

CORPORATE GOVERNANCE MANUAL

BIVE: FUNDACIÓN VIVE CON BIENESTAR (FVB)

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Chapter 1: Objective of this Manual

The Corporate Governance Manual gives explicit indications regarding the practices expected in the management of the organization with the aim of improving the current organizational reality (aimed at correcting inappropriate practices or susceptible to strengthening), guaranteeing sustainability (for which is necessary an adequate governance), guarantee the internal/external transparency of the management and strengthen the competitiveness (allowing a solid scenario of operation from which actions of continuous improvement and innovation of the

organization and its service are promoted). It is a necessary policy after 6 years of Bive's existence

What is the wish of founders?

The founders wish for the continuity of the social impact of Bive and the fulfillment of its organizational purpose to improve the conditions of access to health services, especially of the most vulnerable communities. This implies that the organization must be sustainable over time in the financial, human, and social perspectives.

Therefore, we expect efficient management (that meets the objectives set with the resources provided), and that also maintains high standards of integrity, transparency and consistency with the organizational values that represent Bive as a social enterprise. These standards must be preserved in the different management bodies of the organization and in the human resources that are under their charge.

Finally, we want the Corporate Governance Policies to reflect the seriousness, commitment and responsibility that Bive requires to fulfill its daily purpose for all of its stakeholders.

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Chapter 2: Corporate Governance Policies

2.1 GENERAL ASSEMBLY

The General Assembly is the highest management body of Bive. It is made up of the founding and adherent members as documented in the foundation minutes book. The objectives and functions of this body are determined by the statutes of the Bive Foundation in its article 12:

ARTICLE 12. Functions of the General Assembly. The functions of the General Assembly are:

- a) Determine the general orientation of the Foundation.

- b) Approve the operating budget of the Foundation for the respective fiscal year.
- c) Approve the financial statements and the general balance of operations of the previous period.
- d) To elect the Executive Director of the Foundation who will be its legal representative and substitute, and to fix their remuneration.
- e) Advise the Executive Director so that in their actions they always find the most appropriate solutions for the good management of the Foundation.
- f) Authorize the legal representative to buy, sell, or encumber assets and to enter into contracts whose amount exceeds the amount of (150) one hundred and fifty legal monthly minimum wages in force at the time of the signing the respective contract.
- g) To elect the Statutory Auditor for periods of two (2) years in case it is legally required or the General assembly so defines it..
- h) Approve the statutory reforms
- i) Accept the admission of adherent members
- j) Decree the dissolution and liquidation of the Foundation, designate the liquidator or liquidators who must advance the liquidation process.
- k) The other functions and powers that correspond to it, in accordance with the law or these statutes and that have not been expressly attributed to another body of the Foundation.

General Assembly Procedures:

Decision making:

For a decision to be valid and adopted, it must be voted by a simple majority of the General Assembly. In case there is a tie in the voting, the decision will be made based on the decision of an external arbitrator.

- o **External arbitrator for decision making:** Corresponds to a member external to the General Assembly, who is unanimously agreed upon by the members of this assembly.
 - **Function:** settle any discrepancy in the decisions of the Assembly

- **Appointment:** The arbitrator will be nominated by a member of the Assembly and must accept their appointment in writing.

- **Decision making procedure by arbitration:** In the event of a dispute, the decision will be objectively presented to the arbitrator (with the corresponding documentation). The members of the assembly will present their arguments and then the arbitrator will issue their decision, which will be accepted by the assembly.

The decisions may be taken during the development of a general assembly or in an extraordinary manner outside of it through a virtual voting procedure.

The virtual voting of the assembly must be documented by electronic mail (preferably institutional mail) both the presentation of the case, the vote proposal and the voting of each member.

Members:

- They correspond to the founding and adherent members, duly registered in the books of members of the foundation.

- **Composition:** an odd number of members will be ensured to facilitate decision making. In the case of the existence of an even number of members, the figure of an arbitrator (external member of the assembly) will be chosen, who will vote to resolve the conflicts that arise in the decision making of the assembly (see procedure)

- **Entry of new members:** Any entry of a new member to the general assembly will be nominated by an existing member and approved UNANIMOUSLY by all members of the assembly.

