




D1 S.A.S

Policy for the prevention of the risks of money laundering, terrorism financing and financing of the proliferation of weapons of mass destruction

Version 1.1


03/01/2021

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1. OBJECTIVES

By means of this ML/FT/WMD Risk Prevention Policy, guidelines and directives are established to mitigate the risk that D1 S.A.S. is used as an instrument to conduct money laundering operations and/or channel resources towards terrorist activities and/or the proliferation of weapons of mass destruction.

2. SCOPE

This policy applies to shareholders, members of the Board of Directors, employees, clients, suppliers, contractors and other third parties related to D1 S.A.S.


3. GUIDELINES, REQUIREMENTS AND CONDITIONS OF THE GUIDELINES POLICY FOR THE ADMINISTRATION, MANAGEMENT AND CONTROL OF ML/FT/WMD RISK.

Below, we list the general guidelines defined by D1 S.A.S. to serve as a guide for the behavior and business of all our employees, customers, suppliers, contractors and other related third parties.


3.1. GENERAL GUIDELINES

- a. This policy will apply to all businesses and operations where D1 S.A.S. identifies ML/FT/WMD risk factors.
- b. D1 S.A.S. requires its shareholders, members of the Board of Directors, employees, customers, suppliers, contractors, and other related third parties, to comply with the rules regarding Self-Control and Integral Risk Management of Money Laundering, Terrorism Financing and Financing of the Proliferation of Weapons of Mass Destruction, prevailing over the achievement of business and financial goals.
- c. D1 S.A.S. within the current Colombian legal framework and international recommendations, directs its efforts to prevent and control the risk of money laundering and terrorism financing, promoting, and establishing within its organization, an institutional culture on the subject in its management and control bodies, managers, shareholders and in general in all its employees, customers, suppliers, contractors and other related third parties.
- d. D1 S.A.S. has methodologies to identify, measure, control and monitor the risks to which it is exposed, in terms of Money Laundering, Terrorism Financing and Financing of the Proliferation of Weapons of Mass Destruction.
- e. D1 S.A.S. has guidelines for the prevention and resolution of conflicts of interest in this area, which are found in the Company's SAGRILAFT Manual.

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- f. D1 S.A.S. Employees who are related to suppliers or customers must ensure that the established procedures are complied with and that all required information is provided according to the products and/or services in question, in accordance with the established guidelines.
- g. D1 S.A.S. prohibits the creation of commercial relations with natural persons or legal entities that have fictitious names or inaccurate names, for which it is not possible to know the origin of their funds and their corporate structure.
- h. D1 S.A.S. monitors the operations of natural persons or legal entities, national or foreign, that due to their profile or the functions they perform may expose D1 S.A.S. to a greater degree to the risk of money laundering and terrorism financing.
- i. D1 S.A.S. has a regime of sanctions that regulates the consequences of non-compliance with the SAGRIFT by employees, managers and other related third parties, which is enshrined in the Code of Ethics and Conduct of the Company.
- j. All shareholders, members of the Board of Directors and employees of D1 S.A.S. must place compliance with the ML/FT/WMD Risk Management and Self-Control regulations before the achievement of the Company's commercial and financial goals.
- k. D1 S.A.S. monitors all operations, businesses and agreements that have characteristics that qualify them as unusual or abnormal according to the established criteria, for which these are controlled, documented, and reported in the existing formats for these purposes to the Compliance Officer or to the corresponding authorities, as appropriate for the latter.
- l. Employees, without exception, undertake with D1 S.A.S. to participate in training programs on Self-Control and Integral Risk Management of Money Laundering and Terrorism Financing, which will be conducted periodically under the coordination of the Compliance Officer.
- m. All employees of D1 S.A.S. must immediately inform the Compliance Officer of any unusual, attempted, or materialized operations of which they are aware, due to their position, role, or function, through the mechanisms used for such purpose.
- n. D1 S.A.S. is committed to actively collaborate with the competent authorities in relation to the prevention and control of Money Laundering, Terrorism Financing and Financing of the Proliferation of Weapons of Mass Destruction, giving timely response to their requirements, providing them with all the information deemed relevant and complying with the corresponding legal and regulatory provisions.

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- o. Failure to comply with this Policy is considered serious misconduct and implies the application of disciplinary sanctions in accordance with the Internal Work Regulations.

3.2. GUIDELINES ON COUNTERPARTY ENGAGEMENT

- a. D1 S.A.S. has established that prior to carrying out any type of operation or business, contractual or legal relationship of any order or nature, with suppliers or customers, the Company will apply the procedures referred to Due Diligence or Enhanced Due Diligence, which must be incorporated as an integral part of the Company's functional and operational processes.
- b. Enhanced Due Diligence will be applied to those Counterparties that (i) the Company considers represent a higher risk; (ii) to those Counterparties considered as Politically Exposed Persons - PEP; and (iii) to those located in non-cooperative countries and high-risk jurisdictions.
- c. D1 S.A.S. will refrain from initiating, carrying out, having, or maintaining any type of operation or any business, contractual or legal relationship, of any order or nature, if based on the measures adopted and the Due Diligence process it is concluded that the third party, supplier or customer, may generate a risk of money laundering or terrorism financing.

