

SAGRILAF Policy

INTRODUCTION:

The Policy for the Prevention of Money Laundering, Terrorism Financing, or the Financing of the Proliferation of Weapons of Mass Destruction (ML/TF/FPWMD) aims to strengthen the internal control system by implementing a Procedures Manual that guides the actions of managers and collaborators in operating the SAGRILAF system. This approach reinforces the institutional values of the Code of Ethics and Corporate Governance, which urges action with ethics, excellence, social responsibility, and shared value.

The SAGRILAF Policy serves as a tool for Bogota Chamber of Commerce (BCC) stakeholders to act diligently in managing the risks associated with ML/TF/FPWMD.

PURPOSE:

The Bogotá Chamber of Commerce (BCC), in its commitment to transparency, business ethics, and the fight against ML/TF/FPWMD, has implemented a Self-Control and Comprehensive Risk Management System for Money Laundering, Terrorism Financing, and the Financing of the Proliferation of Weapons of Mass Destruction (SAGRILAF). This system has been designed to prevent and manage the risk that the BCC's operations, activities, or relationships may be used for illicit purposes, such as money laundering, terrorism financing, or the financing of the proliferation of weapons of mass destruction (ML/TF/FPWMD).

DEFINITIONS:

Administrators: Administrators include the legal representative, their alternates, and the members of the Board of Directors.

Strategic Ally: Any natural or legal person, public or private, national or international, who enters into a non-remunerative agreement, memorandum, covenant, or onerous legal business with the BCC.

Collaborator: Any natural person, national or foreign, who is obligated to provide a personal service to the BCC under an employment relationship or contract.

ML/TF/FPWMD Risk Control: This refers to the implementation of policies, processes, practices, or other existing actions that mitigate ML/TF/FPWMD risks in the operations, businesses, or contracts carried out by the BCC.

Contractor: Any natural or legal person, under public or private law, national or international, who enters into a remunerative legal agreement with the BCC.

Due Diligence: The process through which the BCC takes measures to know the counterparty, their business, operations, products, and transaction volumes.

Risk Assessment: A process used to determine risk management priorities by comparing a given level of risk against predetermined standards, target risk levels, or other criteria.

Risk Factors: Possible elements or causes that generate ML/TF/FPWMD risks for the BCC.

ML/TF/FPWMD Risk Management: The adoption of policies to prevent and control the risk of ML/TF/FPWMD.

Ethic Line: An online reporting system for complaints regarding acts of Corruption, Transnational Bribery, Money Laundering, and Terrorism Financing, made available by the BCC.

Risk Matrix: A tool that allows identification of ML/TF/FPWMD risks to which the BCC is exposed.

Three Lines Model: A reference framework (from the Institute of Internal Auditors (IIA) or the Basel Committee on Banking Supervision) that helps organizations structure their roles and responsibilities for risk management, internal control, and corporate governance. It is based on the concept of segregation of duties across three components or levels: first, second, and third line.

Monitoring: The ongoing and systematic process through which the efficiency and effectiveness of a policy or process are verified by identifying achievements and weaknesses, with the aim of recommending corrective actions to optimize expected outcomes.

Compliance Officer: The natural person designated by the BCC who is responsible for promoting, developing, and ensuring compliance with specific procedures for the prevention, updating, and mitigation of ML/TF/FPWMD risks.

Unusual Transaction: A transaction whose amount or characteristics are not consistent with the ordinary or normal economic activity of the BCC, or that, due to its number, quantity, or features, does not conform to expected norms or ordinary practices.

Suspicious Transaction: An Unusual Transaction that, in addition, is based on the norms and customs of the related activity, cannot be reasonably justified. This includes attempted or rejected transactions that exhibit suspicious characteristics.

Stakeholders: Any individual, group, or entity that has a direct or indirect interest in, influence over, or dependence on the BCC and its activities. Stakeholders may be affected by the decisions and actions of the BCC or may influence its operations and outcomes. They typically are affiliates, strategic allies, authorities, clients, collaborators, contractors, international organizations, suppliers, civil society, and subcontractors.