- **Member exclusion mechanisms:** the withdrawal of any member of the assembly may be due to the following causes:

- Voluntary withdrawal by written communication prior to the Assembly

- Forced withdrawal:

- Due to illness or death, in which case they cannot fulfill their assigned position in the assembly

- For serious misconduct to the organization: understood as a violation of the principles of the organization or illegal action that threatens Bive's sustainability. This withdrawal must be preceded by due process with the participation of the other members of the assembly and an external member.

- **Roles and committees within the general assembly:** The roles will be chosen by the members of the Assembly for a period of one year, with the possibility of re-election for the subsequent period.

- **Presidency:** They will be the general coordinator of the assembly procedures and the initial contact channel for this with the management of the company and the general team of Bive. They will ensure the proper development of Bive assemblies. Their election will be annual.

- **Secretary:** this role will be designated in each general assembly held with the objective of drafting the assembly's rapporteurship and ensuring its proper documentation.

- **Subcommittees:** as needed the members of the assembly may form subcommittees with specific functions for the development of the organization which may involve other members of Bive or external people.

Duties and rights of the members of the General Assembly:

Duties:

- To fulfill the functions determined by the statutes of the organization.
- To make clear provisions regarding the strategic orientation of the organization, the legal or operational risks of Bive and any other requirement made by the Bive team or any of its stakeholders.
- To participate actively in the meetings held during the year or delegate their vote or representation beforehand.
- To review the information provided by Bive
- To commit to the development of the organization beyond the formal assembly spaces. This implies supporting Bive's organizational or strategic processes according to its requirement and availability, for the fulfillment of the annual strategic objectives..
- To audit the operational and financial management of the organization when necessary
- To maintain a high ethical standard of the organization which implies, among others, to maintain the confidential information, to express any conflict of interests in its decisions and to represent the organizational values.

Rights:

- **Right of inspection:** to request information from the organization in any area and at any level which must be provided within a reasonable period of time.
- **Recognition:** to receive public recognition for their participation as members of the assembly
- **To vote and participate:** to have an equal opportunity to express their opinions and vote against the decisions of the organization.
- To be able to work in the organization at any of its levels and receive remuneration for it without exceeding the legal limits for foundations. In the event that a member of the assembly works in Bive, they must be consulted and previously agreed upon by the full assembly.
 - Operational decisions that involve the member of the assembly that is working and that are related to an area of their action must have an arbitrator, in case of discrepancy with the other members of the assembly.

Meetings:

The minimum frequency of meetings of the general assembly will be semiannual and must follow the procedures of convocation defined in the statutes and applied by the presidency of the assembly. The first meeting of the year must be dedicated to approving the management report and financial statements of the previous year and the budget and operational plan of the current year.

The Assembly may have other meetings in the year as necessary and in accordance with the guidelines established in the bylaws of the foundation.

Each general assembly must have a clear objective and agenda and the information for it must be sent within a period not less than one week prior to it to facilitate its review.

For the development of each assembly, a president and secretary of the same must be appointed.

In the event that an assembly member cannot attend a general assembly and it cannot be postponed, they must delegate their vote or representation beforehand and communicate it to the assembly/president by virtual or written means.

Documentation:

The documentation of the meetings of the general assembly will be physical and virtual.

Physical Documentation:

- Corresponds to the minutes of the general meetings held printed in the official book of minutes of the organization and signed by those who acted as president and secretary.
- The physical documentation will be guarded and updated by the legal representative of the organization and must stay in the Bive offices for access at any required time.

Virtual Documentation:

- Corresponds to a virtual repository of the information of the general assembly which includes the minutes of each assembly and the documents reviewed and approved in each of them.
- This documentation will be permanently available to the members of the assembly and the executive director of Bive and will be stored in the virtual repositories of the organization and never in a personal repository of any internal or external member.
- The virtual documentation will be kept updated by the president of the Assembly.

