

A low-angle photograph of two technicians in white hard hats and safety harnesses working on a complex telecommunications tower. The tower is covered in various antennas, cables, and equipment. The background is a clear, deep blue sky. The EZENTIS logo is positioned in the top right corner.

EZENTIS

SUSTAINABILITY REPORT 2020

INDEX

WELCOME**01****ABOUT EZENTIS****05**

| | |
|---|----|
| Purpose, mission, vision and values | 05 |
| Ezentis at a glance | 07 |
| Main milestones in the history of Ezentis | 09 |
| Business model | 12 |
| Ezentis: 2020 figures | 17 |
| Stock market information | 20 |

MANAGEMENT MODEL**21**

| | |
|--|----|
| Governing bodies | 21 |
| Ezentis' strategic vision | 27 |
| Risk Management | 28 |
| COVID-19: Managing a health crisis | 30 |
| Sustainability governance and management | 33 |
| Significant non-financial issues | 36 |
| Stakeholder Relations | 38 |

OUR PRIORITIES

41

| | |
|--|----|
| Transparency, ethical principles and good governance | 41 |
| Talent management | 46 |
| Health and Safety at Work | 57 |
| IT systems security | 65 |
| Digital transformation | 68 |
| Customer proximity and responsibility | 70 |
| Commitment to society | 73 |
| Minimisation of environmental impact | 78 |

ABOUT THIS REPORT

86

GRI INDEX

88





LETTER FROM THE CHAIRMAN

DEAR FRIENDS,

Since 2016, when Ezentis produced its first Sustainability Report, the company has demonstrated its firm commitment to good governance, transparency and sustainable growth that respects the environment.

In this difficult year, Ezentis has also demonstrated its commitment to society, guaranteeing the proper functioning of telecommunications and energy networks and providing an essential service to society, such as the maintenance, operation and deployment of infrastructures.

These months have seen the consolidation of Ezentis' sustainable model. The Board of Directors approved the Master Plans for 2020-2022 in three key areas for the company: Occupational Health and Safety, Digital Transformation and Sustainability.

In addition, the company has worked to bring our sustainability model closer to our customers. We are committed to extending this to the supply chain and working hand in hand with our main suppliers and contractors.

In the area of employee safety, the most important area for Ezentis, for the second consecutive year we have managed to substantially reduce the Global Accident Frequency Rate (-7.8% compared to 2019).

With regard to Corporate Governance, for the second consecutive year we reaffirmed our commitment to the best application of best practices in good governance, being one of the eight companies in the continuous market that complies with the recommendation of the CNMV's Code of Good Governance to count with 40% women on the Council by 2022.

If there is one thing we know about the future, it is that, as well as becoming increasingly complex and accelerated, it will undoubtedly be more sustainable. In this regard, I would like to thank the Board of Directors and all Ezentis employees and executives for their dedication and commitment to ensuring that this company continues to meet the highest standards of corporate governance, transparency and sustainable growth.

"In this difficult year, Ezentis has demonstrated its commitment to society".

Best regards,



Enrique Sánchez de León García
Non-Executive Chairman of Ezentis Group

LETTER FROM THE CEO



Fernando González Sánchez. Source: image provided by El Español

DEAR FRIENDS,

In a year like 2020, marked by the enormous impact of COVID-19 on health, society and the economy, Ezentis has responded decisively, firmly, responsibly and with a long-term vision.

The company's priority since the start of the healthcare crisis has been to protect its more than 9,000 employees by adopting the highest safety measures. In this regard, I am proud to say that the ability to work and adapt of each and every one of Ezentis' employees has been admirable, as have our very high safety standards, which have enabled us to get through this tough period with a very low rate of contagion.

2020 has been a year of achievement, in which we have managed to continue to develop our core business - the deployment, operation and maintenance of telecommunications and energy networks. At the same time, we have been able to stick to the roadmap we set out before the outbreak of the pandemic.

We decided to diversify our business into other sectors and intensify our Energy area. To this end, during 2020 we bought two security engineering companies, Enesys and Pentágono, which have allowed us to enter the security systems installation business and to have new customers such as Movistar Prosegur Alarmas and Iberdrola.

In addition, we acquired Parera RPM, dedicated to the deployment, operation and maintenance of electrical distribution networks, with which we have initiated the Energy activity in Spain with a top-level client such as Endesa.

Our entry into the Energy sector in Spain is the first step towards meeting one of our objectives for 2023: to generate 40% of our revenues in this area, compared to 60% in telecommunications.


We have also begun to diversify into Europe, with our entry into Germany, where we have secured a contract with Telefónica to deploy and maintain fibre in the Baden Württemberg and Bavaria areas for two years with the possibility of extending for a further two years. We also have options to win additional contracts from other operators.

This has undoubtedly been the year in which we have given a decisive boost to sustainability through the Sustainability Master Plan 2020-2022, which includes the areas that make up the 10 Global Compact Principles and is aligned with the Sustainable Development Goals (SDGs) most directly linked to Ezentis' activity.

At Ezentis, we are ready to actively participate in the Decade of Action that has just begun, but which we have been working on for some time. Examples of some of the successes we have been achieving in relation to SDG3 and SDG13 include, for example, the cumulative improvements since 2018 in the accident frequency indicator (-22%) and carbon footprint (-19%).

I invite you to consult the Sustainability 2020 report, which details the main actions we have taken over the past year and, once again, is prepared in accordance with the Core option of the GRI Standards.

Best regards.



Fernando González Sánchez
CEO of Ezentis

ABOUT EZENTIS

| | |
|---|----|
| Purpose, mission, vision and values | 05 |
| Ezentis at a glance | 07 |
| Main milestones in the history of Ezentis | 09 |
| Business model | 12 |
| Ezentis: 2020 figures | 17 |
| Stock market information | 20 |

PURPOSE, MISSION, VISION AND VALUES

PURPOSE

To foster universal access to telecommunications and power supply technologies which nurture the development of society and help to reduce energy poverty and the technology gap in a globalized world.

MISSION

Our mission is to become the reference network service provider for telecommunications and energy companies in the markets in which we operate, creating value in a sustainable manner for our clients, workers, shareholders, and the communities where we interact.

VISION

Our vision is to grow profitably with innovative, efficient, and sustainable solutions, attaining the improvement of people's quality of life and the full satisfaction of our clients.

VALUES

To achieve our objectives, we are firmly committed to ethical principles, the safety of people and the quality of our services. The values that define us and set the course for all our activities are:

Confidence in the team

We consider human capital to be the key factor for the Group and attaining excellence, so we invest in the training, safety and well-being of our whole team.

