

COMPLIANCE MANAGEMENT SYSTEM
GRUPO LANTANIA

GENERAL CORPORATE COMPLIANCE POLICY

lantania 

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CORPORATE COMPLIANCE POLICY

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1. INTRODUCTION

1.1. Compliance

Business organisations have a legitimate aspiration to create long-term employment, wealth and social welfare, i.e. to achieve long-term success. To achieve this, they need to maintain a culture of integrity and compliance, as well as take into consideration the needs and expectations of the parties interested in their development, i.e. the groups with which they directly or indirectly relate, what we will call the perimeter of the entity's social domain.

Compliance (hereinafter, “**Compliance**”) in a legal entity consists of establishing adequate and sufficient policies and procedures to ensure that it and all its members (owners, directors, managers, employees, collaborators, clients, suppliers and other related individuals or legal entities) comply with their legal, regulatory and normative obligations, in all administrative, civil and criminal areas, in line with the highest standards of corporate social responsibility, responsible social investment and sustainability.



The Spanish Capital Companies Act (Law 31/2014) imposes, in its article 225, the duty of diligence of an orderly businessman, requiring him to adopt precise measures for the good management and control of the company, with supervision being one of the non-delegable powers of the administrative body.

An effective, cost-efficient and organisation-wide compliance management system enables an organisation to demonstrate its commitment to unequivocal compliance with laws, rules and

regulations, as well as standards of good corporate governance, best practices, ethics and the expectations of the wider community.

The right approach for any organisation to a culture of Compliance is for its leaders to apply generally accepted core values and standards of corporate governance, ethics and community relations. In this sense, whether an organisation internalises compliance in the behaviour of the people who work and collaborate with it depends, fundamentally, on its senior management and on the acceptance of the measures that promote compliance behaviour.

1.2. Criminal Compliance

In the context in which the activities of an organisation are carried out, and in addition to the aforementioned non-compliances, crimes may be committed in its name, on its behalf and for its direct or indirect benefit, by people who form part of the aforementioned perimeter of the organisation's social domain.

The organisation can, through the establishment of the aforementioned organisational culture of Compliance, have a significant influence on preventing or at least reducing the risk of the commission of such conduct.

The commission of criminal conduct in the course of the organisation's own activities not only creates a negative differentiation with respect to other operators who respect the law, but also erodes the foundations of good corporate governance and jeopardises specially protected legal assets.

For this reason, consenting to, enabling or encouraging the development of punishable conduct within the organisation constitutes an offence specific to the organisation, which affects economic activity and harms the company as a whole.

For this reason, the legislator has introduced in the Spanish legal system a system of criminal sanctions for organisations (legal persons and entities without legal personality), with development in the case of legal persons.

Thus, Organic Law 5/2010, which amended Organic Law 10/1995 of 23 November 1995 on the Criminal Code, not only established the offences applicable to legal persons and their requirements, but also referred to the establishment of surveillance and control measures for their prevention and detection, as an express basis for a mitigation of their criminal liability. This regime was reformed by Organic Law 1/2015 of 30 March 2015, which again amended Organic Law 10/1995 of the Criminal Code, further specifying the regime of criminal liability of legal

persons in Spain, detailing the requirements for having management and control systems that enable the legal person to prove its diligence in the area of criminal prevention and detection and, consequently, to be exempted from criminal liability.

Similarly (although with substantive differences), many other countries have incorporated the criminal liability of legal entities into their legal systems (criminal codes).

2. CONTEXT OF THE ORGANISATION

Grupo Empresarial Lantania (hereinafter, “**Lantania**”) is understood as the group of companies that belong, directly or indirectly, as subsidiaries (100 % of their share capital) or investees (at least 50 % of their share capital without reaching 100 % of their share capital) to GRUPO LANTANIA, S.A., parent company of Lantania, a business corporation that operates in the Infrastructure, Construction, Water, Energy, Conservation and Services sectors, nationally and internationally, through the aforementioned subsidiaries and investees.

The international expansion carried out and underway requires the imposition of compliance commitments on each and every one of the subsidiary legal entities and subsidiaries around the world, whether incorporated or acquired.

Being aware that the legal systems of each country incorporate different legal, regulatory and normative aspects and different supports for the criminal liability of legal entities, Lantania has decided, on the one hand, to establish common standards in Compliance in all the companies that make it up worldwide, and, on the other hand, to implement and maintain, in each of them, the integral compliance model that corresponds to each particular legal system of each country where it operates (the “**Integral Compliance Model**” or “**Comprehensive Compliance Model**”).

Among these common standards, which must be complied with in each of the companies that make up Lantania, is this general corporate compliance policy (the “**General Corporate Compliance Policy**” or the “**Policy**”).

Thus, in the year 2025, Lantania has decided, on the one hand, to establish the aforementioned compliance standards at international level, and, on the other hand, to update and expand the existing Compliance resources in Spain since 2019 (a criminal compliance policy, a criminal and anti-bribery compliance management system manual, based on the spanish standard UNE 19601, as well as an anti-corruption policy, a code of ethics, an anti-corruption channel, an anti-corruption policy, a complaints channel and a disciplinary system, all of it under the supervision of a compliance committee), converting them into an integral system for the prevention and management of legal and criminal risks, the Integral Compliance

Model, to be established in each and every one of the companies that form part of its corporate perimeter in Spain, in accordance with the specific existing legal system ("**Compliance Management System**").

