

ETHICS AND CONDUCT PRINCIPLES

FOR BIDDERS, SUPPLIERS AND CONTRACTORS



CANAL DE PANAMÁ

The Panama Canal Authority (ACP) is an autonomous legal entity under public law, which shall be exclusively in charge of the administration, operation, conservation, maintenance, improvement and modernization of the Canal; as well as its activities and related services, pursuant to legal and constitutional regulations in force, so that the Canal may operate in a safe, continuous, efficient, and profitable manner.

To this end, the ACP is committed to becoming a model of excellence, integrity and transparency in its management. The Board of Directors, officials, and all Panama Canal employees are committed to providing a service of excellence and faithful compliance with the law and regulations.

Our business model is based on transparent and ethical values and business practices. Panama Canal bidders, suppliers and contractors play a crucial role in our value chain and are essential in the operation and international recognition of our organization. It is therefore expected that ACP bidders, suppliers and contractors always act competitively and with honesty, fairness and integrity: by sharing our values and principles; abiding ethical standards and that their actions and conduct are an authentic reflection of the highest standards of integrity and transparency.

These Ethics and Conduct Principles for Bidders, Suppliers and Contractors are intended to describe those fundamental rules in commercial relations that the ACP expects to have with its bidders, suppliers and contractors.

Each ACP bidder, supplier and contractor shall always act in a responsible and honest manner, recognizing that the postulates of these Principles are fundamental for ACP relations with bidders, suppliers and contractors.

INTEGRITY IN BUSINESS

All ACP bidders, suppliers and contractors must commit to the highest integrity standards and their contract and commercial actions with the ACP must be honest and in good faith.

Bidders, suppliers and contractors must communicate with honest advertising, compete in a fair manner and their actions must demonstrate responsibility in the bidding process, committing to provide only what they are able to fully comply with. If in the bidding process bidders, suppliers and contractors detect any error or irregularity, they must report it to the ACP so that they are corrected, ensuring greater transparency and participation.

All bidders, suppliers and contractors must have a competent staff in technical and contractual issues to ensure full compliance with the contractual relationship and the object of the contract.

Upon delivery or execution of the contract, the supplier must ensure that he fully complies with the agreement; and that cost management and billing are in accordance with the best accounting practices and provided for by the contract.

INTELLECTUAL PROPERTY AND CONFIDENTIALITY

All bidders, suppliers and contractors must respect at all times the intellectual property rights and confidentiality of the information to which access has been granted because of their commercial relationship with the ACP.

Their duties in the handling of confidential or reserved information include not disclosing information to others within or outside the bidder, supplier or contractor's organization, except to those who are entitled to in order to provide services contracted by the ACP; to persons outside the bidder, supplier or contractor's organization, or the bidder, supplier or contractor's own benefit or for the benefit of anyone else.

BRIBERY, COLLUSION AND FRAUD

Bribery, collusion, fraud, blackmail and bad practices are strictly prohibited and represent dishonesty and bad faith in contractual relations with the ACP.

Bidders, suppliers and contractors shall not directly or indirectly: have unauthorized communications or contact with ACP personnel, make any sort of payments, offer remuneration, gifts or donations with the intention or in a way that might be perceived as requesting favors during the selection process or while conducting business with the ACP. Furthermore, they will not bribe or attempt in any way to bribe members of the Board of Directors, officials, or ACP employees, including offering or giving kickbacks or gifts. Bidders, suppliers and contractors will not enter into collusion with one or more suppliers to limit competition or obtain benefits.

GIFTS

All bidders, suppliers and contractors are voided from giving or accepting gifts or offerings that may be interpreted as constraining on actions, as well as from seeking any improper or unfair advantage by offering gifts or entertaining for such purposes.

CONFLICTS OF INTEREST

ACP bidders, suppliers and contractors shall not have financial relations, kinship within the degrees of consanguinity, affinity or personal relationship that are or appear to be in conflict with the employee's obligation to act in the best interest of the ACP, as provided for in ACP Regulations.

Conflict of interest is understood as any circumstance, transaction or relation in which the supplier participates directly or indirectly, and in which the private interest of any director, official or ACP employee unduly interferes or might appear to interfere inappropriately with ACP interests.

Bidders, suppliers and contractors are called upon to immediately report to the ACP any conflict of interest they may be aware of, in connection with any commercial or contractual transaction they might have with the ACP.

COMPLIANCE WITH LAWS

All bidders, suppliers and contractors are duty-bound to comply with applicable laws and regulations, as well as with all their financial, legal, tax-related, labor, industrial safety, and environmental standards obligations.

All bidders, suppliers and contractors is also obliged to treat their employees with dignity and respect and to comply with the law and labor regulations, as well as those pertaining to the employment of minors. They shall pay all employment and social benefits required by law and will not use forced, involuntary or child labor.

ENVIRONMENTAL PROTECTION

All bidders, suppliers and contractors must comply with all applicable environmental laws for the conservation of natural resources and energy; reduction of waste and hazardous substances; and to seek ways to minimize the negative impact on the environment.

All bidders, suppliers and contractors must ensure that these Ethics and Conduct Principles are adequately disseminated among all their employees and subcontractors. They shall immediately report to the ACP any behavior or suspicion of misconduct by the supplier, his subcontractors or ACP employees.

For further information, please write to ETICA-INFO@pancanal.com. To report fraud, waste or abuse against ACP, call hotline 276-1801. This number does not have caller ID and all information may be reported anonymously.