

Corporate Policy

Anti-Bribery & Inducement Policy

01 Introduction

Distribuidora Internacional de Alimentación, S.A. and its subsidiaries companies (hereinafter, jointly, "DIA" or the "Group") are committed to comply with laws and regulations, as well as to conduct all its business activity in an honest and ethical manner.

It is the aim of DIA to promote a culture of compliance, through a model of ethics and the fight against bribery and other illicit behavior, in order to avoid acts which might reflect adversely upon the integrity and reputation of the Group. Any conduct contrary to the law is not only a legal violation, but also a violation of the Group's values, which will not be tolerated.

The rejection of corruption is a fundamental principle of DIA's Code of Ethics (hereinafter "Group's Code of Ethics"), so that the Group's goal is to encourage its employees to act with integrity, diligence and impartiality in decision-making and in relations with public or private third parties. DIA rejects all forms of corruption by applying a zero-tolerance approach to any non-compliance with this Policy.

DIA will carry out all its activities in accordance with the legislation in force in all fields of action and in all the countries in which it operates, in accordance with its spirit and purpose.

Consequently, in line with the Group's Code of Ethics and its culture of compliance and integrity, DIA has developed the present policy which describes the prohibition of bribery, inducement and other improper payments in the conduct of DIA's business activities, as well as it provides guidance on how to recognize and deal with bribery and corruption issues (hereinafter the "Policy"). Furthermore, this Policy is understood as an extension of the provisions of the Crime Prevention and Anti-Corruption Policy.

02 Scope and applicability

The purpose of this Policy is to:

- Set out the compliance standards in observing and upholding DIA's position on bribery; and
- establish effective communication and awareness mechanisms among the Obligated Persons in order to prevent, detect and respond to bribery issues.

This Policy is applicable, without limitation, to all the Group companies, members of the Board of Directors, officers, employees, agents and any other contracted staff wherever located and any other associated persons performing activities in relation to the Group (hereinafter, the “Obligated Persons” or “Obligated Person”).

All the Obligated Persons shall comply with this Policy and its provisions and shall perform their business practices in compliance with this Policy. Likewise, Obligated Persons are responsible for ensuring that risks are effectively managed in relation to activities falling within their responsibilities in order to comply with the applicable anti-bribery laws, rules and regulations.

03 Roles and Responsibilities

03.1 Responsibilities

The Obligated Persons must read, understand and comply with this Policy and the following related policies:

- Group's Code of Ethics;
- Crime Prevention and Anticorruption Policy.

The prevention, detection and reporting of Bribery are the responsibility of all Obligated

Persons. Obligated Persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

03.2 Approval of this Policy

This Policy has been approved by DIA's Board of Directors, assisted by the Group's Ethics Committee and the Group's Compliance Officer.

Any amendment to this Policy must be approved by DIA's Board of Directors.

03.3 Supervision, communication and training

The Group's Compliance Department is responsible for implementing this Policy and ensuring its compliance across all companies, their employees and any territories where the Group operates and monitoring its effectiveness and compliance. Specifically, the Group's Compliance Department and the Group's Ethics Committee will ensure that this Policy is effectively communicated to those who are required to comply with it within the region they supervise.

The Country Ethics Committee shall assist the Group's Compliance Department and the Group's Ethics Committee in the risk assessment for the Group within the territory or State where the Group conducts operations, i.e., Portugal, Spain, Brazil, Switzerland, Luxemburg and Argentina.

The Group shall provide training on the applicability of the Policy to all directors, officers and employees. The Group's Compliance Officer shall determine the content of the training and the relevant employees who will be required to complete the training.

New joiners will receive training as part of the induction process. Further training will be provided at least once a year or whenever there is a substantial change in the law or this Policy.

Country Compliance Officers will maintain a record of all the members that have been trained on this Policy and sanctions risk, as well as the whole details of the training (i.e. date, subjects covered by the training, trainer's name).

The Group's Compliance Officer is responsible for coordinating the provision of training and for ensuring that all the employees are informed promptly about any changes to applicable regulations and guidance.

03.4 Review and report

This Policy shall be reviewed on a regular basis, but at least once a year in order to ensure that the Policy is up to date and reflects the reality of the Group and all changes in applicable laws and regulations.

On an annual basis, the Group's Ethics Committees shall prepare a report that will be submitted to the Group's Compliance Department which, if appropriate, shall be forwarded to the Audit and Compliance Committee for their consideration. Such report shall include the level of compliance carried out by the Group in accordance with this Policy as well as the information on the training received by the Group's employees in this matter. In addition, the annual report shall include any anomalies detected and any changes to this Policy.

The Group's Compliance Department assisted by Group's Ethics Committee will be responsible for the review and update of this Policy.