SAGRILAFT Policy: General guidelines that the BCC must adopt to identify, assess, prevent, and mitigate ML/TF/FPWMD risks.

ML/TF/FPWMD Risk: The possibility of loss or damage a company may suffer due to being directly used or through its operations as a vehicle for ML/TF/FPWMD, or when attempting to conceal assets derived from such activities.

ROS: Report of Suspicious Operations.

SAGRILAFT: The self-control and comprehensive risk management system for ML/TF/FPWMD.

SIREL: The online reporting system managed by the UIAF. It is a web-based tool that allows reporting entities to upload and/or report the information required by regulation.

Red Flags: Particular circumstances that raise concerns and justify further analysis.

Subcontractor: Any natural or legal person, public or private, national or international, who has signed a service contract with a BCC contractor and is required to perform any type of activity for the BCC.

UIAF: The Financial Information and Analysis Unit, Colombia's financial intelligence unit, responsible for intervening in the economy to prevent and detect ML/TF/FPWMD.

SCOPE:

The SAGRILAFT Policy is addressed to all administrators, collaborators, and, in general, to any individuals acting on behalf of, in the name of, or representing the BCC. It must be applied in all interactions with stakeholders, particularly in the development of commercial and/or contractual relationships of any kind (e.g., contracts, agreements, memorandums, alliances) with private and public entities, both national and international, to prevent or avoid the use of the BCC as a vehicle for ML/TF/FPWMD.

The SAGRILAFT Policy sets out the general guidelines that the BCC must adopt to be able to identify, measure, control, and monitor ML/TF/FPWMD risks. This Policy is complemented by the SAGRILAFT Manual, which guides the actions of BCC administrators and collaborators to ensure the proper functioning of the system. In addition, consequences and sanctions are established for non-compliance with these guidelines.

OBJECTIVES:

- Identify, analyze, and mitigate ML/TF/FPWMD risks that may affect the BCC.
- Promote a culture of compliance that serves as a protective mechanism against ML/TF/FPWMD risks.
- Prevent damage to the image and reputation of the BCC through the adoption of measures that prohibit any form of ML/TF/FPWMD.
- Comply with the established and applicable regulations that set forth obligations to strengthen the prevention and management of ML/TF/FPWMD risks.
- Establish clear and efficient procedures that enable BCC collaborators and administrators to make informed decisions based on criteria for the prevention and mitigation of ML/TF/FPWMD risks.

These objectives are intended to prevent legal and reputational issues and foster an ethical organizational culture.

GENERAL GUIDELINES:

- The BCC promotes and maintains a strong culture in managing ML/TF/FPWMD risks. Management is responsible for ensuring that this culture is deeply embedded throughout the organization, fostering compliance practices in every activity.
- The BCC maintains a firm commitment to a zero-tolerance policy toward ML/TF/FPWMD-related crimes.
- This Policy reaffirms the BCC's commitment, as established in its Code of Ethics and Corporate Governance, to strictly comply with all applicable laws, regulations, and standards, including those aimed at combating ML/TF/FPWMD.
- Members of the Board of Directors, administrators, and the Compliance Officer must strictly comply with the roles defined in the SAGRILAFT Manual. Each of these actors is responsible for ensuring the proper implementation and monitoring of the established guidelines, ensuring the adoption of best practices in ML/TF/FPWMD risk prevention.
- All operations, businesses, contracts, agreements, and memorandums conducted by the BCC are governed by the guidelines of this Policy and the SAGRILAFT Manual, ensuring that each action complies with the highest standards of ethics and regulatory compliance.
- The BCC employs a risk management methodology that enables the identification, prevention, control, and management of ML/TF/FPWMD risks, as well as the potential consequences of their occurrence.
- The BCC carries out Due Diligence procedures that provide the necessary tools to identify and assess ML/TF/FPWMD risks related to its activities. This procedure applies to the counterparties defined by the BCC, including the members of the Boards of Directors of its subsidiaries or affiliates.
- The BCC establishes a risk matrix with specific methodologies to identify, detect, prevent, and mitigate ML/TF/FPWMD risks. It also develops a structured approach that includes key process evaluations, risk factor analysis, and the implementation of internal controls.
- The BCC defines red flags in operations that may indicate ML/TF/FPWMD risks.
- The BCC implements tools to identify unusual and suspicious transactions, generating alerts based on consolidated information related to ML/TF/FPWMD risk.

