of the Code, providing support so that it can be properly disseminated, understood and applied, If necessary, the consultation shall be submitted to an expert on the topic.

## L. Violations of the Code

All members of the decision-making bodies, executives and employees have the possibility to report violations of the Code through the anonymous reporting toll-free number regarding those circumstances that they may deem are questionable, and which do not comply with the principles, values and conducts set forth in this Ethics and Conduct Code.

The distortion, manipulation or falsification of information, records or transactions, notwithstanding the intention in doing so, constitutes a serious violation of the Ethics and Conduct Code.

## M. Penalizations

As reference, and by way of enumeration but not limitation, the following conditions are deemed as violations of the Code, and likewise, the type of breach is indicated as a guideline so that, if applicable, the Auditing Committee may apply the pertinent penalization.

1. To incur in a conflict of interests, by voting or participating in decisions that directly or indirectly favor the personal patrimony, or kinship, family up to a third degree, or of companies or any other institution where there is an investment, a personal interest or from which a benefit is obtained by reason of the decisions adopted;  
**Potential Type of Breach (PTB): Serious**
2. To breach the legal provisions, thus generating penalizations from the authorities or a patrimonial harm to Fondo de Fondos.  
**PTB: Serious**
3. To act with negligence against the policies, rules, practices, procedures, manuals and ethics and conduct code implemented by, and for, Fondo de Fondos.  
**PTB: Important**
4. To evidence intoxication due to drugs or alcoholic beverages, or show immoral conducts in the premises of Fondo de Fondos.  
**PTB: Important**

5. To discriminate, intimidate or harass another person due to such person's race, economic status, sex, age, origin, beliefs, sexual orientation or disability.  
**PTB: Important**
6. To improperly use the resources or goods assigned for purposes of complying with responsibilities within Fondo de Fondos.  
**PTB: Important**
7. To breach the rules of safety and hygiene that endangers the life of the staff or the goods of Fondo de Fondos.  
**PTB: Important**
8. To assume legal commitments on behalf of Fondo de Fondos without having authorization for such purposes.  
**PTB: Serious**
9. Lack of attendance, without justification, to work meetings called, or a reiterated absence.  
**PTB: Important**
10. To reject in unjustified manner the commissions or works entrusted by Fondo de Fondos.  
**PTB: Important**
11. Nonperformance of the responsibilities assigned in work meetings and by reason of the responsibilities of the position held.  
**PTB: Important**
12. To perform positions that lead to conflicts of interest such as accepting, without the authorization from Fondo de Fondos, and continuing to work in Fondo de Fondos, positions of public office held by virtue of an election, or governmental positions, or positions in bodies that directly compete with Fondo de Fondos at the same time.  
**PTB: Serious**
13. To provoke, ignore, promote or collaborate with the breach of the rulings adopted by the Shareholders' Meeting, the Board of Directors or the Office of the Chief Executive Officer of Fondo de Fondos.  
**PTB: Serious**
14. To give or repeat a false testimony, calumny or defamation against any collaborator, Director or third party related to the company due to any reason.  
**PTB: Important**
15. To steal, borrow or remove from the premises any personal property or working tool without the express authorization from the Chief Executive Officer.  
**PTB: Serious**
16. Lack of respect to human rights, including committing or propitiating acts of discrimination, and any type of harassment, as well as threats.  
**PTB: Serious**

17. Disclose confidential information or misappropriate it for personal use.

**PTB: Serious**

18. To refrain from signing the Ethics and Code Conduct and also, to refrain to inform of acts that infringe the Code or ask others to infringe it.

**PTB: Serious**

19. To exercise reprisals against employees that would have reported, in good faith, the existence of infringements or submitted the suspicion of their existence.

**PTB: Serious**

The nonperformance of this Ethics and Conduct Code with respect to the internal rules of Fondo de Fondos or the applicable laws, including the Federal Labor Law (*Ley Federal del Trabajo*), may give rise to administrative, labor, civil and criminal liabilities.

The Auditing Committee of Fondo de Fondos shall be the authority with competent jurisdiction to review and render a decision on the infringements committed due to a breach to the Ethics and Conduct Code, so that it may recommend the course of action to the Board of Directors, which shall decide the action to be adopted.

The Committee shall consider, in its analysis of the facts, the following:

- The damages or prejudices that have been caused, or could be caused, to Fondo de Fondos, or its staff.
- The seriousness of the conduct.
- The amount of the benefit, profit or damage or lost profit derived from the breach of obligations.

The Office of the Managing Director shall be the area entrusted to impose the penalizations according to the breaches in relation to the Internal Employment Regulations or breaches of the Federal Labor Law, based on the criteria of transparency, justice, fairness and common good, taking into account any mitigating circumstances of the case.

