

**GUIDELINES FOR THE
DUE DILIGENCE PROCESS
IN THE ACQUISITION OF
REAL ESTATE
POLICY**



GRUPO ARGOS

Investments that transform

This guideline aims to present the minimum requirements that different areas of the company must fulfill when acquiring real estate from Grupo Argos S.A. (hereinafter Grupo Argos or the Company). In this regard, the Company has adopted the following directives:

1. When an area is going to negotiate a property, it must send to the Compliance Officer a copy of the identification documents of the holder of the rights over the property to be acquired and those preceding it in the chain of tradition, in order to carry out checks against lists.
2. All real estate purchases must be preceded, without exception, by a real estate due diligence (hereinafter Real Estate Due Diligence) prepared by a law firm of recognized prestige. The costs of the Real Estate Due Diligence will be borne by the contracting area.
3. The Real Estate Due Diligence must be carried out by the law firm applying the following parameters:
 - a) The title study must include all annotations of the real estate registration folio, its supplementation, and matrix folios.
 - b) The base documents for the title study with substantial content, such as deeds and real estate registration folios, must be obtained directly from the entities that issue or custody them (Notaries, Public Instrument Registration Offices, etc.). Public deeds must be requested in authentic and complete copies with all annexes. In the case of official letters, resolutions, or sentences, a copy of the same document must also be requested simultaneously from the respective Public Instrument Registration Office and the respective authority that issued it to verify its authenticity.
 - c) A visit to the property location must be made to verify possessions or uses not stated in the documents, as well as particular situations of the property that can only be verified on-site.
 - d) A complete analysis of backgrounds of violence and public order situations in the property's location must be done, including activities such as interviews, visits to the area, sociological and/or political analysis. Documentary records on paper, video, or audio must be kept for all activities carried out.
 - e) Occupants, possessors, and intervening owners in the chain of tradition must be consulted in restrictive lists, particularly checking lists of kidnapped persons, OFAC, UN, INTERPOL, judicial records, and requirements. Additionally, it must be verified with the Ministry of Justice and Law that none of these individuals have been extradited for drug trafficking or related crimes. Records of these consultations should be kept, indicating the date, time, and name of the person responsible for the review.
 - f) Right-to-petition requests must be made to obtain information related to the property and/or the seller, directed to the following entities:
 - Land Restitution Unit – URT.
 - Attorney General's Office and DIJIN.

- Unit for Comprehensive Care and Reparation for Victims.
 - Public Ministry.
 - Departmental Government of the property's location.
 - Police Inspection of the Municipality where the property is located.
 - Committees for Attention to the Population Displaced by Violence or Territorial Transitional Justice Committees, where applicable.
 - No transaction may proceed until responses have been received from the Land Restitution Unit – URT, the Attorney General's Office, and DIJIN.
- g) For non-urban properties, a special chapter related to the property's situation regarding Agrarian Law provisions must be included, such as adjudications by INCODER or its equivalent, Family Agricultural Units (UAFs), or other aspects derived from the agrarian legal regime.
- h) It is necessary to examine whether there are ongoing judicial or administrative proceedings related to the property.
- i) It is imperative to confirm that the land use, inclusive of any proposed projects for alteration, aligns with the municipal territorial regulations, thereby facilitating the intended activity for which the property is intended.
4. The Real Estate Due Diligence will expressly indicate findings related to the different aspects analyzed, indicating the risks arising from them and allowing conclusions about the viability of carrying out the business and/or recommendations to solve those that can be remedied.
 5. In case of findings, they must be referred to the Compliance Officer so that, together with the Legal Affairs Manager, they can analyze these findings and define actions to follow.

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