- The BCC will apply corresponding disciplinary sanctions in accordance with the Internal Work Regulations and the disciplinary procedures established. These sanctions will be imposed on any administrator or collaborator who violates the guidelines related to ML/TF/FPWMD risks.
- The BCC designs and delivers ongoing training programs for all collaborators and other relevant parties.
- The BCC trains its administrators and collaborators, as well as high-risk areas and stakeholders exposed to ML/TF/FPWMD risks, at least once per year. This training is delivered in accordance with the annual training program or plan.
- The BCC ensures the allocation of the necessary operational, financial, physical, technological, and human resources for the proper management of the SAGRILAFT system.
- The BCC provides confidential and secure reporting channels for anyone to report suspicious activities related to ML/TF/FPWMD risks. These mechanisms are designed to protect the identity of the whistleblower and ensure the information is handled appropriately and in a timely manner.
- The SAGRILAFT system must be updated at least every two years, or sooner if significant changes occur that affect the level of ML/TF/FPWMD risks. It must also be updated whenever new regulations require it, ensuring the program remains aligned with current laws and effectively addresses evolving operational and regulatory risks.
- All activities implemented by the BCC under the SAGRILAFT framework are documented and recorded, ensuring the integrity, reliability, confidentiality, traceability, and availability of information for effective management and control.
- The BCC will provide tools and knowledge to identify and report suspicious activities.
- Compliance with this policy is understood as the observance of applicable laws and regulations by the BCC in administrative, financial, commercial, and other areas, with the goal of preventing criminal acts and avoiding disciplinary, administrative, civil, criminal, and reputational penalties.

GOVERNANCE MODEL:

The BCC structures the functions and responsibilities related to the identification, assessment, prevention, management, and mitigation of ML/TF/FPWMD risks by adopting the Three Lines Model. This model entails: (i) risk management by operational areas, (ii) an independent ML/TF/FPWMD risk management function, and (iii) an independent evaluation function.

First Line

The first line is composed of the operational areas that manage the daily activities of the BCC, including those that directly interact with stakeholders. These areas hold primary responsibility for identifying, assessing, managing, and controlling ML/TF/FPWMD risks within their processes, services, products, activities, and systems. It is essential that they understand and apply the established policies and procedures for risk management, ensuring that operations are conducted in compliance with regulations. To carry out these tasks effectively, these areas must be equipped with the necessary resources, knowledge, and tools to implement effective controls.

In addition, operational areas are required to develop, implement, and maintain internal controls to mitigate the risks inherent to their activities. This includes establishing mechanisms for continuous monitoring and review to detect irregularities, as well as the ability to report and address any deficiencies or non-compliance. Risk management of ML/TF/FPWMD at the first line is crucial for ensuring adherence to the ML/TF/FPWMD Policy and the SAGRILAFT Manual.

Second Line

The second line is led by the Planning Management Office and the Risk Management Office, under the responsibility of the Compliance Officer, who supervises and monitors the implementation of the SAGRILAFT Policy and Manual. The Compliance Officer ensures the effective execution of SAGRILAFT, regulatory compliance, and the adoption of best practices for managing ML/TF/FPWMD risks.

This role includes updating the Risk Matrix, overseeing Due Diligence procedures, and collaborating internally with various departments to ensure compliance. The Compliance Officer also serves as the primary point of contact for interactions with supervisory authorities.

Third Line

The third line consists of the Internal Comptroller and may include external auditors, whose role is to ensure compliance with professional standards. This line provides an independent evaluation of the effectiveness of governance, risk management, and internal control. Its function is to deliver an objective assessment of the effectiveness of the controls implemented to ensure that ML/TF/FPWMD risks are appropriately managed.

DISCLOSURE, TRAINING, AND COMMUNICATION CHANNELS

Disclosure.