Safety

Nothing is more important than the safety of our employees, clients, subcontractors and the communities where we work, and we convey this performance principle to the entire organization.

Transparency, ethical principles and good governance

Our daily work is governed by the utmost respect for our Code of Ethics and Conduct, based on maximum transparency of information and best corporate governance practices.

Customer proximity and responsibility

At Ezentis we support our customers closely and gain their trust, based on our professional competence, responsibility and successful experiences.

Social commitment and respect for the environment

We firmly believe in the social function of our business. We make it possible for people to have better quality access to basic telecommunications and energy supply services. We create the necessary conditions for the development of economic and business activity, while at the same time maintaining maximum respect for the environment.

EZENTIS AT A GLANCE

Ezentis groups its activities in three geographical areas: Europe (Spain and Portugal), Brazil and the Pacific (including Chile, Peru, Colombia, Argentina and Mexico).

EUROPA

The activity in Europe, developed in Spain and Portugal, continues with its organic and inorganic growth line, which resulted in an increase in revenues in 2020 of 14.3% in constant currency compared to 2019. This growth is in line with the Group's objective of strengthening its business in this region. The commercial portfolio at year-end amounted to €353m, representing 54% of the Group's total portfolio.

The Ezentis Group continues its diversification by entering the operation and maintenance of security systems business in Spain in 2020 and also in the Spanish energy market in deployment, operation and maintenance services for electricity distribution networks.

As a result, Ezentis in Europe takes a further step forward in its business strategy, positioning itself as the leading market, contributing 48% of the Group's consolidated operating revenues in 2020.

BRAZIL

Ezentis Brazil's activities focus on the deployment, operation and maintenance of infrastructures in the telecommunications and energy sectors.

Revenues in Brazil decreased by 16.0% in 2020 in constant currency compared to 2019, due to reduced activity as a result of COVID-19. The Company's operations were impacted by measures taken by the federal and state governments by the federal and state governments as a result of the emergency situation, such as the suspension of work on the deployment of the suspension of grid deployment work and the shutdown and restoration of power due to the prohibition of the disconnection of the electricity supply to users. disconnection of electricity supply to users.

The commercial portfolio at year-end amounted to €134m, 20% of the group's total portfolio.

8

COUNTRIES

+9,000

EMPLOYEES (Net reduction
of more than 24% v. 2019)

62

YEARS OF EXPERIENCE
AND 33 YEARS QUOTING

+5,500

VEHICLES

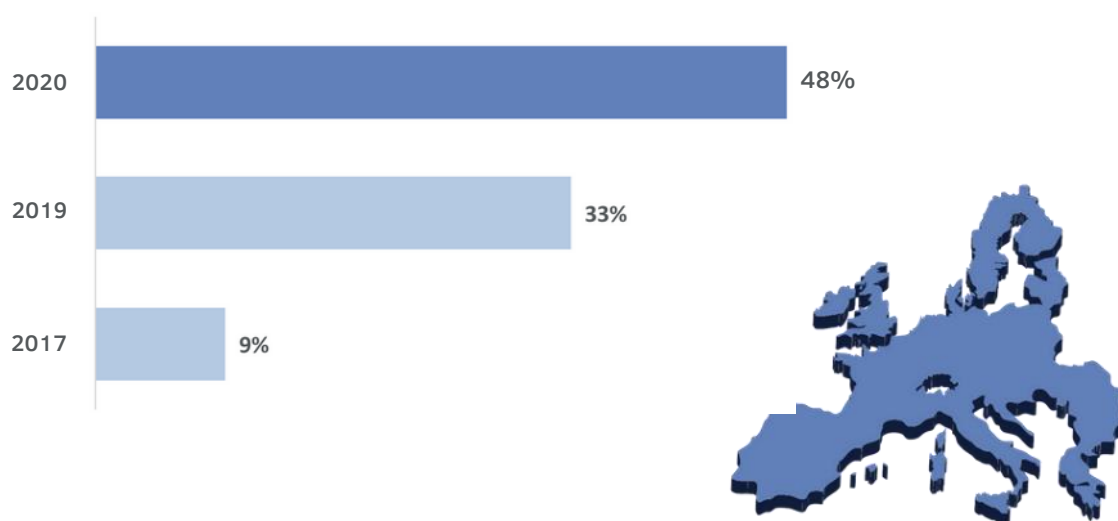
(1) Discontinued operation (IFRS5)

PACIFIC

Activity in the Pacific region decreased its revenue figure by 24.8% in constant currency compared to 2019, due to lower activity as a result of the restrictions imposed as a consequence of COVID-19.

The commercial portfolio at year-end amounted to €171m, 26% of the group's total portfolio.

GREATER PRESENCE IN EUROPE: EVOLUTION



82%

OF REVENUES COMES FROM
THE TELECOMMUNICATION
SECTOR

15%

OF THE REVENUES OF
THE ENERGY SECTOR

€380.7M

TOTAL REVENUE 2020

€47.1M

EBITDA ⁽¹⁾

(1) Amount under IFRS16

MAJOR MILESTONES IN THE HISTORY OF EZENTIS

The more than 60 years of history Ezentis treasures are the best example of a project which is both long-term and sustainable. Our gaze has always been directed toward the future and the constant search for opportunities. Please see the main milestones of Ezentis throughout its recent history in the following diagram:

A great business project is born

1959

- Radiotrónica, today Ezentis, was founded in 1959 as a subsidiary of the construction company Agromán.
- First activities focus on electrical installation work, operating only in the Spanish market.

Initial Public Offering in Madrid and Bilbao

1988

- Radiotrónica was floated on 5 October 1988.
- Start of international expansion.
- Diversification into the sectors of construction work, stringing catenaries and photovoltaic farms.
- New corporate name Ezentis, S.A.

Growth, transformation and sustainability plan

2015-Present

Ezentis puts its growth and sustainability plan into action, focusing its business on the operation and maintenance of telecoms and energy networks, thus embarking on the geographical expansion which has led to today's numbers.

MILESTONES 2020

In 2020, the Group continued its strategy of focusing on key businesses and regions, achieving, among other milestones, an increased presence in Europe, which now represents 48% of the Group's total revenues (compared to 33% in 2019).

The Spanish market has been strengthened by the entry of two new business lines: the energy sector and the incorporation of two companies dedicated to the installation and maintenance of security systems.

At the end of 2020, Instal-lacions Parera S.L. joined the Ezentis Group to develop services in the energy sector in Spain.