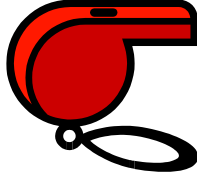
The liabilities in which the infringer could incur may be penalized if the seriousness of the breach deserves so, with:

- Verbal reprimand.
- Written reprimand with copy submitted to the infringer's labor file.
- Suspension of the employment without wage or salary.

In all cases, depending on the seriousness of the matter, the case shall be informed to the pertinent authorities when, due to the significance, complexity or importance of the breach, the intervention of such authorities is required.

A record of the infringement or nonperformance committed shall appear in the internal file of the employee.

## **N. Anonymous Reporting Toll-free Number**



The purpose of the anonymous reporting toll-free number of Fondo de Fondos is to establish an expedient and safe mechanism to analyze acts that may be linked to prohibited activities or to the breach of rules and provisions of internal or external nature, or which violate the Ethics and Code Conduct.

This is a direct, efficient and autonomous service.

The access to this channel shall be open to all stakeholders of Fondo de Fondos (collaborators, directors, investors, fund managers that have or have not received investment commitments, suppliers, external advisors, members of committees).

The Office of the Chief Executive Officer and the Office of Compliance and Risks shall disseminate the use of the anonymous reporting line.

## **O. Social Responsibility**

Corporate social responsibility implies to assume the commitment to look after the rights of collaborators, shareholders, communities and the environment.

As a better practice, it shall be sought that investments adhere to the Environmental, Social and Corporate Governance (ESG, their initials in English), as well as to the Principles of Responsibility in Investments (PRI, their initials in English).

Good relationships with the community will serve to strengthen our image with society and will help to maintain our vocation of service, which will translate, in the end and indirectly, in a greater and better presence in the market.

Corporate programs of social responsibility shall be submitted from time to time by the Chief Executive Officer to be analyzed by the Corporate Practices Committee, which shall assess the regular and special supports that may be proposed. The definitive proposals shall be approved by the Board of Directors.

A donation with social responsibility purposes shall not compromise in any manner the interests, management or reputation of Fondo de Fondos.

The programs of social responsibility submitted to the Corporate Practices Committee shall establish the guidelines to elect potential donees, as well as the restrictions and regulating guidelines that shall be observed, including those of tax nature. The area



responsible for supervising the proper observance of said program of donations shall be the Office of the Director of Compliance and Risks.

Some principles that shall be considered in these proposals shall be:

- ✓ Respect to human dignity, inherent to the nature and transcendent destiny of man, and which grants man inalienable rights that cannot be waived, which must be acknowledged.
- ✓ Justice, which is the intention of acknowledging, respecting and giving everyone that which corresponds to everyone.
- ✓ Solidarity, a strong and persevering decision to advocate for the good of all of us.
- ✓ Subsidiarity, which holds that everything that somebody can do on its own or that can be carried out by a smaller organization, should not be done by a larger and more complex organization, unless the common good demands so.
- ✓ To acknowledge the work, notwithstanding its nature and level.

## **P. Approval and Dissemination**

The first version of the Code was approved by the Ordinary General Shareholders' Meeting of Corporación Mexicana de Inversiones de Capital, S.A. de C.V. (Fondo de Fondos), according to the proposal of the Corporate Practices Committee, in its session held on April 30<sup>th</sup>, 2010.

The Board of Directors of Corporación Mexicana de Inversiones de Capital, S.A. de C.V. (Fondo de Fondos) shall make sure that this Ethics and Conduct Code is informed to its personnel, shareholders, directors, executives, managers of funds and suppliers through the Corporate Practices Committee; likewise, to the general public, through its disclosure on the webpage of Fondo de Fondos.

## Q. EXHIBITS

### a) LETTER OF ADHERENCE TO THE ETHICS AND CONDUCT CODE

Chairman of the Auditing Committee,

I, \_\_\_\_\_.

In my capacity as \_\_\_\_\_ of the company \_\_\_\_\_, have received the Ethics and Conduct Code of Fondo de Fondos.

I do declare and attest that I have carefully read the Ethics and Conduct Code of Fondo de Fondos, that I have understood its scope and that I bind myself to comply with the principles, policies, standards of conduct and guidelines set forth therein.

I also understand that its observance is mandatory for all persons that work in, or provide services to, Fondo de Fondos under any nature, of any level, and that upon doing so, we contribute to create a favorable environment in which all of us can grow both as people and professionals.

I have been informed that an updated copy of the Ethics and Conduct Code can be found on the Webpage of Fondo de Fondos, and that I can consult it at any time, or either, by means of a printed copy provided to me by the Office of the Director of Compliance and Risks.

