

## Compliance Due Diligence procedure applicable to prospective and current suppliers and third parties

### Guidelines

**I. Background**

The companies that are part of the consortium known as “Grupo BAL” (hereinafter, the “Companies”), have business relationships with all types of individuals or legal entities (hereinafter, the “Third Parties”) according to their needs, whether operational, administrative, technical, or other; therefore, it is important to avoid any type of relationship with Third Parties that carry out activities that could put the Companies at risk. To this end, before establishing a business relationship with Third Parties, the Companies must perform a risk-based Compliance Due Diligence (hereinafter, the “CDD”), and if applicable, update it periodically, according to the level of non-compliance risk identified, or when an event arises that makes it necessary to update or perform the CDD.

The CDD process was developed with a risk-based approach, determining among other factors: its definition, characteristics and scope, including but not limited to corporate ethics and integrity, legal compliance, anti-money laundering, human rights, data protection, labor and social security compliance, social and environmental responsibility, outsourced services, sourcing of textiles and footwear, sourcing of precious metals and stones, as well as any specific regulations, as applicable, depending on the relationship intended to be formalized with Third Parties, in order to have elements to strengthen decision-making on the convenience of entering into or maintaining business with Third Parties.

**II. Scope**

These guidelines are intended to establish the terms and conditions under which the CDD process will be carried out by the Companies. During the CDD process, the Companies reserve the right to request the completion of specific questionnaires and specific information specific information required from the Third Parties with whom they intend to engage.

The review of technical requirements and commercial conditions will be carried out by the area designated for such purposes and is not part of the CDD process.

**III. Intention to respond**

Third Parties wishing to initiate or continue a business relationship with the Companies must accept these guidelines, as well as respond to the questionnaires and attach the requested documents within a period of no more than 30 (thirty) calendar days from the date on which the Companies have sent the corresponding request.

The absence of a response from the Third Party will be interpreted as a tacit decline to continue or initiate a business relationship with the Companies.

**IV. Communication**

The designated means of communication between the Third Parties and the Companies will be the platform known as BAL Evalúa through a link sent by the account [BALevalua@gan-compliance.com](mailto:BALevalua@gan-compliance.com) or [no-reply@gan-compliance.com](mailto:no-reply@gan-compliance.com). In case of any doubt, Third Parties may contact the designated person within the Company implementing the CDD process.

**V. Accuracy and quality of information**

The Third Parties declare, under oath and under penalty of termination of all contractual relationships with the contractual relations with the Companies, that the information and documents to be provided during the during the process are legitimate and valid.

In the event that the Third Parties subject to CDD are not truthful with respect to the documents and scope of the information provided to the Companies, they will be disqualified from the corresponding process and will not be able to participate in any other equivalent processes of any nature that may be convened by the Companies for a minimum period of 5 (five) years.

**VI. Right of refusal**

It is hereby established and understood by the Third Parties that the performance of the CDD process does not constitute any legal obligation on the part of the Companies to have a business relationship, since it is part of the compliance procedures and may not have direct participation in any decision making on the part of the Companies.

**VII. Tacit acceptance**

By answering the questionnaires and sending them to the Companies, the Third Parties:

- Accept the treatment and purposes of use of the personal data provided during the CDD process with the Companies' Privacy Notice, available at: [balevalua.bal.com.mx](http://balevalua.bal.com.mx).
- Accept that the information and documentation provided may be shared with any other of the Companies only in the event that the interested party is considered to be able to provide services to them.
- Accept to know and understand the contents of the Code of Ethics and Conduct for Third Parties, as well as the contents of the Integrity Policy (<https://politicaintegridad.bal.com.mx>), committing themselves to comply with the provisions therein and to disclose it, as the case may be, among their employees, directors, partners and shareholders, as well as to enforce it by them.