In other regions, the merger of the two Brazilian companies Ezentis Energía and Ezentis Telecom (Seicom) was successfully completed in early 2020 under the new name of Ezentis Brasil. This structural change has a two-fold objective: on the business side, to achieve a better market positioning and, on the operational side, to simplify and capture the efficiencies associated with synergies.

2015

Acquisition of Ezentis Engenharia 45% (Brazil)

2017

Acquisition of 100% of the CYS Group (Mexico, Spain and Peru).

Acquisition of GTS-THAUMAT XXI (Spain)

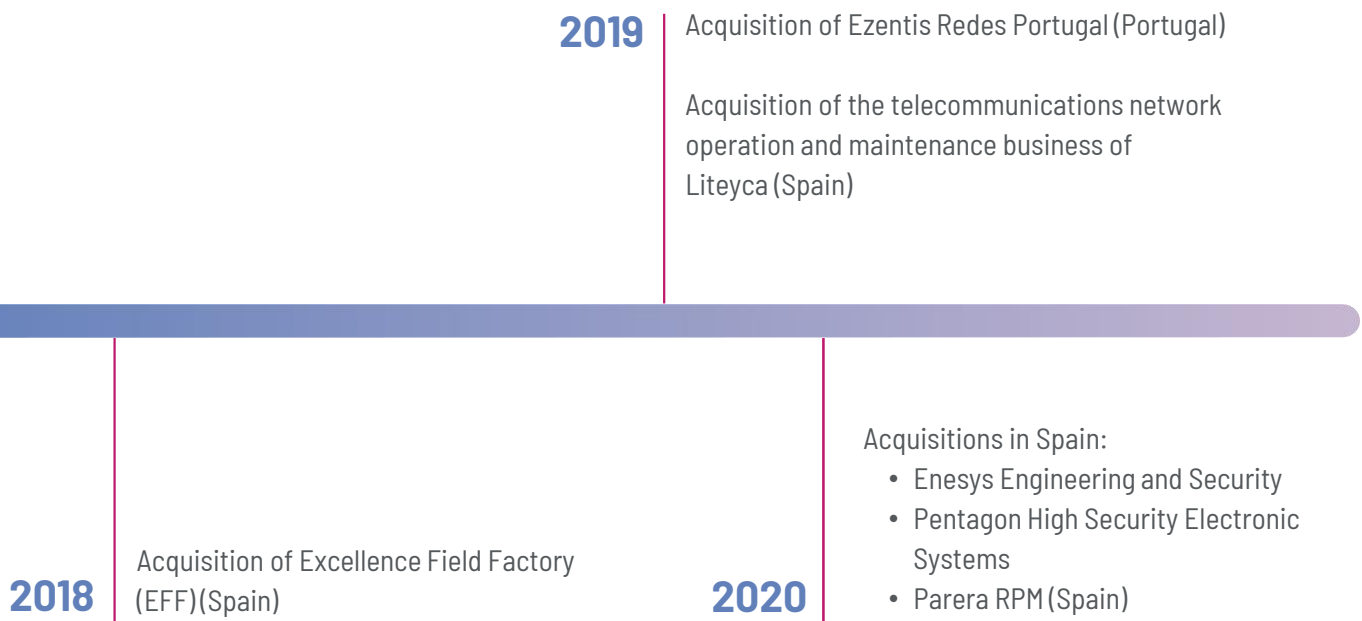
2016

Acquisition of up to 100% of Ezentis Chile and Tecnet (Chile)

2020 was a difficult year in which we all faced a completely new situation. It has been a year of overcoming and transformation, in which Ezentis has managed to continue developing its core business – the deployment, operation and maintenance of telecommunications and energy networks. Despite the adverse context, at the end of the year, the company had a diversified and solid backlog of more than 650 million euro, which gives it a visibility of 1.7 years of activity as an indicator of customer confidence and represents a guarantee of business in the medium term.

The common premise that defines Ezentis' activity in all the regions where it operates is based on an unquestionable reality: the future is digital and is intensive in terms of energy and telecommunications. Telecommunications and energy networks are therefore essential for the socio-economic development of communities and are playing a key role in the transformation of multiple sectors with high social significance.

This transformation is allowing us to evolve towards a more inclusive world in which everyone has a window of universal accessibility to energy and telecommunications, and all the advantages and benefits that this implies. And Ezentis, hand in hand with its customers, is part of this transformative process whose purpose lies mainly in reducing the technology gap and energy poverty.



BUSINESS MODEL

MAIN BUSINESS LINES

TELECOMMUNICATIONS



Services for both fixed and mobile telecommunications systems, covering the entire service lifecycle from deployment, operation and maintenance of internal plant to user support:

- Fixed external network
- Fibre deployment
- Customer services
- Enterprise Network Operations
- Operation Support Systems (OSS)

Specifically, the deployment activity is divided into:

- **Optical fibre:**

undertaking the construction work for both stringing and laying fiber. This also includes replacing the old copper technology, shutdown of exchanges and replacement by fiber.

- **Equipment:**

rolling out fourth-generation (4G) equipment, with 5G technology coming shortly.

ENERGY



Services for distribution and commercialisation networks, as well as deployment of photovoltaic generation infrastructure:

- Overhead and underground distribution and transmission lines
- Substations and transformer and distribution centers
- Control systems
- Digital transformation of the grid
- Smart Grids

SECURITY ENGINEERING



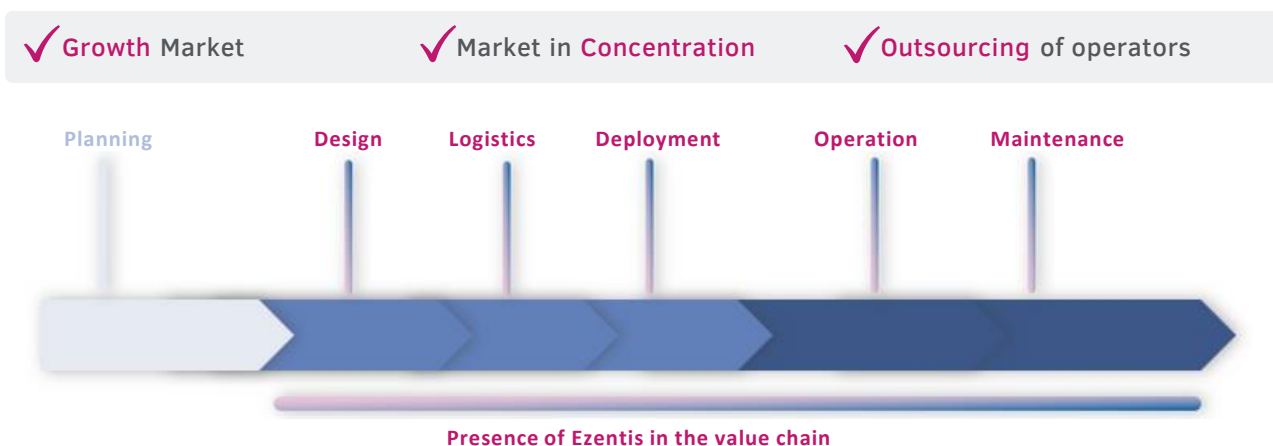
New line of business in Spain following the integration of two new companies into the Group in 2020, which, in general terms, provide the following services:

- Alarm systems and access and presence control systems
- Maintenance of security installations
- Protection against theft
- Perimeter protections and closed circuit TV

VALUE CHAIN

RESILIENT BUSINESS MODEL

GREATER PRESENCE IN THE VALUE CHAIN



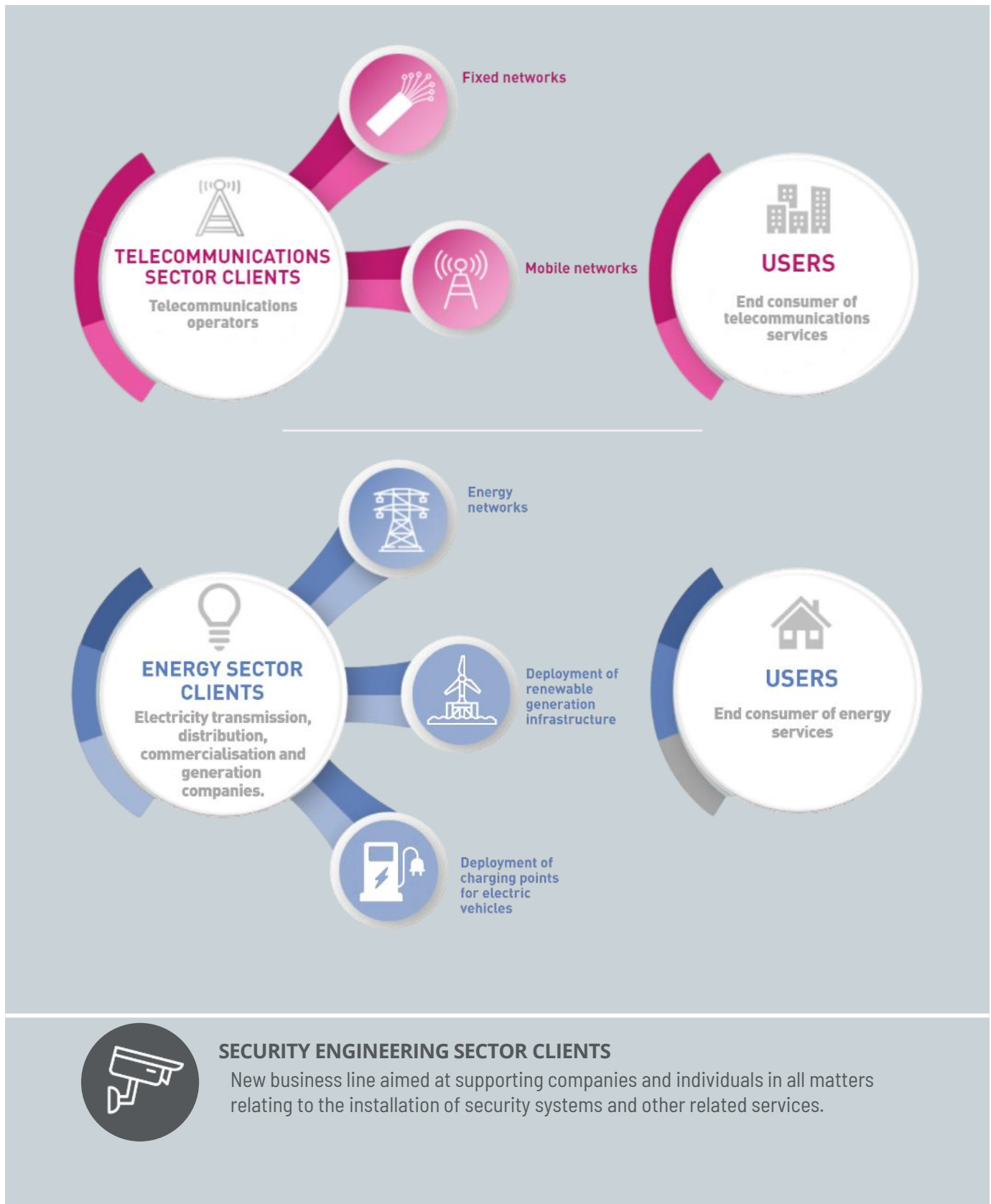
Design, logistics and deployment

- Customer focus on core business means more outsourcing of the design, logistics and deployment phases.
- Logistics as an added value to Deployment and O&M.

Operation and Maintenance

- Market: infrastructure stock.
- O&M linked to operating expenses (OPEX).
- Medium-term contracts: 3-5 years.
- Stable margins with quality incentives and inflation adjustment.

BUSINESS MODEL DIAGRAM








A BUSINESS MODEL FOSTERING SUSTAINABLE DEVELOPMENT

Infrastructures are still the means that facilitate people's access to basic services. For this reason, Ezentis plays a dual key role in the communities in which it operates: on the one hand, it maintains networks to supply basic services to people and organisations and, on the other hand, as a professional-intensive activity, it contributes significantly to job creation in the areas in which it operates existing networks and develops new infrastructures by participating directly in their deployment.

While 2020 has been marked by the social and economic impact of COVID-19, we have worked to improve connectivity in households and business activities, an essential element for economic sustainability and for society as a whole.