2.2 CONTROL OF MANAGEMENT

2.2.1 Direction

- The executive management of the Foundation will present the Strategic Plan for the subsequent year to the Founders Assembly on December 1 of the current year. The strategic plan^[1] will include: Strategic priorities and objectives, indicators and goals and the organizational structure proposed by the executive management for the management of the company in the subsequent year.
 - The Founders Assembly will carry out the review and feedback relevant to the Strategic Plan, which will be approved with a maximum date of December 15 of the current year.
 - The Executive Directorate of the Foundation will present the Operational Plan and Budget of the year to be approved by the Founders Assembly at the latest on January 7 of the corresponding year.
- o The operational plan will break down the strategic proposal of the executive management and will include: the strategies, objectives, indicators, goals,

activities, managers and schedule for each of the main areas of the Foundation, detailing the specific plan for compliance with the strategic objectives

o The budget will include the projection of income for the different business lines of the Foundation, the projection of administrative, marketing and project operating expenses and the projection of specific investments. The above should be based on the historical income, costs, and expenses, the budget of the projects to be executed and the strategic and operational plan. Likewise, the budget will present a financial summary, which projects the surpluses of the period and the cash flow and a sensitivity analysis with conservative income scenarios..

• The Founders Assembly will carry out the pertinent review and feedback of the Operational Plan and Budget, which will be approved before January 31 of the current year.

2.2.2 Tracking

• A quarterly follow-up and tracking meeting will be held for the management, the fulfillment of the strategic objectives, and the execution of the operational plan and budget by the Founders Assembly.

• The executive management will present a management report for the quarter and accumulated detailing the current status of the Foundation and the fulfillment of the planning. The report ^[2] will have the following elements:

o Strategic indicators

o Narrative report that includes the status of each of the strategic objectives and the state execution of the strategies for each of the areas of the operational plan

o Financial Report, which includes budget execution, analysis of the current financial statement, cash analysis

o Financial Statements

o Risk management report (see section 4), referring to matrix in which the risk is stated and its level is rated (Low, medium, high) according to the probability of occurrence and impact.

o Aspects that the executive management considers important to discuss with the Founders Assembly

- o All reports must report significant deviations in relation to the established planning and actions proposed by the executive management for the correction of said deviations, in case they are negative or the plan to take advantage of identified opportunities.
- The report must be sent to the members of the Assembly by the executive management 15 days after the end of the quarter, ie April 15, July 15, October 15 and January 15.
- The follow-up meeting will run 15 days after the report is delivered. This meeting will be attended by the Executive Director, the members of the Assembly and Accountant of the Foundation, who must present the corresponding financial statements.
- During follow-up meetings, corrective actions to deviations from the objectives and plans will be defined.
- At the end of the first semester of the year, the Executive Directorate will carry out a review of the fulfillment of the strategic objectives, operational plan and budget, and will present a reformulation of the planning at the July follow-up meeting, should there occur important deviations in reference to the planning approved in January. This reformulation must be discussed and approved by the Assembly of Founders at the latest on July 31 of the current year.

2.2.3 Financial Management

- The members of the Assembly will be responsible for the selection and removal of the Foundations accounting management team, which will render the accounts of the accounting management to the executive management and the Founders Assembly.
- The members of the Assembly will follow up the independent accounting management and directly with the accounting team on a quarterly basis.
- The executive management will send monthly the basic financial statements and broken down by third parties corresponding to the month and accumulated to the members of the Assembly at the latest of the 20th of the month.

2.2.4 Risk Management

- The executive management will inform the Founders Assembly through the quarterly follow-up meeting of the financial, legal, operational, human, and other risks that are considered relevant, so that measures for their mitigation can be determined.
- The executive management will immediately inform the Assembly of the risks that it considers to be high (according to its probability of Occurrence and Impact) such as:
 - Breach of the law
 - Potential demands of customers, donors, suppliers, or others
 - Contract termination and hiring of new key personnel
 - Financial losses (Budget deviation greater than 30%)
 - Risks of reputational damage
 - Impossibility of compliance with the scope of the projects in execution
 - The others that at the discretion of the executive management are qualified as high

The above in order to identify mitigation actions and monitoring plan.

2.2.5 Legal Management

The executive management will ensure compliance with the regulations and regulations in force and applicable to the Foundation. In this sense:

- Present the complete management report of the immediately preceding year and the accumulated financial statements at the January monitoring meeting. For which it must provide said report at the latest by January 15 of each year, which will be approved by the Assembly at the latest on January 31, 2018.
- It will present the consolidated Financial Statements (including financial notes and the project of redistribution of surpluses at most on March 15 of each year, which must be approved by the Assembly at most on March 20 of each year.

- It will carry out the Continuity process in the Special Tax Regime, Renewal of Commercial Registry, Presentation of Income Statement, Industry and Commerce Taxes and Magnetic Media, among other mandatory requirements in the terms and dates established by Law.

2.2.6 Audit

- Semiannually, the Founders' Assembly will carry out an audit of the Foundation's management of its own or by third parties, and will determine corrective actions according to the findings found. These actions will be communicated to the executive management.

2.2.7 Management Evaluation of the Executive Directorate

- The management of the executive director will be evaluated based on the strategic indicators and goals established in the initial planning
- The executive management will conduct a 360 degree evaluation every six months. The results will be provided in the follow-up meetings to be held in June and January and will be discussed and feedback given by the Assembly.

2.3 ADVISORY BOARD

2.3.1 Objective:

The Advisory Board aims to monitor the strategic management and fulfillment of organizational objectives and generate specific recommendations for their achievement.

Likewise, this body aims to advise the executive management through knowledge, experience and relationship, thus facilitating the scope of the proposed goals and the expansion of social impact.

2.3.2 Functions:

- Advise the assembly of founders and executive management on the strategic direction of the foundation
- Give feedback on the planning and budget exercise for the period
- Perform periodic monitoring of the development of the strategic plan

- Contribute your professional knowledge and experience in the decision making process
- Support the assembly of founders in the verification of the proper functioning of the internal control system, compliance with accounting policies and risk management.
- Support the assembly of founders in compliance with the Corporate Governance guidelines established in this manual
- Support the Founders Assembly in monitoring the performance of the Executive Director.
- Support the Assembly of Founders in the Evaluation of the reports of the supervisory bodies (Audit and tax audit - if any), analysis and monitoring of the responses to said reports
- Represent Bive externally in the scenarios that are agreed upon

2.3.3. Composition

Number of members: The Advisory Board will consist of a maximum number of 5 members (2 Founders Assembly and 3 external advisors)

Profile of the advisory board member:

- Professionals with a high level of experience (over 10 years) in the fields of business management and / or entrepreneurship, management of social organizations, health, or others defined according to the needs of the organization.
- The members of the Advisory Board should stand out as persons with high social commitment and ethical standards in their professional activity, therefore, those members who have had judicial, administrative or criminal records or who are currently not present will be part of the Advisory Board are being investigated for processes of this nature. Likewise, those who present relevant conflicts of interest.
- The members of the Advisory Board must have availability of at least 4 hours per month for review of reports, follow-up meetings and advice.
- The Advisory Board is an organ that is based on inclusive principles, therefore, as far as possible, it will be sought to have representation of gender diversity.

Roles:

- The President and Secretary roles will be established in the Advisory Board, in order to facilitate the management of this body; These roles will be chosen by the members of the Advisory Board for a period of one year, with the possibility of re-election in the subsequent period.

If specific commissions are required, they are organized ad hoc.

- **President:** The president of the Advisory Board shall be elected by a simple majority by the members of the board for a period of one year and shall have the following functions:

- Convene meetings of the Advisory Board in accordance with the provisions of section 2.3.10
- Preside over the meetings of the Advisory Board, organize the issues to be addressed at the meeting and mark the order of the interventions.
- Follow up on pending agreements, tasks or activities, entrusted by the Board to a member, the executive direction or assembly of founders
- They will be the formal communication channel between the executive management and the Bive team with the advisory board.
- Keep the advisory board membership book updated

- **Secretary:** The secretary of the Advisory Board may be a member of this or an external person selected on the day the Board meeting is held. Its functions will be:

- Write the minutes of the advisory board meeting and make it available via the web according to section 2.3.11
- Care for and manage the file of the minutes of the advisory board, in accordance with the provisions of section 2.3.11
- **Committee coordination:** This role may be temporarily elected in the event that a committee is formed within the advisory board to resolve or analyze a specific issue of the organization.