I understand that my consent with regards to the execution and performance of the Ethics and Conduct Code does not constitute, nor shall be interpreted as, a labor contract or a contract of any other nature, nor a guarantee to continue holding a position, provision of services or appointment in the corporate bodies of Fondo de Fondos.

Place and Date:

\_\_\_\_\_

Full Name:

\_\_\_\_\_

\_\_\_\_\_  
Signature

**b) STATEMENT OF CURRENT TRANSACTIONS WITH RELATED PARTIES.**

Mexico City, Federal District, on \_\_\_\_\_ of \_\_\_\_\_ of 201\_\_.

**A: Name.**

**Position.**

\_\_\_\_\_

**Dear \_\_\_\_\_:**

As part of the updating and confirmation of the due application of policies with related parties, for the Corporate Practices Committee it is essential to obtain from you specific information on the potential transactions of which you may have knowledge and that are made with a related party of **Corporación Mexicana de Inversiones de Capital S.A de C.V.** (CMIC), of Administradora CMIC, S.A. de C.V. or of the companies that form part of Fondo de Fondos or its employees.

We make reference to those activities or transactions where representatives, partners or executives of companies with which Fondo de Fondos operates have any kinship, patrimonial or professional relationship with you or with any of the employees, executives or directors of the companies that form part of Fondo de Fondos.

In order to facilitate your response, which shall be received at the latest on \_\_\_\_\_ of \_\_\_\_\_ of 201\_\_, hereinbelow we include, by way of enumeration but not limitation, a brief detail of the different transactions whereby there may exist the possibility of a conflict of interests or related party.

- ✓ Acquisition of real properties
- ✓ Contracting of works
- ✓ Contracting of supplies
- ✓ Contracting of relatives or related persons
- ✓ Acquisition of personal property
- ✓ Provision of professional services
- ✓ Transfer of real properties
- ✓ Transfer of personal properties
- ✓ Contracting of insurance, bonds
- ✓ Pure or financial lease
- ✓ Capital investments

In order to confirm your adherence to the internal policies of Fondo de Fondos, I hereby request you to be so kind to submit me the letter denominated “Statement of principles under oath on transactions with related persons” attached hereto, together with your signature.

**Respectfully.**

**Dr. Roberto Newell García.**

**Chairman of the Corporate Practices Committee.**

**c) STATEMENT OF PRINCIPLES UNDER OATH ON TRANSACTIONS WITH RELATED PARTIES.**

The undersigned \_\_\_\_\_, **UNDER OATH and to the best of my knowledge and belief, do not have any knowledge of related transactions made by me or by related persons**, and state that, as of the date of this statement, I shall not elect, authorize or otherwise take part in the formalization, execution, supervision and assessment of contracts, agreements or transactions of any kind executed with **Corporación Mexicana de Inversiones, S.A. de C.V., Administradora CMIC, S.A. de C.V.** or of any of its affiliate or subsidiary companies, with persons directly related to the undersigned or through an intermediary.

**A)** For purposes of this statement, it shall be understood that the related persons with the undersigned are those with whom I have patrimonial relationships (partner, associate, creditor, debtor) or family members due to a consanguinity or kinship relationship up to the second degree (parents, brothers, children, uncles/aunts, grandparents, grandchildren, father/mother in law, parents of father/mother in law, son-in-law, daughter-in-law, brother/sister-in-law) and spouse or concubinary.

**B)** For purposes of this statement, transactions are understood as the following ones:

- 1.- Acquisition of real properties.
- 2.- Contracting of works.
- 3.- Contracting of supplies.
- 4.- Acquisition of personal properties.
- 5.- Provision of professional services.
- 6.- Transfer of real properties.
- 7.- Acquisition of personal properties.
- 8.- Contracting of insurance, bonds.
- 9.- Pure or financial lease.
- 10.- Capital investments.
- 11.- Contracting of works.

C) In case there is the intention of executing any transaction, or in the case of transactions already executed and which continue to have effects with related persons **I BIND** to promptly inform such the Corporate Practices Committee of the Board of Directors so as to proceed, prior to the formalization of the pertinent transactions.

D) The lack to process the reports on related transactions that may arise shall not be interpreted in any manner whatsoever as a constructive approval, and the Corporate Practices Committee and the Board of Directors shall have, at all times, the authorities to render a decision in this particular case.

E) The breach to the contents of this statement shall be grounds for the rescission of the labor relationship or the position or representation of the undersigned, without any liability for Fondo de Fondos or its subsidiary companies, and shall give rise to the pertinent actions.

**DULY AFFIRMED UNDER PENALTY OF PERJURY.**

Name:

Title:

Date:

Signature: