

SELF-CONTROL SYSTEM AND COMPREHENSIVE RISK MANAGEMENT OF MONEY LAUNDERING, TERRORIST FINANCING, AND PROLIFERATION OF WEAPONS OF MASS DESTRUCTION - SAGRILAFT

GUIDELINES

1. Introduction

Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction, hereinafter ML/TF/WMD, are criminal phenomena that generate negative consequences for the country's economy and for companies in the real sector, as they can affect the good name, competitiveness, productivity, and sustainability of companies. Therefore, it is essential to implement a self-control system and comprehensive risk management that allows identifying, assessing, measuring, controlling, and monitoring the company's risks, with the understanding that higher risks require greater control.

INTERNATIONAL TRADING COMPANY GRANADA LTD., hereinafter the company, whose corporate purpose is the marketing and export of flowers, has implemented the Self-Control System and Comprehensive Risk Management of Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction, hereinafter SAGRILAFT, as part of its commitment to good business practices.

2. Objectives

The company has implemented SAGRILAFT as part of good business practices so that within the company, they can properly identify, measure, assess, control, and monitor the risks associated with ML/TF/WMD, thus constantly mitigating the risks to which the company may be exposed.

2.1. General Objectives

- Establish methodologies for the prevention and control of risks, which strengthen the organizational structure and mitigate the materialization of ML/TF/WMD risks.

- Assist the authorities exercising control and surveillance and the administration of justice, assisting them unofficially in the fight against crime by reporting and conserving all documents proving their operations.
- Address the requirements of control entities by providing documents that contribute to the development of investigations that may be conducted.

2.2. Specific Objectives

- Promote compliance with legal provisions in accordance with current regulations.
- Develop policies and procedures to identify, measure, assess, control, and monitor ML/TF/WMD risks in order to take actions and prevent their materialization.
- Develop segmentation methodologies for ML/TF/WMD risk factors.
- Establish guidelines for the proper functioning of the transmission of reports to the Superintendence of Companies, the Financial Information and Analysis Unit - UIAF, and other entities to which information must be reported.
- Inform employees and third parties about the implementation carried out within the company regarding the prevention and control of the comprehensive risk of Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction (ML/TF/WMD).
- Maintain the company's image by avoiding links with persons associated with ML/TF/WMD to mitigate associated risks.

3. Organizational Structure

Within the framework of the manual, policies, and procedures established for SAGRILAF, the company establishes the functions and bodies of direction, administration, and control:

Board of Partners

Legal Representative

Compliance Officer

Employees

Fiscal Auditor

4. General Policies

The Board of Partners and the Company's Administrators, in compliance with SAGRILAF, define the guidelines to prevent crimes associated with Money Laundering, Terrorist Financing, and Proliferation of Weapons of Mass Destruction (ML/TF/WMD), as well as other associated crimes that may jeopardize the company's good name, image, reputation, and affect commercial and contractual relationships. Therefore, the Company:

- Has a methodology and procedures for ML/TF/WMD Risk Management, allowing the identification, measurement, control, and monitoring of inherent and residual risks that may affect the company.
- Maintains a permanent Training Program based on regulations and SAGRILAF development.
- Establishes that commercial negotiations will not prevail over compliance with the policies and guidelines defined for Money Laundering risk management and Terrorist Financing established in the company.
- Adopts mechanisms to preserve documentary information on associates, movements of resources in and out, reports to the UIAF, reports prepared by the Compliance Officer, fiscal auditing, and other information generated in the execution of SAGRILAF.
- Reports to the Financial Information and Analysis Unit (UIAF) operations determined as suspicious of Money Laundering and Terrorist Financing.
- The information on attempted or suspicious operations related to Money Laundering and Terrorist Financing will be treated with strict confidentiality; therefore, the name or identity of the persons on whom behaviors inducing the generation of the report have been determined cannot be disclosed.

- Carries out due diligence on any natural or legal person formalizing a contractual, commercial, or legal relationship (Customers, Employees, Suppliers, Shareholders, Contractors).
- Any operation in which the company is involved must have internal and/or external documentation clearly explaining the nature of the operations, the date, and approvals granted according to policies and procedures established for each area and processes of the company.
- Refrains from establishing links with clients, employees, suppliers, shareholders, and other related parties listed in binding and restrictive lists with alerts related to ML/TF/WMD acts that may represent a risk to the company.
- Employees must immediately report any unusual or suspicious operation they identify in the exercise of their daily activities to the Compliance Officer.
- Employees and/or third parties with any link to the company undertake to promptly respond to requests made by the Compliance Officer.

5. Due Diligence Procedure

Due diligence execution aims to prevent the company from being used as a tool to carry out activities or operations related to ML/TF/WMD. To ensure compliance with the provisions contained in the regulations, due diligence must be intensified through a mechanism or tool that allows consulting fiscal, disciplinary, judicial, administrative backgrounds, and binding lists that allow knowing the natural or legal person who will be linked to the company. Therefore, at least annually, documents are updated for each counterpart of the company.

Partners

Employees

Customers

Suppliers