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POLICY FOR SELF-MONITORING AND MANAGEMENT OF MONEY LAUNDERING AND TERRORIST FINANCING RISK

The adoption of the Money Laundering and Terrorist Financing Self-Control and Risk Management System (hereinafter SAGRLAFT) at Colombia Telecomunicaciones S.A. E.S.P. comprises the policies that enable the efficient, effective and timely operation of the system and are translated into rules of conduct and procedures that guide the actions of Colombia Telecomunicaciones S.A. E.S.P. (hereinafter "the Company") in all its stakeholders, partners and employees.

I. OBJECTIVE AND SCOPE OF APPLICATION

The main purpose of the SAGRLAFT is to minimize the possibility that resources from money laundering or financing of terrorism may be introduced through the Company's various activities.

The general guidelines for the Company's SAGRLAFT have been designed to take into account the Company's own risk, its economic activity, product commercialization, size, and other particular business characteristics.

The following have been established as the main objectives of the SAGRLAFT:

1. To implement a SAGRLAFT to protect the Company from being used as an instrument for Money Laundering and Financing of Terrorism (hereinafter LA/FT).
2. The SAGRLAFT to be implemented shall consider the Company's nature, corporate purpose, and other particular characteristics.
3. To make all company members aware of the importance of preventing and controlling the ML/FT risk due to the notorious threat to the economic system, the financial system, and the integrity of the markets.
4. To make all company members aware of the importance of applying control measures to guarantee the reduction or mitigation of the ML/FT risk.
5. To implement an adequate and efficient ML/FT risk management that allows identifying, measuring, controlling, and monitoring this risk.
6. Ensure compliance with internal and external regulations by the Board of Directors and those who provide services directly or indirectly to the Company.
7. Define the levels of control and responsibilities of all the Company's Employees involved in the SAGRLAFT to monitor risks and strive to improve its indicators.
8. To take into account in the design of the SAGRLAFT, the international standards on prevention and control of money laundering and financing of terrorism, especially those that have been issued by the Financial Action Task Force (FATF) and the Financial Action Task Force Latin America (GAFILAT).

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II. GENERAL POLICIES

These are those that indicate the guidelines and directives to be followed by the Company's Shareholders and Investors, Members of the Board of Directors, Employees, Customers, Suppliers, Contractors, Strategic Allies, and Third-Parties related to the Company, regarding ML/FT risk management.

1. The Company, within the current legal framework and international recommendations, directs its ML/FT risk management efforts.
2. The Company's Legal Representative shall designate the Compliance Officer or whoever takes their place, who shall report to the Legal Representative.
3. The Company promotes and establishes within its organization an institutional anti-money laundering and anti-terrorist financing culture in its Administrative and Control Bodies, Legal Representatives, Shareholders and in general in all its Employees, Customers, Suppliers, Contractors, Strategic Allies and Third-Parties related to the Company.
4. The Company has guidelines for the prevention and resolution of conflicts of interest.
5. The Company establishes demanding requirements for the engagement of Clients, Suppliers, Contractors, Strategic Allies, and Third-Parties related to the Company. It rejects the establishment or renewal of a contractual relationship that does not comply with the requirements of the law and the internal rules of the Company.
6. The Company shall provide its services and sell its products and services to customers who have complied with the delivery of documentation and information requested by the rules on risk management of money laundering and terrorist financing.
7. The Company shall not maintain links with counterparties that do not provide all the information required in accordance with the product or service offered.
8. The Company strictly prohibits commercial relations with natural or legal persons with fictitious names or false names.
9. The Company monitors the operations of natural or legal persons, national or foreign, who, due to their profile or the functions they perform, may expose the Company to a greater degree to the risk of ML/FT, including Publicly Exposed Persons (PEPs).
10. The Company has guidelines to identify, measure, control, and monitor risk factors and associated risks.
11. Duty of confidentiality. All information derived from the application of this policy is subject to confidentiality, which means that it may only be known by the competent judicial or administrative authorities.
12. Therefore, the Company commits its Shareholders, Investors, Board Members, Employees, Customers, Suppliers, Contractors, Strategic Allies, Creditors and Third-Parties related to the Company to keep absolute confidentiality regarding the information that is prepared and distributed in relation to SAGRLAFT, especially that which has been reported internally or reported to competent authorities, unless required by the competent authorities.