2.3.4. Rights:

- Exercise the right to free expression against the direction of the organization
- Be informed of the strategic and administrative management of the Foundation
- Exercise the right to inspect and audit financial figures, books and vouchers
- Request from the Executive Director additional information required to advise the direction of the Foundation
- Be publicly recognized as a Member of the Advisory Board and certify their work and contribution to the Foundation as a volunteer and advisor
- Exercise the right to anonymity, in case they do not wish to be publicly recognized as a Member of the Advisory Board of the Foundation

2.3.5. Duties:

- Attend board meetings. The lack of attendance at three meetings will activate the process of evaluating the continuity of the member on the Board.
- Read and give opinions on the reports that are provided as a basis for advice and decision making.
- Maintain the confidentiality of the information provided to them.
- Report on possible conflicts of interest that may be generated, and those that could be affected.
- Inform the Foundation of investigations that may be subject to administrative, judicial, and criminal proceedings

2.3.6. Entry Mechanisms

The admission of additional members to the Advisory Board will be carried out under the following guidelines:

- The Advisory Board will determine the need for a specific profile for comprehensive advice to the Foundation's management through a semi-annual

internal evaluation or in its ordinary procedure. The proposal of said need may be made by a member of the advisory board or the executive management.

- The members of the advisory board and the executive management will propose candidates that will be put before the Board. Its approval will be made by simple majority the nomination of the candidate.
- The executive management, the presidency of the Board or another member designated for this purpose, will make the proposed participation to the established candidates.
- After acceptance of participation by the candidate, the president will send a letter of entry to the candidate formally inviting the candidate to be part of the Board and sharing the organization's governance policy.

2.3.7. Withdrawal Mechanisms

The following shall be grounds for withdrawal from the Advisory Board:

- Will of the member to avoid being part of the board. For this, the adviser must send a formal communication to the board beforehand.
- Failure to comply with the duties stipulated in section 2.3.5
- Death or permanent disability

The withdrawal of the Board may be temporary, thus responding to the request of a member who, for personal, professional or conflict of interest reasons wishes to be absent from the Board, or permanent, in case the member does not wish to continue participating in the Board or has failed to comply with the previously stipulated duties.

The withdrawal of a member will be carried out under the following guidelines:

- In the case of a voluntary withdrawal, the member will present their request before the Advisory Board or the chairman of the latter, in case the member is not present, who will be in charge of communicating their will to the Board.
- In the case of a withdrawal due to non-compliance with the duties, the members of the board or the president of the board will openly expose the situation at the meeting, to make decisions regarding its continuity.
- The Advisory Board will discuss the request or the facts that constitute the breach, and will decide whether or not to remove a member of the Board

- The chair of the advisory board will send a formal letter to the member notifying them of their exclusion from the board

2.3.8. Commitment Renewal

Prior to the first Advisory Board meeting of the year, members will renew their commitment by expressing their willingness to continue being part of the Board through verbal or written communication to the Founders Assembly.

2.3.9 Influence on decision making

The Advisory Board will act as a consultation and monitoring body for Bive's operations and strategy before its assembly of founders and executive management. However, decisions or recommendations emanating from it may be ratified or revoked by the Assembly of Founders. This implies that:

- The Founders Assembly has the maximum power of decision and responsibility in the organization.
- The members of the Advisory Board are exempt from any civil or legal liability attached to Bive.

2.3.10 Meetings

Objective: The meetings of the advisory board will aim at the operational and strategic monitoring of BIVE. In the same way they can be used to raise inquiries of interest for the proper development of the organization at any level. The advisory boards may be held in conjunction with the founders' meetings or with the strategic follow-ups that this assembly holds.

Meeting format: Each meeting must have an agenda beforehand and a specific objective or topic of analysis or follow-up with a duration consistent with the topics discussed. Each advisory board should address the following issues:

- Review of tasks and / or commitments of the previous Board
- Review of strategic indicators
- Report on the status of compliance with the milestones of the month
- Discussion theme

Periodicity: The advisory board will be held monthly or bimonthly. In no case may more than two months pass without a meeting of the advisory board. If this occurs, it will be the responsibility of the Founders Assembly to call and reactivate it.

A start of the year meeting will be held at the latest during the month of February and a closing meeting during the month of December. Quarterly, the advisory board will participate in the strategic and financial review of compliance with the objectives of the organization.

At the beginning of each semester the calendar of meetings of the advisory board will be scheduled in consensus with its members.

Call: The convening of the advisory board, as well as the coordination of the work agenda will be carried out by the president of the advisory board. The call must be made at least one week in advance of the date of the meeting.