3.3. GUIDELINES RELATED TO PAYMENTS


At D1 S.A.S., payments and collections made to both Customers and suppliers, except for occasional suppliers, must be made by electronic transfers and/or checks through banking entities, whose holder must be the natural person or legal entity with whom the engagement or agreement was established.

The payment of up to ten (10%) of petty cash to occasional suppliers, and the receipt of cash, given that it may be considered a risk factor, the handling or delivery of such cash is regulated in a preventive manner in the SAGRILAFT Procedure Manual.

3.4. GUIDELINES ON DOCUMENTATION CONSERVATION

- a. The information related to the stages and elements of SAGRILAFT is duly documented, with physical backup and with conservation, control and security procedures that allow its consultation only by those who are authorized. The established procedures must also guarantee the integrity, timeliness, reliability, and availability of the information.
- b. Documents on Due Diligence processes shall be kept, at least, for the time required by the legislation in force.
- c. The Compliance Officer is responsible for keeping the documents that support the report of any suspicious operation.
- d. Records and files shall be kept for at least 10 years, according to the legislation in force.

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- e. The Legal Representative and the Compliance Officer shall guarantee the confidentiality of the information reported to the UIAF. D1 S.A.S. officers who for any reason have access to this information and the related documents must keep them confidential. Officers who violate the confidentiality of the information reported to the UIAF will be subject to the sanctions established in the Code of Ethics and Conduct.

4. ENTRY INTO FORCE

This policy shall become effective from the date of approval and disclosure in the company's official channels.

5. DOCUMENT VERSION CONTROL AND RESPONSIBLE PARTIES

| Version | Description of modification | Date |
|---------|---|------------|
| 1.0 | <i>Creation of a policy for the prevention of money laundering risks.</i> | 08/01/2021 |
| 1.1 | <i>Review of the policy</i> | 03/01/2023 |

| Version | Prepared by | Reviewed by | Approved by |
|---------|--|--|--|
| 1.0 | <i>Compliance Officer Legal Representative</i> | <i>Compliance Officer Legal Representative</i> | <i>Board of Directors</i> |
| 1.1 | <i>Compliance Officer Legal Representative</i> | <i>Control and compliance director – Lina María Torres</i> | <i>Control and compliance director – Lina María Torres</i> |

6. GLOSSARY AND TERMS


Shareholders: are those natural or legal persons who are holders of shares comprising D1 S.A.S.'s capital stock.

Customer: is whoever acquires the products offered by D1 S.A.S. derived from a commercial negotiation.

Conflict of Interest: in accordance with the Basic Legal Circular 100- 000005 of November 22, 2017 of the Superintendence of Companies, there is a conflict of interest when the simultaneous satisfaction of two interests is not possible, namely: the one lying with the administrator and the company, either because the interest is of the former or of a third party. In the same sense, a conflict of interest is considered to exist if the administrator has an interest that may cloud his judgment during a given operation, as well as when circumstances arise that constitute a real risk that the administrator's discernment may be compromised.

Counterparty: refers to any natural or legal person with whom the company has commercial, business, contractual or legal ties of any kind. Counterparties include, among others, the

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company's shareholders, partners and employees, customers and suppliers of goods or services.

Due Diligence: Process carried out to obtain effective, efficient and timely knowledge of all current and potential counterparties, as well as to verify the information and supports thereof, i.e., knowledge of all natural or legal persons with which the entity establishes and maintains a contractual or legal relationship for the supply or acquisition of any product of its activity.

Enhanced Due Diligence: is the process by which the Company adopts additional and more intense measures for the knowledge of the Counterparty, its business, operations, Products, and the volume of its transactions.

Employee: those persons who are obliged to render a personal service under subordination in favor of the Company, in exchange for remuneration.

PEP: means politically exposed persons, that is, they are the public servants of any nomenclature and job classification system of the national and territorial public administration, when in the positions they occupy, they have in the functions of the area to which they belong or in those of the employment position they occupy, under their direct responsibility or by delegation, the general direction, formulation of institutional policies and adoption of plans, programs and projects, the direct management of goods, monies or securities of the State. These may be through expenditure management, public contracting, management of investment projects, payments, liquidations, administration of movable and immovable property. It also includes Foreign PEPs and PEPs of International Organizations.

Supplier: Refers to any third party that provides services to the Company or has a contractual legal relationship of any nature with the Company. Suppliers may include, but are not limited to, contractors, distributors, advisors, consultants.

ML/FT/WMD Risk: Refers to the possibility of loss or damage that a Company may suffer due to its propensity to be used directly or through its operations as an instrument for money laundering and/or channeling resources to terrorist activities or financing the proliferation of weapons of mass destruction or when the intention is to conceal assets derived from such activities. The contingencies inherent to ML/FT/WMD materialize through risks such as legal, reputational, operational or contagion risks, to which the company is exposed, with the consequent negative economic effect that this may represent for its financial stability, when it is used for such activities.

User: natural or legal persons who purchase products in D1 S.A.S. stores.

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