Taking into account Ezentis' global presence, as described above, and the main development challenges in each of the UN member countries included in the *SDG Index and Dashboard* document (updated to 2020), the table below shows that most of the countries in which Ezentis operates, although they have made progress compared to previous analyses, still present clear opportunities for improving the quality of telecommunications infrastructure and job creation.

| | 7 AFFORDABLE AND CLEAN ENERGY  | 8 DECENT WORK AND ECONOMIC GROWTH  | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  |
|-----------|--|--|--|--|--|
| COUNTRIES | ACCESS TO ELECTRICITY % | UNEMPLOYMENT RATE % | QUALITY OF INFRASTRUCTURE 1-5 | MOBILE BROADBAND SUBSCRIPTIONS % | INTERNET USAGE % |
| ARGENTINA | 100.0 | 9.8 | 2.8 | 80.7 | 74.3 |
| BRAZIL | 100.0 | 12.1 | 2.9 | 88.1 | 70.4 |
| CHILE | 100.0 | 7.0 | 3.2 | 91.6 | 82.3 |
| COLOMBIA | 99.6 | 9.7 | 2.7 | 52.3 | 64.1 |
| SPAIN | 100.0 | 16.1 | 3.8 | 98.5 | 86.1 |
| MEXICO | 100.0 | 3.8 | 2.8 | 70.0 | 65.8 |
| PERU | 96.4 | 3.3 | 2.3 | 65.7 | 52.5 |
| PORTUGAL | 100.0 | 6.9 | 3.2 | 73.8 | 74.7 |

Sources: SDG Dashboard. United Nations 2020 and Datosmacro (Estudios del Grupo Recoletos: Expansión) for unemployment data for Chile, Spain, Portugal and Mexico 2020.

EVOLUTION OF THE MAIN FIGURES

ECONOMIC DIMENSION

Up to the beginning of the year, Ezentis had posted five quarters of positive results and a considerable increase in cash generation, accompanied by strong order intake. In 2020, everything changed and the year ended with a loss of 35 million euro, mainly as a result of adverse currency conditions, which had a direct impact of 52 million euro in revenues and 11 million euro in EBITDA.




The COVID-19 effect, derived from the mobility limitations and the consequent government restrictions imposed in the countries, had an impact of 11.2 million euros on the results, of which 7.5 million euros affected EBITDA and a further 3.7 million euros corresponded to non-recurring expenses (temporary redundancy plans and the acquisition of PPE and medical equipment).

SOCIAL DIMENSION

On the social dimension side, while there has been a decrease in the average number of employees, the percentage of permanent contracts has increased by 3 percentage points compared to 2019 and talent retention has improved as the voluntary turnover rate has been reduced to 11%.

ENVIRONMENTAL DIMENSION

For the second consecutive year, Ezentis Group fulfils its commitment to reduce the carbon footprint generated in the development of its activities, with a reduction of -10% compared to 2019 and -18% accumulated in the period 2018-2020.

| | | 2019 | 2020 |
|--------------------------------|---|------------------------------------|--------|
| ECONOMIC DIMENSION |  | Sales (€M) | 455.2 |
| | | Portfolio (€M) | 934.4 |
| | | Net profit (€M) | 4.0 |
| SOCIAL DIMENSION |  | Average number of professionals | 12,800 |
| | | Permanent/indefinite contracts (%) | 78 |
| | | Voluntary rotation (%) | 14 |
| ENVIRONMENTAL DIMENSION |  | CO emissions (TnCO ₂ e) | 34,453 |

