



## POLICY TO PREVENT AND CONTROL THE RISK OF MONEY LAUNDERING, TERRORISM FINANCING AND THE FINANCING OF PROLIFERATION OF WEAPONS OF MASS DESTRUCTION (ML/TF/FPWMD)

April 30 2021

### OBJECTIVE

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Definition of Grupo Nutresa's corporate guidelines for managing the prevention and control of the risks of money laundering, terrorism financing, the financing of proliferation of weapons of mass destruction or any related source crimes (hereinafter ML/TF/FPWMD). The purpose of this definition is to minimize the possibility of any Grupo Nutresa company being directly or indirectly used through their operations as an instrument for laundering money and/or channeling resources toward the execution of terrorist activities or financing the proliferation of weapons of mass destruction, or for concealing assets originating from such type of activities.

This policy is aligned with both the provisions of Grupo Nutresa's Code of Corporate Governance and the corresponding regulations currently in force.

### SCOPE

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This Policy is applicable to all the companies that are part of Grupo Nutresa, and to all related third parties in the jurisdictions where they operate.

For the purposes of this Policy, Grupo Nutresa as an organization also includes Fundación Nutresa, the Nutrition, Health and Wellbeing Research Center (Vidarium) Corporation, the Compañía de Galletas Noel S.A.S. and Industria de Alimentos Zenú S.A.S. Employee Mutual Investment Fund, the Alimentos Cárnicos S. A. S. Employee Mutual Investment Fund, and the Mutual Investment Fund of the employees from Grupo Nutresa S. A. and its companies.

### DEFINITIONS

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This Policy includes the definition of:

- Criteria for the actions of the employees.
- Principles for the relations with third parties.



- System for the Prevention and Control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction.
- Staff in charge of the system for the Prevention and Control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction.
- Governance authorities and bodies for the supervision of the compliance with this Policy.
- Obligations and prohibitions that all the employees of Grupo Nutresa's companies must fulfill.
- Obligations and prohibitions that all related third parties must fulfill.

## 1. General Conditions

The specific terms set forth in this Policy must be interpreted according to the definitions established in this Policy's section 10, Glossary.

## 2. Criterios de actuación de los colaboradores

The following are the general criteria for the fulfillment of the obligations and duties of the managing staff and all employees in terms of the prevention of ML/TF/FPWMD:

- a) Knowledge of the related third parties: all of the employees of Grupo Nutresa's companies, whether they intervene in the transactions with both local or international organizations or not, shall be bound to apply, as the corresponding requirements may be, the prevention and control measures included in the procedures that are explained in full detail in the manuals of each of the companies based on the guidelines established in this Policy.
- b) Information confidentiality: no employee of any of Grupo Nutresa's companies shall be able to directly or indirectly disclose to any related third parties any information about the control and analysis procedures used in their operations for the prevention of ML/TF/FPWMD or any restricted-use or internal information about the companies' Systems for the Prevention and Control of the Risks of ML/TF/FPWMD. All requests in this regard shall be directly managed by the respective Compliance Officer.
- a) Reporting red flags: if an employee identifies a red flag, such employee must proceed to report it immediately through the mechanisms established in the manuals and procedures of each one of the companies.

## 3. Principles for the relations with third parties

According to the Organization's corporate philosophy, the development of the relations between Grupo Nutresa's companies and their related third parties shall always be based on the following principles:

- a) All our actions must be based on ethics, respect and corporate social responsibility.
- b) We must always operate under strict compliance with the law and in collaboration with the competent authorities.
- c) We must always practice a good corporate governance based on our principles and values in all relations with clients, customers, suppliers and all other related third parties.

- a) We must manage all risks in a responsible manner, guaranteeing the following risk levels are never exceeded: financial and operational, moderate; commercial, aggressive; reputational, none.

#### **4. System for the Prevention and Control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction.**

The procedures, mechanisms, practices and tools for managing and disclosing the risks associated with ML/TF/FPWMD, as well as the mechanisms for reporting red flags and unusual or suspicious operations in a timely manner, and the structure of the system are all included in the “Manuals for the prevention and control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction from each one of the companies.”

#### **5. Staff in charge of the system for the Prevention and Control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction.**

- 1.1. For the parent company, Grupo Nutresa S. A.:

The person in charge shall be appointed by the Board of Directors under the job title of “Compliance Officer.” Said governance body shall also appoint a substitute compliance officer when deemed necessary.

The definition of the framework of action of the Compliance Officer, the Legal Representative and the Board of Directors shall include the provisions of the regulations applicable to Grupo Nutresa. The details of this framework of action can be found in Grupo Nutresa’s Manual of the System for the Prevention and Control of Money Laundering and Terrorism Financing.

- 1.2. For Grupo Nutresa’s operative companies, and for Fundación Nutresa and the Nutrition, Health and Wellbeing Research Center (Vidarium), the following provisions shall be considered:

- 5.2.1. In Colombia:

The staff in charge shall be appointed by the Board of Directors or the highest governance body of each company under the job title of “Compliance Officer.” Such governance body shall also appoint a substitute compliance officer when deemed necessary.

The definition of the framework of action of the Compliance Officer, the Legal Representative and the Board of Directors or highest governance body shall include both the provisions of the regulations applicable to each specific company, and the requirements demanded by their corresponding regulatory authorities in terms of ML/TF/FPWMD. The details of this framework of action can be found in the Manuals for the Prevention and Control of Money Laundering and Terrorism Financing of each company.

For the Mutual Investment Funds, the staff in charge shall be appointed by the Board of Directors under the job title of main or substitute “Responsible Officer.” Said governance body shall also appoint a substitute compliance officer when deemed necessary.

### 5.2.2. In other countries:

The appointment and the framework of action shall be executed in compliance with the corresponding local regulations regarding the prevention of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction, if applicable.

## 6. Governance authorities and bodies to comply with this policy

### 6.1. Governance authorities and bodies supervising the compliance with this Policy

The responsibilities of Grupo Nutresa S.A. Board of Directors shall be all the applicable responsibilities pursuant to the regulations currently in force regarding the prevention of money laundering and terrorism financing, which it will fulfill with the support of its Finance, Audit and Risks Committee according to the provisions of the Code of Corporate Governance. These governance bodies shall also be informed about the alignments and regulatory compliance regarding the prevention of ML/TF/FPWMD that must be fulfilled by all of Grupo Nutresa's operative companies based on the indications of their corresponding regulatory authorities.

### 6.2. Committee for Managing the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction

This is the high corporate level governance body that, according to the powers granted by the Finance, Audit and Risks Committee of Grupo Nutresa's Board of Directors, supports and assists the management work on the prevention and control of the risks associated with ML/TF/FPWMD in all of Grupo Nutresa's companies.

The Committee shall be formed by the Compliance Officer of the Grupo Nutresa S.A. parent company, the Compliance Officers of Grupo Nutresa's companies when required, and Servicios Nutresa's Legal Assistance, Internal Audit, Risk and Real Estate Asset, and Human and Organizational Development Managers, who shall be able to appoint their corresponding substitutes.

The tasks and responsibilities of the Committee shall be the following:

- Supporting and validating the formulation and implementation of the policies, manuals, criteria and practices used in the construction, management and disclosure of the Comprehensive System for Managing the Prevention and Control of Risks Associated with ML/TF/FPWMD of each one of Grupo Nutresa's companies.
- Supporting the development and implementation of the System at each of Grupo Nutresa's companies.
- Validating the methodologies, procedures and guidelines, as well as the mechanisms and results of the monitoring for ensuring the adequate operation of the System at each one of the companies.
- Recommending objective criteria for managing red flags and reporting suspicious operations to the Information and Financial Analysis Unit in the cases identified at each one of the companies.
- Reporting to the Finance, Audit and Risks Committee of the Grupo Nutresa's Board of Directors about the progress and any significant events associated with the System at each one of Grupo Nutresa's companies in a consolidated manner at least once a year.
- Any other tasks assigned by the Finance, Audit and Risks Committee.

## 7. Obligations and prohibitions that all employees of Grupo Nutresa's companies must fulfill

The specific obligations of the employees directly hired by the companies related to Grupo Nutresa are described in the Manual for the Prevention of Money Laundering and Terrorism Financing (ML/TF/FPWMD) of each one of the companies. The noncompliance with said obligations could entail the sanctions established in the internal working regulations of each one of the companies

## 8. Obligations and prohibitions that all related third parties must fulfill

All of Grupo Nutresa's related third parties that conduct business operations must comply with the Policy for the Prevention of Money Laundering, Terrorism Financing and Financing of the Proliferation of Weapons of Mass Destruction (ML/TF/FPWMD). All stakeholders must also implement measures focused on preventing their operations from being used for illegal activities or purposes related to ML/TF/FPWMD.

## 9. Related policies and procedures.

- Code of Corporate Governance.
- Code of Conduct for Suppliers.
- Comprehensive Risk Management Policy.
- Anti-fraud, Anti-Corruption and Anti-Bribery Policy.
- Internal working regulations of each company.

## 10. Glossary

The following is a list of general terms used in this Policy. However, each company must include the terms defined in the applicable regulations in force in their corresponding Manual of the System for the prevention and control of risks associated with ML/TF/FPWMD.

- a) Weapons of Mass Destruction. Weapons of mass destruction (WMD) are a major threat to international<sup>1</sup> peace and security. WMD include nuclear, biological and chemical weapons.
- b) Counterparty. It refers to any person or organization with a commercial, business, contract-related, legal or any other type of connection with the Company. Grupo Nutresa's counterparties include, among other, its partners, shareholders, employees, clients, customers and suppliers.<sup>2</sup>
- c) Stakeholders. According to its engagement model, Grupo Nutresa's stakeholders are its employees, clients, customers, shareholders, communities, consumers, shoppers and the Government.
- d) Terrorism Financing. Terrorism financing occurs when a person or an organization directly or indirectly carries out actions that promote, organize, support, maintain, fund or economically assist local and/or foreign illegal armed groups.

<sup>1</sup> FATF document. Public statement on the fight against the financing of proliferation, 2020

<sup>2</sup> Chapter X, Basic Legal Circular - Colombian Companies Superintendency

- e) Financing of the Proliferation of Weapons of Mass Destruction. It refers to all actions that supply money or use financial services, fully or partially, for the manufacturing, acquisition, possession, development, export, transfer of materials, division transport, conveyance, deposit or dual usage for illegal purposes in violation of local laws or international obligations, when applicable.<sup>3</sup>
- f) Tools: This term refers to all the means used by the company to prevent the occurrence of risks associated with ML/TF/FPWMD and to identify suspicious or unusual operations and red flags. Such tools include the following: abnormal operations indicators, corporate risk management programs, process control and automation spreadsheets, among other.
- g) Money Laundering. Money laundering is the process of attempting to give an appearance of legality to resources generated through illegal activities.
- h) Unusual Operation: It refers to an operation whose amount or characteristics are not proportional to the ordinary or normal economic activity of the Company and that, based on its number, quantity or characteristics, does not fit normal parameters or ordinary practices of businesses in a sector, industry or with a type of counterparty.
- i) Suspicious Operation: It refers to an unusual operation that, according to the types of use and regular characteristics of the corresponding activity, has also not been possible to be reasonably justified.
- j) Risk of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction. The possibility of loss or damage any Grupo Nutresa company could suffer for their susceptibility to be directly or indirectly used through their operations as an instrument for laundering money and/or channeling resources toward the execution of terrorist activities or financing the proliferation of weapons of mass destruction, or for concealing assets originating from such type of activities. The actions related to ML/TF/FPWMD may materialize through risks such as: risks of contagion, legal risks, operational risks, reputational risks and any other risks the company is exposed to, with the subsequent negative economic effect said risks may entail for the organization's financial stability when it is used for such activities.<sup>4</sup>
- k) Legal Risk: Possibility of losses incurred by a company when it is penalized, fined or forced to compensate for damages as a result of the noncompliance with standards or regulations and contract obligations.
- l) Reputational Risk: Possibility of losses sustained by a company due to discredit, bad image, negative publicity, whether it is true or false, in relation to the organization and its business practices that would cause loss of clients or customers, reduced revenues and/or legal proceedings against the company.
- m) Operational Risk: Possibility of incurring losses due to deficiencies, failures or inadequacies related to human resources, processes, technology and/or infrastructure, or due to the occurrence of external events.
- n) Risk of contagion: It refers to the possibility of losses a company may incur, directly or indirectly, due to an action or experience of a related or associated party. The term "related or associated party" includes people or organizations that have the possibility of exerting influence over the company.

<sup>3</sup> Colombian Financial Information and Analysis Unit (abbreviated *UIAF* in Spanish), concept issued on July 13, 2020.

<sup>4</sup> Chapter X, Basic Legal Circular - Colombian Companies Superintendency

- o) Red flags: A red flag is a notification emerging when an abnormal behavior that does not correspond to the normal behavior of counterparties is identified. This type of situations requires a deep and detailed analysis in order to rule out an activity of ML/TF/FPWMD.
- p) Related third parties: people or organizations with which Grupo Nutresa's companies establish business relations, such as: clients, customers, suppliers, business associates and all other stakeholders.

## ANNEXES

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1. Manual for the prevention and control of the Risks of Money Laundering, Terrorism Financing and the Financing of Proliferation of Weapons of Mass Destruction from each one of the companies.

## REVIEWS AND AMENDMENTS

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### Original document (version 1.0)

- Reviewed with legal assistance: May 24, 2012; by Verónica María Mercedes.
- Reviewed by the Organizational Design team: May 25, 2012; by Andrés Felipe Vélez and Luisa Fernanda Ramírez.
- Employee sanctions and responsibilities were included: June 1, 2012; by Jorge Adrián Vásquez.
- Validation carried out jointly with the Risk, Insurance and Security Manager: Validation finished on July 13, 2012.
- Validation made with the Internal Audit Department: Carlos Uriel Gómez, Armando de J. Marín and Blanca Nidia Yepes. August 9, 2012.
- Validation conducted by the Directive Committee: October 23, 2012.
- Validation performed by Grupo Nutresa's Finance, Audit and Risks Committee: October 26, 2012.

### Revision (version 2.0)

- Expansion of the scope to cover both Fundación Nutresa and Vidarium: October 24, 2014.

### Revision (version 3.0)

- Incorporation of amendments suggested by the ML/TF Prevention Compliance Department; June 26, 2019. Incorporation of amendments related to the Compliance Officers of the companies; July 16, 2019. Approval by the Finance, Audit and Risks Committee of the Board of Directors; July 26, 2019.

### Revision (version 4.0)

- Incorporation of amendments suggested by the ML/TF Prevention Compliance Department; June 23, 2020. Incorporation of amendments suggested by the ML/TF Prevention Compliance Committee; June 24, 2020. Approval by the Finance, Audit and Risks Committee of the Board of Directors; July 31, 2020.

### Revision (version 5.0)

- Incorporation of amendments based on the Single Newsletter No. 100-00016 issued on December 24, 2020, by the Colombian Companies Superintendency. Approval by the Finance, Audit and Risks Committee of the Board of Directors. April 30, 2021.