

# QUICK GUIDE ENHANCED DUE DILIGENCE



Grupo Energía Bogotá

# CONTENTS

- 1 What does due diligence entail?
- 2 Could you elucidate on enhanced due diligence?
- 3 In which scenarios is enhanced due diligence necessary?
- 4 What is the primary goal of enhanced due diligence?
- 5 Who is responsible for executing enhanced due diligence?
- 6 What actions are taken if risks emerge during enhanced due diligence?
- 7 Which information sources support enhanced due diligence?
- 8 How is the process of enhanced due diligence documented?



# INTRODUCTION

GEB adheres to the pinnacle of corporate standards in both conduct and compliance. Ethical communication channels, conflict of interest management, and enhanced due diligence form the core of our Compliance Program. Moreover, GEB champions a workspace where employees have the liberty to raise concerns, report irregularities, seek clarifications, and pose questions pertaining to ambiguities or interpretations. They can do so without any apprehension of backlash, utilizing the ethical channel—confidential, autonomously operated by a third party, efficient, and safeguarded.



# 1

## What does due diligence entail?

It encapsulates all endeavors directed at acquiring thorough comprehension of diverse stakeholders. These efforts are orchestrated in alignment with the legal benchmarks set by respective jurisdictions and are overseen by pertinent departments.

# 2

## Could you elucidate on enhanced due diligence?

Enhanced Due Diligence, often abbreviated as EDD, signifies a meticulous investigative and analytical procedure that transcends the basic due diligence, typically derived from vetting against control or restrictive checklists. EDDs are invoked under circumstances of heightened risks or presumptions of illegal undertakings, such as money laundering, funding terroristic agendas, endorsing the spread of weapons of mass destruction, fraud, graft, or other corrupt practices.







# 3

## In which scenarios is enhanced due diligence necessary?

Enhanced due diligence becomes necessary when specific attributes of a business relationship or customer elevate the risk profile. Typically, though not exclusively, these attributes emerge from control and/or restrictive list verifications. They relate to individuals or entities directly matching offenses like money laundering, terrorist financing, financing of weapons of mass destruction proliferation, fraud, bribery, and corruption.

Further, such diligence might be mandated when an internal entity or procedure necessitates a comprehensive understanding of a client or counterpart with whom there will be interactions representing GEB.

**4**

## **What is the primary goal of enhanced due diligence?**

The chief aim of enhanced due diligence is to pinpoint and counteract risks tied to individuals or business partnerships potentially connected to unlawful actions such as money laundering, terrorist financing, proliferation of weapons of mass destruction financing, fraud, bribery, and corruption. This also extends to any other illicit financial behavior that could adversely impact GEB.

**5**

## **Who is responsible for executing enhanced due diligence?**

Within GEB, the Detection and Response Management under the Corporate Compliance Department oversees the processes of enhanced due diligence. Depending on specific requirements, they might collaborate with external firms specializing in these activities.

# 6

## What actions are taken if risks emerge during enhanced due diligence?

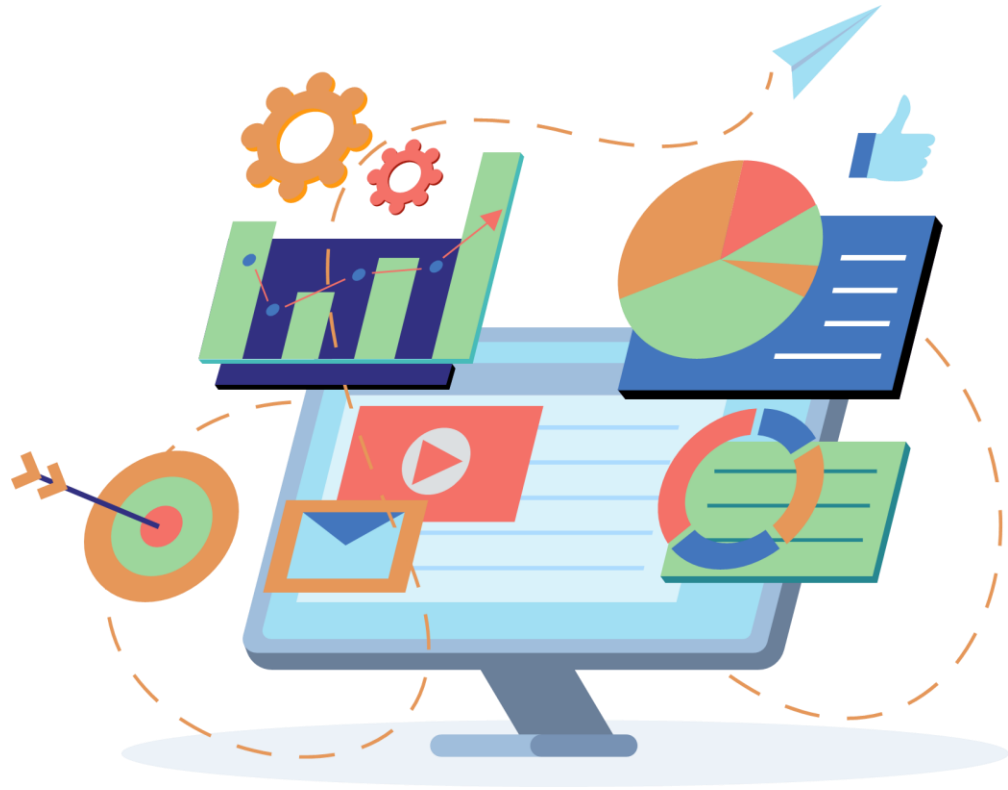
If risks are identified during extended due diligence, it is important to carry out a proper assessment. Should risks surface during the enhanced due diligence process, a thorough assessment becomes crucial. Given the magnitude of the reputational risk for GEB, there might be a need to adopt extra precautions, pause a transaction or business engagement, or introduce targeted risk mitigation strategies.



# 7

## Which information sources support enhanced due diligence?

Enhanced due diligence draws from multiple information reservoirs, including public databases, governmental registries, global sanction lists, media outlets, social media platforms, and more.



# 8

## How is the process of enhanced due diligence documented?

Documentation for enhanced due diligence takes the form of a reputational review, dispatched by the Corporate Compliance Department to the concerned department via ethical channels and/or email. All supporting documents for the due diligence process are maintained by this Department.







Grupo Energía Bogotá