EZENTIS: 2020 FIGURES

MAIN FINANCIAL FIGURES

REVENUES

€380.7 M

-16.3% vs 2019

EBITDA⁽¹⁾

€47.1 M

12.4% of revenues

PORTFOLIO

€658.0 M

Multiannual contracts
1.7x s/revenueFLOW FROM RECURRING
OPERATING ACTIVITIES

€18.4 M

EBITDA conversion rate of 39%

COVID-19 EFFECT

€-37.8 M

IN REVENUE €-26.6M
IN EBITDA €-7.5M
NON-RECURRENT
EXPENDITURE €-3.7MTRANSFORMATION
PLAN

€-22.6 M

Cost of the plan

NET FINANCIAL DEBT

€176.1 M

3.7x vs EBITDA

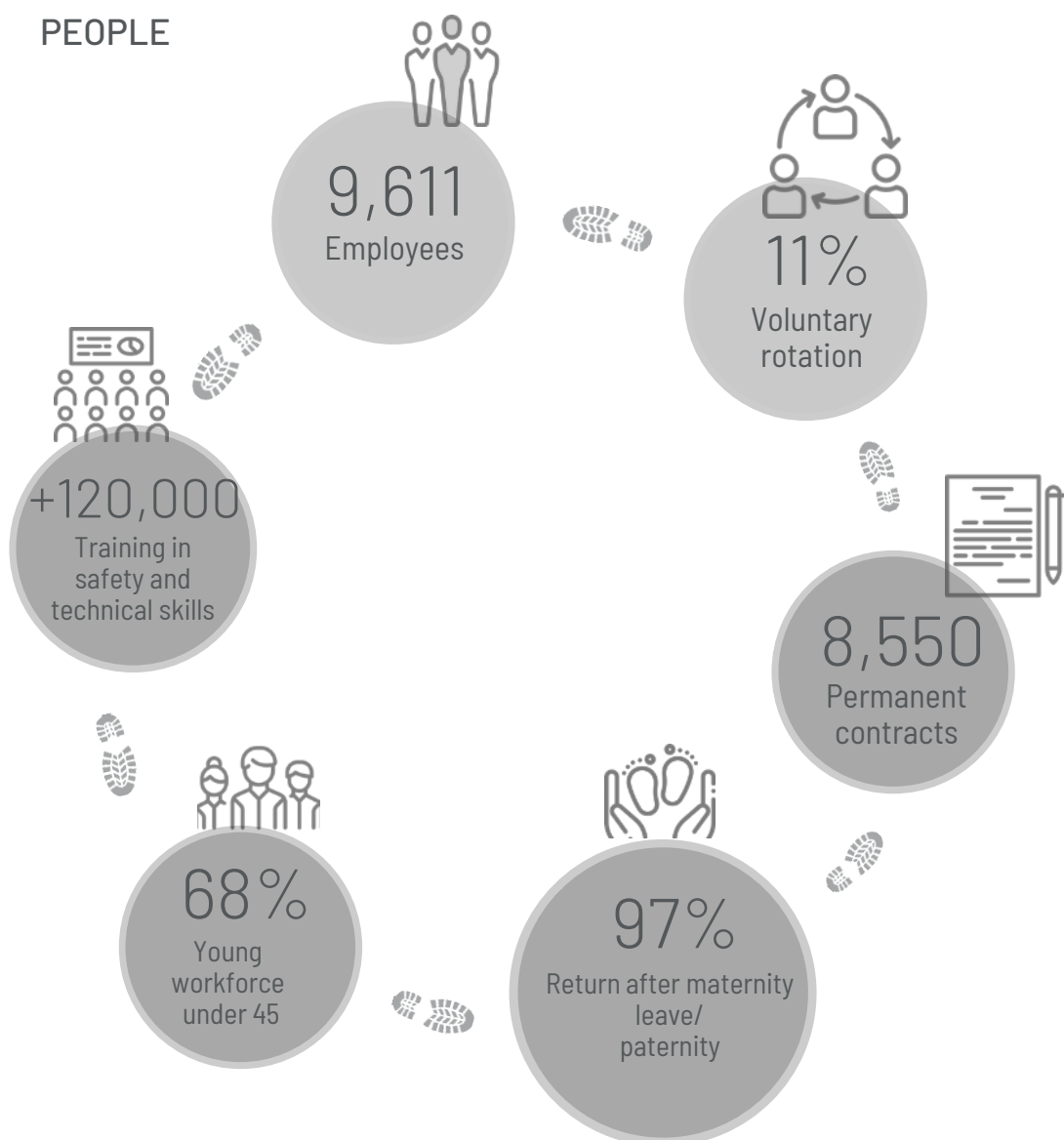
NET FINANCIAL RESULT

€-14.0 M

Significant reduction of
financial expenses

(1) Amount under IFRS16

PEOPLE



ENVIRONMENT

30,922
TCO₂e



FLEET RENOVATION

CNG, biodiesel and ethanol vehicles

LOCAL COMMUNITY

98%
Local suppliers

€212.9M

Total purchases from suppliers

COMPLIANCE

Ezentis is one of the eight companies in the continuous market that already complies with the CNMV's ⁽¹⁾ Good Governance Code recommendation of 40% women on the Board by 2022.

(1) Spanish National Securities Market Commission.



STRONG FINANCIAL PERFORMANCE

Ezentis' main financial indicators show clear business growth in recent years. These are our key strategies for sustainable success:

STRATEGIC POSITIONING

Increased market share:
geographical, sectoral and clients

BUSINESS GROWTH

Sustained revenue growth with a
cumulative annual growth rate of
7%

MARGIN IMPROVEMENT

Ability to increase margins based
on density, synergies and digital
transformation

DEVELOPMENT/ TRAINING PEOPLE

More than 120,000h of employee
training in Safety and Technical
Training

ALLOCATION OF CAPITAL TO CREATE VALUE

Corporate acquisitions fitting with
our strategic objectives

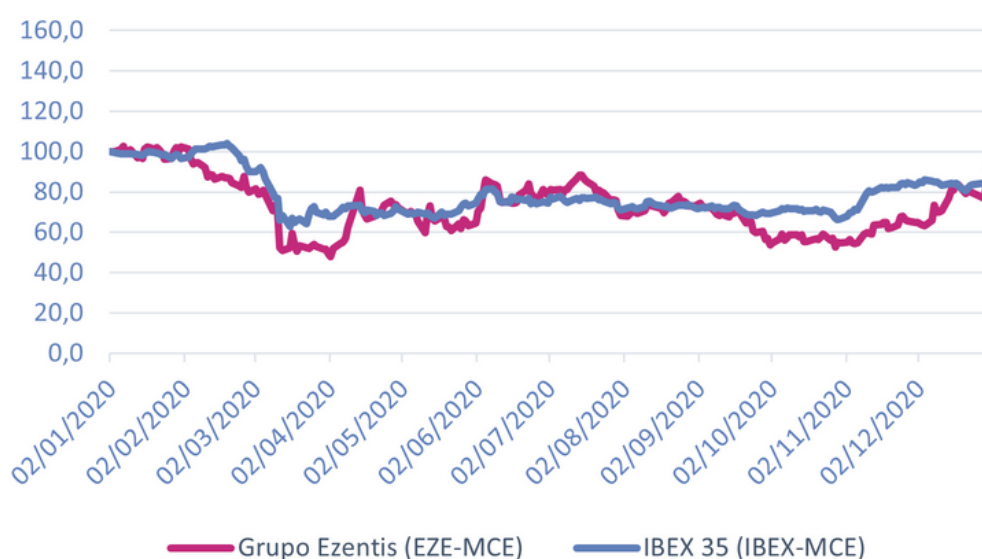
STOCK INFORMATION

Financial analysts foresee good prospects for the coming years. Their opinion is mainly based on the following key aspects:

- Business resilience as an essential service
- Positive revenue and margin performance in a difficult year
- Solid backlog of orders as an indicator of customer confidence
- Guaranteed visibility in the medium term

| | 2018 | 2019 | 2020 |
|---|-----------|-----------|-----------|
| Number of shares (thousands of shares) | 331,172.0 | 331,172.0 | 331,172.0 |
| Prices as of 31/12 (in €/share) | 0.476 | 0.402 | 0.400 |
| Maximum of the year (in €/share) | 0.845 | 0.602 | 0.431 |
| Minimum for the year (in €/share) | 0.475 | 0.405 | 0.202 |
| Capitalisation at 31/12 (thousands of €) | 157,472 | 133,131 | 132,469 |
| Average volume of trading (thousands of shares) | 1,496.3 | 530.0 | 1,295.0 |

IBEX 35 VS EZENTIS SHARE PRICE EVOLUTION



MANAGEMENT MODEL

| | |
|--|----|
| Governing bodies | 21 |
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| COVID-19: Managing a health crisis | 30 |
| Sustainability governance and management | 33 |
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| Stakeholder Relations | 38 |

GOVERNMENT BODIES

Grupo Ezentis, S.A. is the parent company of the Ezentis Group and its subsidiaries located in Spain, Portugal and Latin America; therefore, its activity corresponds solely to corporate services and portfolio activity. The corporate areas and the Board of Directors of Grupo Ezentis, S.A. define the common guidelines and business strategies applicable to all the Group's subsidiaries, with a certain margin for adaptation to local needs.

This multinational presence means that the company's organisational structure is geographically segregated. Each country is headed by a Director/General Manager and its subsidiaries are managed under their own Board of Directors, Management Board or Board of Directors, as determined in each jurisdiction.

As this report is of a corporate nature, information on the governing bodies of Grupo Ezentis, S.A. is included below: the General Shareholders' Meeting, the Board of Directors of Grupo Ezentis, S.A. and its committees.

SHAREHOLDERS' ANNUAL GENERAL MEETING (AGM)

100%

of the points on the agenda
were approved at the 2020
AGM



The proposed resolutions of the
2020 AGM were approved by an
average of 92,32% of the share
capital in attendance.