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13. Likewise, all the aforementioned have an obligation to safeguard and limit the use of the same to the purposes strictly established in the Law and in this policy, among which is to meet the information requirements of the UIAF, competent authorities, or control entities.
14. The Company shall establish a system of incentives and/or sanctions that regulates the consequences of non-compliance with the SAGRLAFT. The omission or failure to comply with any of the controls, information management, or other guidelines defined herein for preventing, detecting, and controlling Money Laundering and Terrorist Financing activities shall be considered a grave offense.
15. The Company shall monitor all transactions that have characteristics that qualify them as unusual, attempted, consummated, suspicious, or atypical in accordance with the established criteria, for which purpose they must be controlled, documented, and reported in the existing formats for these purposes to the corresponding authorities. The records shall be filed to maintain their availability. Additionally, the Assembly of Shareholders, Members of the Board of Directors, Employees, Clients, Suppliers, Contractors, Strategic Allies, and Third-Parties related to the Company shall be informed of the prohibition to disclose or publish reports of attempted, consummated, and suspicious, unusual operations to third parties.
16. The Company commits its Shareholders, Members of the Board of Directors, Employees, Customers, Suppliers, Contractors, Strategic Allies, and Third-Parties related to the Company to strictly comply with and apply the Business Principles and the SAGRLAFT Manual.
17. The Company undertakes to provide all necessary means to provide training for those employees that the Company considers should be trained due to their exposure to ML/FT risk and participate in training programs on the prevention and control of ML/FT risk. This shall be carried out periodically by the Compliance Officer or the person designated for such a purpose.
18. All Company employees must immediately inform the Compliance Officer of any unusual operations attempted or consummated that come to their knowledge because of their position, role or function.
19. The Company shall implement simplified, traditional, or enhanced due diligence procedures in accordance with the risk level of its counterparties.
20. The Company shall not carry out international operations whose origin or destination are countries or territories classified as non-cooperative or sponsor international terrorism.
21. The Company shall perform an Enhanced Due Diligence, superior to that usually performed on the operations of other customers and other stakeholders, in the case of international operations whose origin or destination are countries classified as "Tax Havens" or "International Financial Centers," in accordance with the list established by the Organisation for Economic Co-operation and Development - OECD.

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III. SAGRLAFT STAGE POLICIES

Son aquellas orientaciones específicas relacionadas con la identificación, medición, control y monitoreo del SAGRLAFT.

1. Identifying the Company's ML/FT risks shall be the responsibility of all employees and shall be channeled through the persons responsible for ML/FT in each area to the Compliance Officer and through that channel to the ML/FT Committee when required.
2. The measurement of the Company's ML/FT risks shall be the responsibility of the Compliance Officer and the LAFT Committee.
3. The Legal Representative shall be responsible for controlling the Company's ML/FT risks.
4. The monitoring of the Company's SAGRLAFT shall be the responsibility of the Compliance Officer and the LAFT Committee, with the support of all employees, with particular reference to those responsible for LAFT in each area of the Company.

IV. SAGRALFT ELEMENT POLICIES

These are the specific guidelines related to procedures, documentation, organizational structure, control bodies, technological infrastructure, information dissemination, and training.

1. The Company's SAGRLAFT policies and procedures are mandatory for Shareholders, Members of the Board of Directors, Employees, Customers, Suppliers, Contractors, Strategic Allies, and Third-Parties related to the Company its operations, business, and contracts.
2. The documentation on the Company's SAGRLAFT shall be in charge of the Compliance Officer and the LAFT Committee, who shall guarantee its integrity, reliability, availability, compliance, effectiveness, efficiency, and reliability. For this purpose, such documentation may be in writing or on magnetic media with the appropriate safeguards.
3. The members of the Board of Directors, the Legal Representative, the Compliance Officer, and the members of the Company's LAFT Committee undertake to fully comply with their functions and exercise their roles and responsibilities in relation to the Company's SAGRLAFT.
4. The Company's Employees and obligated stakeholders undertake to responsibly use the technological infrastructure of the SAGRLAFT and apply it in the performance of their duties.

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V. PRESERVATION OF INFORMATION

The documents and records related to compliance with the rules on prevention and control of ML/FT risk shall be kept for the legal term in force, especially those that support the decision to determine a transaction as suspicious and the report submitted to the UIAF.

VI. POLICY HOLDER

The holder of the SAGRLAFT Policy is the Board of Directors of the Company, which approves it, taking into account the proposal of the Legal Representative responsible for the SAGRLAFT model.