04 Adherence to the policy

The Group's Compliance Officer assisted by the Group's Ethics Committee will ensure that all the Obligated Persons are familiar with the Policy and confirm their acknowledgement and understanding of the Policy on an annual basis.

05 Non-compliance

Breaches of this Policy will not be tolerated.

Any violation of the provisions included in this Policy may lead to disciplinary actions, up to and including termination of employment.

It is hereby stated that based on the values of the DIA Group and in line with this Policy, DIA does not allow any retaliation against anyone who, in good faith, communicates facts that could constitute a breach of this or Policy of DIA currently in force.

06 Principles

The principles of action of the Policy are as follows:

1. Comply with all applicable anti-bribery legislation in all jurisdictions in which the Group operates, including current legislation and with internal regulations, acting in accordance with the values and the Group's Code of Ethics.
2. To establish a culture of integrity, transparency, honesty and compliance and to combat bribery and corruption.
3. Analyze and investigate, as quickly as possible, any report on conduct that is contrary to this Policy, the Group's Code of Ethics or external or internal regulations, applying the principles of confidentiality, non-reprisal, and protection of personal information for all persons affected by the investigation process, with particular attention in relation to the reporting and reported person.
4. Provide suitable ongoing training, whether in person or through e-learning, to all the directors, officers and employees of the Group in relation to this Policy.
5. Impose relevant disciplinary measures on persons responsible for any non-compliance with this Policy or any non-compliance with the Group's Code of Ethics, and on those who, with their behavior, cover up or prevent the investigation or clarification of the alleged infringements, all of this in accordance with the penalty scheme applicable in each jurisdiction to each company of the Group.

07 Definition and prohibition of bribery

For purposes of this Policy, bribery (hereinafter, “Bribe” or “Bribery”) refers to the offer, promise, gift, acceptance or request of an undue advantage of any value, directly or indirectly, and irrespective of location, as an inducement or reward for an Obligated Person acting or refraining from acting in relation to the performance of that Obligated Person's duties.

An undue advantage of any value refers to any financial or non-financial (reputation, contractual, commercial, regulatory or personal) gain that places, either the Obligated Person himself or DIA, in a better position than he/it would otherwise have had had the bribe not taken place or as regards to the Group's competitors (hereinafter, “Undue Advantage” or “Undue Advantages”).

Examples of Undue Advantages include, but are not limited to:

- Cash, stock and assumption or forgiveness of a debt;
- Gifts, hospitality or other business promotional activities;
- Contracting with state-owned entities;
- Job offers or internship awards;
- Political contributions;
- Charitable and cultural donations.

It is prohibited for the Obligated Persons to give, receive and accept or otherwise be involved in the giving receiving or accepting of a Bribe or anything which may be viewed as a Bribe, either directly or indirectly; perform their job functions improperly in anticipation, or in consequence, of a Bribe; and threaten or retaliate against another Obligated Person who has refused to commit Bribery.

08 Facilitation payments

For purposes of this Policy, facilitation payments (hereinafter, “Facilitation Payments”)

refers to payments made to expedite or secure the performance by a public official (hereinafter, “Public Official” or “Public Officials”) of any act of a routine nature that is part of the Public Officials duties or functions. In particular, Facilitation Payments include, but are not limited to, payments for:

- Issuance of government permits, licenses, or other documents to qualify entities/individuals to conduct business;
- Processing of official documents, such as visas and work permits;
- Provision of services normally offered to the public, such as mail pickup and delivery, telecommunication services, and power and water supply;
- Provision of services normally provided as required, such as police protection, loading and unloading of cargo, the protection of perishable products or commodities from deterioration or the scheduling of inspections related to contract performance or transit of goods.

Taking into account the above, the Group prohibits Facilitation Payments, irrespective of whether local law permits Facilitation Payments in each jurisdiction where DIA operates. It is expressly prohibited for the Obligated Persons to make small payments, also known as ‘grease payments’, or give any other advantage to Public Officials to obtain a permit, license or other necessary approval.

Obligated Persons must never pay or use any other party to pay gratuity in order to secure or expedite any process that would benefit the Group in any way such as routine administrative actions, customs clearances, visas, permits or licenses.

09 Gifts and hospitality

Gifts are benefits of any kind given to someone as a sign of appreciation or friendship without expectation of receiving anything in return. Hospitality generally includes travel, entertainment, meals, and accommodation.

In order to keep high compliance and transparency standards, no gifts of any kind or hospitality can be accepted by an Obligated Person. These general prohibitions are described in more detail in the Gifts and Hospitality Policy.

10 Political contributions

Political contributions are monetary or non-monetary (e.g., resources, agreements) contributions to support political parties, politicians or political campaigns carried out by other entities or organizations.

The Group does not and must not support specific political parties of any of the jurisdictions where it conducts its business activities, nor contribute funds to activities which promote party interests or the election of candidates.

11 Charitable donations

Charitable donations are benefits given by DIA in the form of money and/or in-kind contributions for a variety of legitimate purposes, including humanitarian needs, natural disaster situations, funding research and supporting charitable projects (hereinafter, the "Donation").

The Obligated Persons are authorized to make Donations only if:

- The recipient of the Donation is not an individual, but a charitable organization regulated and supervised as such in the relevant jurisdiction;
- There is no reason to believe that the charitable organization may be operated directly or indirectly for the benefit of any Public Official;
- The Donation is not made in cash;
- The donor does not receive any tangible consideration in return; and
- The Donation is transparent and any documentation relating to such expenditure properly kept and recorded.

12 Red Flags

The Obligated Persons must pay attention to any signs that may raise a concern that a particular transaction, relationship or engagement involves a risk of Bribery and therefore a breach of this Policy (hereinafter “Red Flags”).

Whenever an Obligated Person becomes aware or suspicious of any Red Flag, he must immediately raise the issue to the relevant Country Ethics Committee through DIA’s Ethical Channel, who will conduct an inquiry to understand and confirm whether there are legitimate explanations, or the risk of Bribery is substantiated.

The following are examples of Red Flags that may suggest potential breaches of this Policy:

- The third party of a transaction has a poor business reputation based on unethical conduct or improper payment practices subject to, for instance, ongoing investigations by law enforcement authorities or criminal/civil enforcement actions;
- Unusually large commission payments, inappropriate methods of payment (e.g. payments in cash or payments to the account of an unrelated third party);
- Refusal to follow internal policies or procedures, failure to cooperate with the due diligence processes or refusal to execute written agreements;
- Refusal to properly document expenses or gifts, submission of invoices which vaguely describe the services provided or that are inflated or inaccurate; and,
- Unexplained preferences for certain contractors, private meetings with Public Officials, party is recommended by a Public Official, his/her family member, or his/her close associate, party has business ties or association with Public Officials.

The above is a non-exhaustive list and therefore Obligated Persons should be alert to other circumstances that may raise a suspicion of Bribery.

13 Internal Controls, reporting and investigations

13.1. Internal Controls

The Group is responsible for identifying, measuring and minimizing legal risks by continuously observing the regulatory framework for the application of information on compliance with legal obligations to those internally responsible for operations.

The Obligated Persons are required to keep accurate and fair records of all transactions involving any expense made on DIA's behalf or any other transaction involving the disposal or transfer of DIA's funds.

13.2. Ethics Channel

The Obligated Persons must adhere to DIA's commitment to conduct its business in a lawful and ethical manner.

Any Obligated Person who becomes aware of any offer to engage in any act prohibited by this Policy, or who becomes aware of any information suggesting that a violation of this Policy has occurred or is about to occur, is required to report it to the Country Ethics Committee via DIA's Ethical Channel.

Any such reporting will be treated as confidential to the extent permitted by law and no Obligated Person will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit Bribery or for raising a concern in good faith, even if it may result in the Group losing business or suffering a disadvantage.

Failure to report a violation of this Policy constitutes itself a violation of this Policy, and of the Group's Code of Ethics, which is subject to disciplinary action.

13.3 Reporting and investigations

In the event that a risk, potential risk or a breach of this Policy is detected, all the Obligated

Persons should report it immediately to the Country Ethics Committee via DIA's Ethical Channel, in order to carry out an investigation and to gather enough information about the risk, potential risk or breach of this Policy.

The investigation should be carried out by the Country Ethics Committee and approached as follows:

Identify which area or department may be affected.

Gather all the information in connection with the transaction and in particular to check if the due diligence and screening processes have been carried out correctly.

In the event that the suspected breach is confirmed, identify the cause of the breach.

Prepare recommendations for remedial actions to be taken, to address the breach or to mitigate its possible adverse effects and prevent the same breach from occurring again.

Once all the investigation is completed, the Country Ethics Committee shall prepare a report, comprising the facts relating to risk, potential risk or breach of this Policy, its effects and remedial action taken, after which it must notify the Group's Ethics Committee for its consideration.

Where the violation is deemed potentially serious by the Group's Ethics Committee, such as those involving high levels of management, significant sums of money, or alleged criminal activities, the report will be submitted to the Group's Compliance Officer for her/his consideration and acknowledgement, and if appropriate considering the risk, to the Audit and Compliance Committee.

This Policy was approved by the board of directors of Distribuidora Internacional de Alimentación, S.A. at the meeting held on 19 February 2020. It will remain in force until the board of directors approves its update, review or derogation.