BOARD OF DIRECTORS

55%
INDEPENDENT

44%
WOMEN

12
MEETINGS IN 2020

100%
Attendance in person of the total
votes during the year

2
EXECUTIVES

5
INDEPENDENT

2
NOMINEE

COMMISSIONS

EXECUTIVE COMMITTEE

22.22%
EXECUTIVES

22.22%
NOMINEE

55.56%
INDEPENDENT

AUDIT AND COMPLIANCE COMMITTEE










33.33%
NOMINEE

66.67%
INDEPENDENT

APPOINTMENTS AND REMUNERATION COMMITTEE

100%
INDEPENDENT

COMPOSITION OF THE BOARD OF DIRECTORS AT 31/12/2020

| | DIRECTOR'S NAME | LATEST APPOINTMENT | DIRECTOR CATEGORY | POSITION ON BOARD | COMMISSIONS | DIRECT SHAREHOLDING (%) | REPRESENTED SHAREHOLDER |
|--|---|--------------------|-------------------|-------------------------|-------------|-------------------------|-------------------------|
|  | Mr. Enrique Sánchez de León | 04/06/2020 | Independent | Non-Executive Chairman | e | 0,120% | |
|  | Mr. Fernando González Sánchez | 29/06/2018 | Executive | Chief Executive Officer | e | 0,209% | |
|  | Mr. Pedro María Azcárate Palacios | 04/06/2020 | Independent | Director | a n | 0.058% | |
|  | Ms. Ana María Sánchez Tejeda | 09/04/2018 | Nominee | Director | e | 0.009% | IDEA Agency |
|  | Ms. Laura González-Molero | 04/06/2020 | Independent | Director | n | 0.023% | |
|  | Ms. Paloma Jiménez Baena | 25/06/2020 | Independent | Director | e a | 0.000% | |
|  | Ms. Carmen Gómez Barrera Tous de Monsalve | 27/02/2017 | Independent | Director | e n | 0.009% | |
|  | Mr. Alfonso Alonso Durán | 09/04/2018 | Nominee | Director | e a | 0.009% | Ericsson Spain |
|  | Mr. Carlos Mariñas Lage | 29/06/2018 | Executive | Director | | 0.329% | |



Chairman of the committee



Member



Executive Committee



Audit and Compliance Committee



Appointments and remuneration committee



ROLES OF THE COMMISSIONS IN 2020

EXECUTIVE COMMITTEE

- This Committee holds all the competences corresponding to the Board of Directors, except for those cannot be delegated by law or the bylaws.

AUDIT AND COMPLIANCE COMMITTEE

- (i) On financial information:
 - Quarterly and half-yearly review of financial information disclosed to the securities markets before it is communicated.
 - To approve the proposed formulation of the annual accounts for the financial year 2019.
 - Monitoring of internal control over financial reporting systems (ICFR).
 - Proposal for approval of the Accounting Policy Manual and its implementation plan.
- ii) On auditing of accounts:
 - Report on the independence of the external auditor.
 - Reviewing and approving the procurement of audit services.
- iii) On internal control and internal audit:
 - Review and follow-up of the Internal Audit plan.
 - Monitoring of the Ethics Committee and complaints channel.
 - Follow-up of the internal control master plan.
 - Annual evaluation of the performance of the internal audit function.
 - Review and analysis of the internal audit reports of the various Group companies.
 - Monitoring of the model of crime prevention-criminal liability of the legal person.
 - Monitoring of the risk map and updating.
 - Follow-up of recommendations and adjustments proposed by internal audit.
 - Monitoring of treasury shares.
- (iv) On risk management and control:
 - Monitoring of corporate tax policy.
 - Follow-up of the tax risk/transfer pricing plan.
- (v) Other functions:
 - Supervision and submission for approval by the Board of the Annual Corporate Governance Report for the financial year 2019.
 - Report to the Board on the evaluation of the Audit and Compliance Committee.
 - Review of non-financial information.
 - Related party transactions report.
 - Evaluate the quality and efficiency of the Commission's own functioning.
 - Update of the IT Systems/Security plan.
 - Review of the security plan.
 - Approve and inform the Board of any amendments to the Articles of Association, Regulations of the General Meeting and Regulations of the Board.
 - Approve and inform the Board of the amendment of the Code of Ethics and Conduct.
 - Approve and inform the Board of the modification of the Internal Rules of Conduct.
 - Review of the sustainability plan.

APPOINTMENTS AND REMUNERATION COMMITTEE

i) On policies and plans:

- Report to the Board on the non-financial information for the financial year 2019 included in the management report of the annual accounts.
- Monitoring of compliance with the CNMV's Technical Guide on Appointments and Remuneration Committees.
- Follow-up of the Communication Plan.
- Approve and report to the Board on the 2020-2022 Sustainability Master Plan.
- Monitoring of the Sustainability Master Plan.
- Approve and inform the Board of the modification of the Sustainability Policy.
- Approve the proposal for the Continuing Education Plan for the 2020 financial year.
- Approve and inform the Board of the modification of the Policy on Communication of Information, Contacts and Engagement with Shareholders, Institutional Investors and Proxy Advisors.
- Approve and report to the Board on Climate Change Policy.
- Approve and report to the Board on the modification of the Board Diversity and Director Selection Policy.
- Approve and inform the Board of the modification of the Corporate Governance Policy and Group Structure.
- Updating of the matrix of competencies of directors.
- Approve and report on the succession plan for the Board of Directors.
- Monitoring of the information contained on the corporate website.

ii) On the General Meeting:

- Approve the report on the functioning of the committee.
- Approve and report to the Board on the Remuneration Policy 2020-2023.
- Report on the proposed re-election of directors.

(iii) On Organisation:

- Report to the Board on organisational changes and appointments in the group's subsidiaries.
- Report to the Board on the appointment of committee members.
- Report on the assessment of the Board of Directors and the Appointments and Remuneration Committee to the Board.
- Report to the Board on the organisational model.

iv) On Remuneration

- Report to the Board of the setting of targets for variable remuneration for the financial year 2020.
- Report to the Board of the evaluation of the variable remuneration for the financial year 2019.
- Report to the Board of the setting of the ILP targets for the 2020 financial year.
- Report to the Board on the evaluation of the ILP's objectives for the financial year 2019
- Report favourably to the Board on the Annual Directors' Remuneration Report 2019.
- Report favourably to the Board on the Annual Corporate Governance Report 2019.

EXECUTIVE COMMITTEES IN THE EZENTIS GROUP

The Ezentis Group has the following executive committees with global scope:

STEERING COMMITTEE

Composed of a total of seven members.

BUSINESS COMMITTEE

It has a total of eight members, two of whom are senior managers and six other members who hold the highest positions in the country.