The format and content of this Compliance Management System implemented in Spanish companies are adapted to the International Standard ISO 7301 Compliance Management Systems, including the elements that may give rise to both their civil liabilities and those of their directors and managers, as well as the criminal liabilities of the latter, and the criminal liability of Lantania for crimes committed by members of what we call Lantania's corporate perimeter:

- a) By the legal representatives or by those who are authorised to take decisions on behalf of Lantania or hold powers of organisation and control within Lantania, in the name or on behalf of Lantania and for the direct or indirect benefit of Lantania.
- b) By those who, being subject to the authority of the natural persons mentioned in the previous section, may have committed the criminal offences, in the exercise of the company's activities and on behalf of and for the direct or indirect benefit of Lantania, due to a serious breach by them of their duties of supervision, monitoring and control of their activity.

Therefore, any conduct carried out by natural persons within the so-called perimeter of Lantania 's corporate domain for their own exclusive benefit or for the benefit of third parties and which is not likely to bring any direct or indirect benefit to Lantania is therefore excluded.

This Integral Compliance Model (which corresponds to an "Organisation and Management Model", following the Spanish Criminal Code), in order to have the effects of one of the grounds for the exemption of Lantania from criminal liability in Spain (Article 31 bis, paragraphs 2 and 4 of the Spanish Criminal Code), must be adopted and implemented effectively, before the commission of the offence, by the management body of Lantania, including in it the appropriate monitoring and control measures to prevent offences of the same nature or to significantly reduce the risk of their commission.

In addition (according to the same article 31 bis, paragraph 5, of the Spanish Criminal Code), the "Organisation and Management Model" must comply with the following requirements:

- 1º It shall identify the activities in whose scope the offences to be prevented may be committed.

- 2° It shall establish the protocols or procedures that specify the process for the formation of the legal person's will, the adoption of decisions and their execution in relation to them.
- 3° It shall have appropriate financial resource management models to prevent the commission of the offences to be prevented.
- 4° Impose the obligation to report possible risks and non-compliance to the body responsible for overseeing the operation and observance of the prevention model.
- 5° Establish a disciplinary system that adequately sanctions non-compliance with the measures established by the model.
- 6° Periodically verify the model and its possible modification when relevant breaches of its provisions are revealed or when changes occur in the organisation, in the control structure or in the activity carried out that make them necessary.

3. BASIC OBJECTIVES OF COMPLIANCE

Based on the above, Lantania has established the following as basic Compliance objectives:

- a) Zero tolerance to non-compliance with legislation, regulations and rules affecting Lantania.
- b) Zero tolerance to breaches of its Rules of Conduct, included in its Code of Ethics and in its development protocols (additional international references on Compliance).
- c) Zero tolerance to the commission of crimes in Lantania.

4. CONTENT OF THE COMPREHENSIVE COMPLIANCE MODEL

Lantania's "Organisation and Management Model" for the prevention of legal and criminal risks (Integral Compliance Model, Compliance Management System) is based on the legislation, regulations and general rules on labour and social security, commercial and accounting, tax, prevention of occupational risks, personal data protection, money laundering, anti-corruption measures, disability, equality, non-discrimination and harassment, protection of informants, etc., as well as the specific industrial, environmental and sectorial legislation affecting Lantania.

In addition, the "Organisation and Management Model" is also based on the content of the Capital Companies Act, the Criminal Code (Article 31 bis and Article 129), the Circular 1/2016 of 22 January 2016 of the State Attorney General's Office and, as mentioned above, the ISO 37301 Standard (Compliance Management Systems).

Thus, the documents generated in the previous model, the basis of Lantania's Policy and a key element in the exemption of Lantania from criminal liability, are:

Document 1	Corporate Compliance Policy
Document 2	Activity planning and improvement objectives
Document 3	Identification of Legal and Criminal Risks
Document 4	Evaluation of Legal and Criminal Risks
Document 5	Prevention of Legal and Criminal Risks Manual
Document 6	Supervisory Body for the Operation and Compliance of the Model
Document 7	Code of Ethics
Document 8	Communication Plan
Document 9	Internal Information System and Complaints Channel. Disciplinary System
Document 10	Training Plan
Document 11	Performance Evaluation. Performance Indicators
Document 12	Verification of the Model. Internal Audit

5. COMPLIANCE SUPERVISORY BODY

Another of the basic elements for Lantania's exemption from criminal liability to be recognised is the existence of a Supervisory Body for the operation and compliance with the Comprehensive Compliance Model.

Indeed, Organic Law 1/2015, of 30 March, which amends Organic Law 10/1995, of 23 November, of the Criminal Code, refers in its article 31 bis, section 2, to the existence of a body of the legal person with autonomous powers of initiative and control or that is legally entrusted with the function of supervising the effectiveness of the internal controls of the legal

person, which carries out the supervision of the operation and compliance of the “Organisation and Management Model” implemented.

The administrative body of Lantania has decided to set up a global compliance supervisory body, the highest body responsible for this area in Lantania (the “**Global Compliance Supervisory Body**”).

In turn, and taking into account our legal system, each commercial company in Spain has set up its own compliance supervisory body, reporting directly to the aforementioned Lantania Global Compliance Supervisory Body.

6. CONTRIBUTION TO THE EXISTENCE OF A COMPLIANCE CULTURE IN THE RELATIONAL ENVIRONMENT

Lantania, as part of its aforementioned commitment to upright and responsible management models, values very positively the existence of corporate compliance organisation and management models (Compliance Management Systems) within its collaborators, customers and suppliers, this variable being part of the selection and choice process of the latter.

In this way, Lantania contributes to the extension of the Compliance culture in its relational environment.

7. APPROVAL AND VALIDITY

Lantania’s Corporate Compliance Policy has been approved by Lantania’s board of directors, following its formulation by the Global Compliance Oversight Body, coming into force on the date of its cover page, and is reviewed and updated periodically.