VII. RECORD OF THE FUNCTIONS OF THE BOARD OF DIRECTORS, LEGAL REPRESENTATIVE, COMPLIANCE OFFICER, AND INTERNAL CONTROL ENTITIES ON THE CONTROL OF MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION.

i. Board of Directors

The Board of Directors, as the highest management body of the Company, must comply with the following functions in relation to SAGRLAFT:

1. Study, modify and approve the SAGRLAFT policies presented by the Legal Representative responsible for the model.
2. To make recommendations or requirements to the Legal Representative for the adequate compliance of the SAGRLAFT model.
3. Define the frequency of the report submitted by the Legal Representative on the implementation, development, and progress of SAGRLAFT. In any case, there shall be at least one annual report.
4. To pronounce on the reports submitted by the Legal Representative on the follow-up of the SAGRLAFT model.
5. To demand compliance with the SAGRLAFT from the Legal Representative.
6. Any others established in the Law and the Company's bylaws.

ii. Legal Representative

The Company's Legal Representative must comply with the following functions regarding SAGRLAFT:

1. Design and submit the draft of the Policies on the implementation and administration of SAGRLAFT to the Board of Directors.

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2. Submit for approval of the Board of Directors the SAGRLAFT administration policies and any modification or update thereof, in accordance with the legal requirements established by the Superintendence of Corporations or by the Supervisor acting in its stead.
3. Verify that the procedures and controls established are developed and comply with the policies and instructions adopted by the Board of Directors regarding the prevention and control of ML/FT risk.
4. To provide the technological, human, and physical resources necessary for the implementation of SAGRLAFT.
5. To comply in a timely manner with the requirements or recommendations made by the control entities, associates, and the Board of Directors.
6. To provide effective, efficient, and timely support to the Compliance Officer.
7. Shall submit reports to the Board of Directors on the implementation, development, and progress of the SAGRLAFT, based on the reports of the Compliance Officer.
8. Define the periodicity of the reports to be submitted by the Compliance Officer.
9. Define with the Compliance Officer the content of the communications to be generated within the Company to comply with the SAGRLAFT policy.
10. Ensure that the databases and the technological platform comply with the criteria of integrity, reliability, availability, effectiveness, efficiency, and confidentiality of the information contained therein and with the legally established requirements to adequately develop the due diligence procedures for the Members of the Assembly, Members of the Board of Directors, Employees, Customers, Suppliers, Contractors, Strategic Allies and Third-Parties related to the Company.
11. Define, with the Compliance Officer, the training programs to be provided within the Company to comply with the SAGRLAFT policy so that the model becomes an organizational culture.

iii. Compliance Officer

The Compliance Officer shall have the following functions with respect to SAGRLAFT:

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1. To ensure the effective, efficient, and timely follow-up of the stages and elements that make up the SAGRLAFT.
2. Submit to the legal representative, in accordance with the frequency defined by the legal representative, written reports on the implementation, development, and progress of SAGRLAFT, at least once every six months.

The reports must refer at least to the following aspects:

- a. The results of the management developed.
 - b. The compliance that has been given in relation to the sending of reports to the different authorities.
 - c. Compliance with due diligence procedures, cash handling, and identification of unusual and suspicious operations adopted in the SAGRLAFT model.
 - d. The evolution in the analysis and evaluation of risk factors and the controls adopted and the associated risks.
 - e. The effectiveness of the mechanisms and instruments established in the SAGRLAFT policy, and the measures adopted to correct the failures in the SAGRLAFT.
 - f. The results of the corrective measures ordered by the control entities, associates, and the Board of Directors.
 - g. The documents and pronouncements issued by the control entities and the Special Administrative Unit of Information and Financial Analysis - UIAF.
3. In the event that the Legal Representative responsible for SAGRLAFT does not give due importance and collaboration to the reports and results presented by the Compliance Officer, he/she shall go directly to the Company's Board of Directors to submit the reports described in the preceding paragraph.
 4. To promote the adoption of corrective measures to the SAGRLAFT model.
 5. Coordinate the development of internal training programs.
 6. Propose to the Legal Representative the update of the Procedures Manual and ensure its dissemination to the Employees.
 7. To design methodologies for identification, measurement, and control of SAGRLAFT.

Version	Date	Change/Modification	Approved by	Developed by
1.	15-12-2014	Creation	Board of Directors	Legal Representative Compliance Officer
2	12/12/2018	Change of code from SEG-POL-010002 to CUM-POL-010001	Jenny Marcela Hernandez	Luz Ayda Otalora Lopez Process professional: Ana Lucia Cuineme