The review documents for the advisory board must be sent at least five days before it.

2.3.11 Documentation Control

For the proper monitoring of the advisory board, the following types of records will be available:

Membership book of the advisory board: this document records the information of the current and former members of the advisory board corresponding to their contact information, their profile and linkage data to the board. This book will be accompanied by copies of the identification documents of the members and the letter of acceptance of their role.

Commitment minutes of members of the advisory board: It is the document of acceptance of membership to the advisory board of Bive which must be renewed every two years.

Meeting Minutes: Refers to the reports of each advisory board session

Documentation availability: The documentation will be available virtually for the consultation of all the members of the advisory board.

2.3.12 Best practice recommendations of board members

The following practice is proposed to strengthen and facilitate the management of the members of the advisory board:

Communication channels: it is suggested that the communication between the advisory member and the advisory board be carried out through the president of the advisory board, especially about the management aspects of it. This does not exclude that the advisor can directly contact the executive management and the founding members of Bive when required.

Dedication of time: a dedication of four hours per month to the advisory activities of the FVB is expected, which correspond to 2 contact hours for the completion of the monthly advisory board and 2 non-contact hours for the review of documentation concerning the organization .

Information review: Bive information will be sent and should be reviewed prior to the advisory board meeting. Each advisor is expected to review it and arrive informed to the board meeting, to improve the efficiency and quality of the space, around the clarification of information and strategic discussions.

Conflict of interest statement: each member of the advisory board is expected to express their conflict of interest to provide advice on Bive situations whose outcomes relate directly or indirectly to persons or organizations with whom there is proximity by the advisor. At the same time, decisions whose outcomes could represent a positive or negative affectation at an economic, personal or reputational level for the advisor.

Confidentiality: maintain the confidentiality of the information disclosed in the Bive advisory boards or so indicated by the executive management or collaborators of the organization.

Ethical standards: the members of the advisory board are expected to maintain the highest ethical standards on a personal and professional level, aligned with the values of the organization.

2.4 EXECUTIVE MANAGEMENT

2.4.1 Functions:

The functions of the executive management are those contained in article 19 of the FVB statutes, namely:

- Legally represent the Foundation

- Direct the Foundation's activities
- Manage the assets of the Foundation
- Execute decisions and instructions of the General Assembly
- Prepare the annual budget and present it to the General Assembly
- Convene the General Assembly of the Foundation for ordinary and extraordinary meetings
- Present to the General Assembly at its ordinary meetings, an inventory and an end-of-year balance sheet, together with a written report on the status of the foundation, a complete account of the profit and loss account and a project for the application of surpluses from the immediately preceding fiscal year, in accordance with the corporate purpose of the Foundation.
- Ensure the proper application of the assets and income of the Entity to the fulfillment of its own purposes
- Designate and remove employees required by the normal operation of the Foundation and indicate their remuneration, except in the case of those who by law or by these statutes must be appointed by the General Assembly.
- To constitute agents to represent the Foundation in judicial and extrajudicial matters
- Celebrate and execute all acts and contracts aimed at developing the objectives of the Foundation
- Authorize with their signature all the documents that must be subscribed in the development of the activities of the foundation or in its interest.
- Take all measures that claim the conservation of the assets of the Foundation
- Comply with or ensure that all legal requirements or requirements related to the operation and activities of the Foundation are duly fulfilled
- Proceed with the liquidation of the Foundation acting as liquidator in case the Assembly does not designate the person who should act as liquidator

Limit of conclusion of contracts or transaction of goods: The executive management is limited to buy, sell, or encumber goods and to conclude contracts whose amount exceeds one hundred fifty (150) monthly legal minimum wages in force at the time of the transaction or contracting, the value that is greater than the

date of signing the contract. In these cases, the executive management must request express authorization from the assembly of founders prior to the completion of the transaction.

2.4.2 Performance measurement

The measurement of executive management performance will be carried out by two mechanisms: Quantitative measurement and qualitative measurement.

Quantitative measurement: focused on measuring results. Corresponds to the degree of compliance with the strategic and operational objectives set by the organization for the corresponding period. It will be done with a quarterly frequency (according to point 2.2.2). At the end of each year the executive management must submit a report of their management as well as at the end of their position (unilaterally or by consensus between both parties).