To ensure the dissemination of this policy to all BCC personnel and relevant stakeholders, the Compliance Officer annually defines a training and communication plan, which includes, among other mechanisms, the publication of the policy on the official BCC website (www.ccb.org.co). Additionally, specific strategies are developed, when necessary to inform both stakeholders and staff about the policies and standards implemented by the BCC regarding the prevention of ML/TF/FPWMD.

Likewise, the BCC is committed to carrying out periodic communications directed to its staff and designated stakeholders using virtual or printed media to ensure that everyone is informed about updates to the SAGRILAFT Manual.

Training.

The Compliance Officer establishes and coordinates the training and communication plan on topics related to ML/TF/FPWMD. Training sessions must be conducted at least once a year and will be directed to all personnel.

Training will be scheduled according to the Training and Communication Plan, and attendance records must be kept. Additionally, the topics covered will be evaluated at the end of each session, and proof of completion will be documented. If an employee does not achieve a satisfactory grade, they must receive additional instruction on the topics not understood and will be re-evaluated.

Furthermore, during the onboarding process for new employees, training on this Policy and the SAGRILAFT Manual will be conducted, and attendance and evaluation records will be mandatory.

Communication Channels.

The BCC maintains an Ethics Line for reporting concerns and making reports related to ML/TF/FPWMD. This channel is available through the official BCC website: www.ccb.org.co.

The BCC, through the Compliance Officer, must report to the Financial Information and Analysis Unit (UIAF) all operations for which it is legally obligated to report, as well as any Suspicious Transactions identified in the course of its regular activities. These reports must be submitted immediately and classified as a Suspicious Transaction Report (ROS) through the SIREL system.

Sanctions regime.

In the event of non-compliance with this Policy and/or the SAGRILAFT Manual, and depending on the severity of the infraction, the BCC will apply the corresponding disciplinary sanctions in accordance with the Internal Work Regulations and the procedure established therein.

Failure to comply with the orders and instructions outlined in Chapter X of the Legal Basic Circular issued by the Superintendency of Companies may lead to administrative investigations and the imposition of appropriate administrative sanctions on the obligated entity — in this case, the BCC, the Compliance Officer, the statutory auditor, or its administrators — as established in item 3 of Article 86 of Law 222 of 1995, without prejudice to any other actions taken by the relevant authorities, and always in accordance with the right to due process and the right of defense.

Any violation of this policy will be sanctioned in accordance with internal regulations and applicable law.

Below are examples of specific behaviors that constitute a breach of this policy. This list is not exhaustive and should be interpreted as a guide to actions and omissions that go against the established guidelines. Any activity, behavior, or negligence that may expose the organization to ML/TF/FPWMD risks will be considered a violation and subject to corresponding sanctions.

- Participating in money laundering, terrorist financing, or the proliferation of weapons of mass destruction (ML/TF/FPWMD) activities.
- Violating the guidelines established in the SAGRILAFT Manual.

- Failing to participate in mandatory annual training sessions related to ML/TF/FPWMD risks.
- Failing to comply with due diligence procedures.
- Ignoring or disregarding red flags that indicate potential ML/TF/FPWMD risks.
- Omitting the identification and reporting of unusual or suspicious transactions.
- Not using the established communication channels to report unusual or suspicious activities.
- Manipulating financial or transactional information to conceal its origin.
- Refusing to cooperate with internal or external investigations related to SAGRILAFT.
- Failing to implement internal controls for the prevention of ML/TF/FPWMD risks.
- Providing false or incomplete information during ML/TF/FPWMD risk assessment procedures.
- Interfering with internal or external audit processes related to the policy and the SAGRILAFT Manual.
- Authorizing the use of BCC infrastructure for illicit ML/TF/FPWMD activities.
- Concealing relevant information from the Board of Directors, Compliance Officer, or any other internal or external authority related to SAGRILAFT.
- Ignoring audits, recommendations, or previous alerts related to ML/TF/FPWMD risk management.
- Obstructing the implementation of monitoring controls or measures established to manage ML/TF/FPWMD risks.
- Failing to allocate the operational, financial, physical, technological, or human resources necessary for the proper management of the SAGRILAFT system.