Qualitative measurement: focused on process measurement. Corresponds to the degree of compliance with the organization's processes and the leadership characteristics of executive management. It will be carried out through 360 degree measurements of the role played with the audiences of interest of Bive with a frequency not greater than every six months.

Corrective actions: The assembly of founders will inform the executive management in a timely manner about situations in which there are deviations from the quantitative or qualitative fulfillment of the goals and results of the organization. They will also recognize the achievements of the executive management and the team. Such communications may be verbal or written.

2.4.3 Situations of immediate report to the Assembly

Any organizational risk identified as HIGH (according to its probability of occurrence and organizational impact) and unforeseen events with high organizational impact (financial, human resources, reputation among others) must be reported immediately to the Founders Assembly to agree on a position of the organization in this regard. These risks are reported to the general assembly through a formal communication to the president of the same, through email or written communication.

These measures do not replace the periodic risk assessment that must be submitted to the assembly of founders according to section 2.2.4

2.4.4 Communication channels

The executive management will have a formal representative from each of the FVB government bodies for communication.

- Advisory board: president of the advisory board
- Founders Assembly: President of the Founders Assembly

This communication channel will be the first point of contact for any situation arising from the management of the organization that needs to be evaluated. Also, for the preparation of periodic meetings or follow-ups (advisory boards and assemblies of founders).

This guideline does not prevent the executive management from contacting any advisory or founding member when required by their personal criteria.

2.5 INFORMATION DISCLOSURE

2.5.1. External Communication and information disclosure

In the process of accountability and under the principle of transparency that directs this manual, the Foundation will reveal to the public information relevant to its management that allows to verify the fulfillment of its corporate purpose.

Type of Disclosure Information:

The Foundation will publish the following information through its website:

- Annual management report
- Consolidated financial statements
- Approved surplus distribution project
- Fiscal audit report (if applicable)
- Name and identification of the founders and people in managerial, executive or control positions
- Name and identification of donors and amount and destination of donation
- Income tax declaration
- Act of constitution, statutes and modification of these
- Certificate of existence and legal representation
- Data processing policy
- Corporate Governance Manual

Periodicity:

The information will be updated at least annually and at most on March 31 of each year.

Responsibility:

The Executive Director will be responsible for the execution, compilation and publication of the information.

Disclosure Mechanisms:

The information will be made public through the Foundation's website

2.5.2. Internal communication

The administrators, advisors, collaborators or any member of civil society may contact or make a request to the corporate governance bodies, in order to express suggestions, requests and concerns regarding the processes and guidelines established through this manual and the management of the management, administration and controlling bodies of the foundation. For the above, the following communication mechanisms are established:

Regular duct:

Suggestions, requests and concerns will follow the regular channel proposed below:

1. Executive Direction
2. President of the Advisory Board
3. President of the Assembly

In case the request corresponds to the specific management of one of the estates, the request will be made directly to the subsequent estate.

Communication Mechanisms:

The communication of the request will be made in writing via email or letter addressed to the corresponding establishment, attaching contact details of the applicant.

Application Processing:

The government agency to which the request has been addressed will have ten (10) business days to respond by written communication, either email or formal letter.

Right to freedom of expression:

The right of freedom of expression of the applicant will be safeguarded and the right of anonymity will be respected, if it is requested.

2.5.3. Custody of Information

The Foundation will keep relevant information about its address, administration and control, according to the following guidelines

Type of Information	Responsible	Format and Storage Location	Access to Information	Custody Time
Founders Assembly Minutes	President of the Founders Assembly	1. Physical Book of Minutes of the Assembly of Founders and Founders registered before the Chamber of Commerce, which will be stored at the headquarters of the Foundation, and will be in the custody of the Executive Directorate. It is the responsibility of the person who performs the role of secretary of the Assembly, to register at most five (5) business days after the execution of the Assembly	The members of the Assembly, the executive direction and legal representative will have access to the Assembly Minutes	Up to 10 years after the extinction of the company

		<p>2. Virtual. A virtual archive of the Assembly minutes will be kept on google drive. It is the responsibility of the person who executes the role of secretary of the Assembly to scan the signed minutes and upload to the virtual repository a maximum of ten (10) business days after the execution of the Assembly</p>		
Minutes of Advisory Board Meetings	President of the Advisory Board	<p>A virtual archive of the Assembly minutes will be kept on google drive. It is the responsibility of the person who performs the role of secretary on the Board, to execute the minutes, send via email to its members and upload to the virtual repository at most five (5) business days after the execution of the Meeting</p>	<p>The members of the Advisory Board, Founders Assembly and Executive Direction will have access to the Minutes of the Assembly</p>	<p>Two (2) years</p>

<p>ACCOUNTING INFORMATION</p> <p>Financial statements and accounting records</p>	<p>Executive Management</p>	<p>Physical. The financial statements, accounting records and other accounting information will be kept in accordance with the regulations, and will have a physical record stored in the administrative headquarters of the Foundation.</p> <p>Virtual. The accounting information will be recorded in a specific accounting software determined by the executive management and the accounting team.</p> <p>All financial statements must be signed by executive management and accounting</p>	<p>Public</p>	<p>Ten (10) years</p>
<p>MINUTES OF INTERNAL AUDIT AND REPORTS OF TAX REVIEW</p>	<p>President of the Assembly</p>	<p>Physical. The minutes of the audit and fiscal review reports shall have a physical record stored at the headquarters of the Foundation.</p> <p>Virtual. Likewise, said reports will have a virtual repository in the custody of the president of the</p>	<p>Members of the Assembly</p>	<p>Ten (10) years</p>

		Assembly		
Applications for estates	President of the Assembly President of the Advisory Board Executive Management	The requests made to the estates by virtue of the processes and practices stipulated in this Corporate Governance Manual and their response will be stored in a physical and virtual repository (via Google Drive).	Specific access to the estate responsible for the request	Two (2) years

2.5.6. Quality of the information

The Foundation and those responsible for providing the information to be disclosed undertake that the information is reliable and corresponds to the reality of the foundation, following the principle of transparency.

2.6 FISCAL AUDIT

The assembly of founders may define the implementation of a fiscal audit to ensure compliance with the financial, accounting, legal and other policies required for the FVB

Chapter 3: Implementation and Follow Through

3.1. Approval of Corporate Governance Manual:

- Prior to the approval of the Manual, it will be presented to the management and administration bodies to which it refers, in order to introduce its feedback to the corporate governance guidelines described here.
- The Corporate Governance Manual will be approved by the General Assembly, who will be the agency responsible for its implementation and monitoring compliance with the guidelines established herein.

3.2. Implementation:

The guidelines described here will be implemented immediately after approval by the Assembly through two phases:

1. **Socialization:** The final version of this manual will be reviewed and discussed by the General Assembly with each of the Foundation's management and administration bodies, as well as with its operational team.

2. **Enlistment:**

- The General Assembly and the Advisory Board will select the roles designated here for their internal organization
- The president of each body will be responsible for enlisting the resources required to comply with the guidelines set forth herein within a maximum period of 1 month after his appointment.

3. **Publication:** The Corporate Governance Manual will be published on the foundation's website, so that any member of the foundation or civil society has access to it.

3.3. Follow-Through:

Semiannually, the assembly will monitor compliance with the guidelines established in this manual.

The manual may be modified at any time, in order to adapt the best management practices to achieve the purposes of the foundation. In this case the following procedure will be followed:

Receipt of the modification request. The request for modification may come from the semiannual review carried out by the Assembly or any member of the Foundation through the communication channels established in section 2.5.

Study of the modification request. The General Assembly will study the request and issue a response no later than 3 months after receipt of the request.

Modification implementation: The modifications to this manual will follow the protocol previously established.

CAPÍTULO 4: ANEX

ANNEX 1: Planning Tools

- Strategic Plan
- Operational Plan
- Budget

ANNEX 2: Tracking and Reporting Formats

- Quarterly Report
- Risk Management Matrix

ANNEX 3: Record Formats

- General Assembly
- Advisory Board

ANNEX 4: Documentation Advisory Board

- Advisory Board membership book
- Format of letter of acceptance of membership in the advisory board of Bive

[1] The model of the strategic plan and operational plan are detailed in Annex 1

[2] The model report is detailed in Annex 2