In both, the Steering and Business Committees, on-financial issues under development are presented to all members for their knowledge and input.

TREASURY COMMITTEE

Consisting of a total of four members, three of whom are from the Corporation, and the Country Finance Manager (as appropriate).

This is the body responsible for monitoring, controlling and coordinating the Ezentis Group's treasury management.

INVESTMENT COMMITTEE

Composed of a total of seven members, all of them from the Corporation.

This is the body that must report on decisions that have an impact on investments, expenditure and financing to be undertaken by any Group company.

These two committees have the greatest expertise in the Ezentis Group in the areas to which they refer and represent a reinforcement of two key areas in which the company is firmly committed to improvement.

From 2020 onwards, with the launch of the Sustainability, a new Executive Committee is added to those already mentioned:

SUSTAINABILITY COMMITTEE

Composed of three members: the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Director of Investor Relations and Sustainability.

EZENTIS STRATEGIC VISION

TRENDS AND KEYS FOR THE TELECOMMUNICATIONS MARKET



Communications infrastructures and digitalisation are critical to meet future growth in the use of telework, e-commerce, education, entertainment and remote services.

TRENDS

- Modernisation of existing telecommunications networks and deployment of new infrastructures extending them to rural areas. Deployment of 4G and 5G mobile networks.
- Digitalisation of processes in companies and public administrations as a lever for competitiveness: distance working, e-commerce, health and training.
- Transaction security and data privacy.
- Bridging the digital gap.

MARKET KEYS

- Deployment and O&M of fibre optics. <15% FTTH penetration rate in Europe.
- 4G and 5G deployment and O&M (1 x 60 antennas respectively).
- Dismantling of obsolete infrastructures.
- Digital services.

TRENDS AND KEYS FOR THE ENERGY MARKET



Energy transition to contain climate change, reduce energy poverty and as a lever for competitiveness in industrial and service activities.

TRENDS

- The need to decarbonise to avoid global warming.
- Increasing the share of electricity in total energy demand in Europe, in order to achieve the EU's energy and climate targets.
- PNIEC (National Integrated Energy and Climate Plan) in Spain.
- Reducing the cost of energy in industrial processes to improve the competitiveness of companies.

MARKET KEYS

- Target: 59% share of electricity in EU energy demand by 2050.
- PNIEC: increase renewable energy consumption by 42% and reduce emissions by 23%.
- Spanish government's 10-year investment in electricity grids, renewable generation and energy efficiency.

STRATEGIC POSITIONING

Ezentis' strategic positioning allows it to take advantage of the opportunities arising in the telecommunications and energy sectors.

OUTLOOK

SECTORAL DIVERSIFICATION

Medium-term target: 60-65% telecoms sector and 40-35% energy sector.

GEOGRAPHICAL DIVERSIFICATION

Medium-term target of increasing the weight in Europe to a 65%-70% of the Group's total revenues.

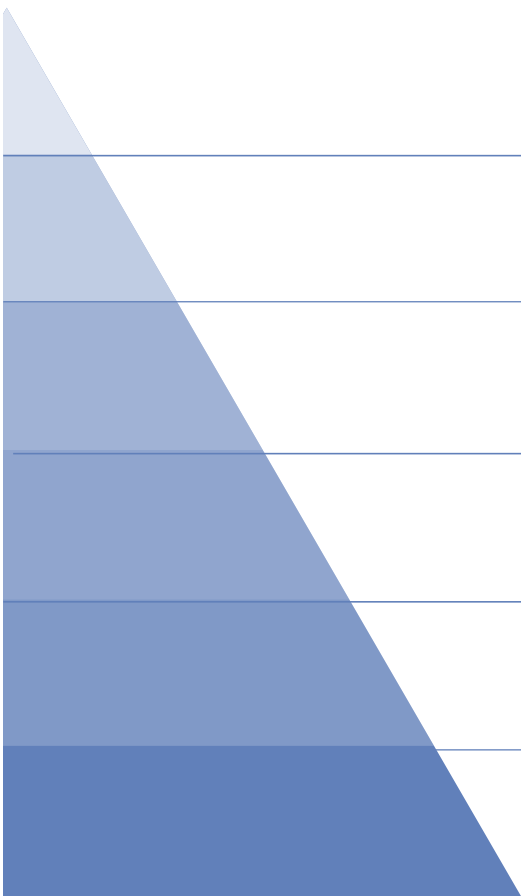
SUSTAINABILITY

Transversal target integrated into operations, processes, the management of each area, decision-making and relations with all Stakeholders. The new Sustainability Master Plan 2020-2022 is the roadmap for further progress towards a sustainable business model.

RISK MANAGEMENT

Aware of the importance of proper management of the risks involved in the Ezentis Group's activities, the company has had an Integrated Risk Management System in place for many years, aligned with the reference standards (COSO, ISO 31000), through which it identifies, evaluates, prioritises and manages the Group's relevant risks and for which the Group's Board of Directors is ultimately responsible.

THE IMPLEMENTATION OF OUR RISK MANAGEMENT SYSTEM IS BASED ON THE FOLLOWING PRINCIPLES



- Consider risk as any threat that an event, action or omission may prevent the Ezentis Group from achieving its objectives, successfully executing its strategies, the correct performance of its operations or the loss of opportunities.
- Establish mechanisms for adequate risk management, including risk identification, assessment, response, monitoring and reporting.
- Promote and implement the strategy, culture, resources and processes that make up Integrated Risk Management, which will be reviewed periodically to adapt it to the situation of the Organisation and its environment.
- Attribute responsibility among the different levels of the organisation for identifying, analysing, assessing, evaluating and supervising the Risk Management System.
- Promote the establishment and implementation of guidelines, limits and mechanisms that contribute to risk management in accordance with the risk appetite accepted by the Ezentis Group.
- Promote, foster and disseminate, through training and communication, the Risk Management System, ensuring the dissemination of the Risk Management Policy, together with the documentation that develops it.

The risks identified in Ezentis Group are classified as follows:

| | |
|--------------------------|---|
| STRATEGIC RISK | Risks that impact the objectives established at the highest level and relate to accomplishing the mission and vision of the Company. If they materialize, these risks compromise the achievement of strategic Objectives. |
| COMPLIANCE RISKS | Risks affecting the Company's performance of all those internal or external laws and regulations that are applicable (tax filing and payment deadlines, compliance with personal data protection law, etc.). |
| FINANCIAL RISKS | Risks associated with the financial markets, the generation and treasury management. These include those related to liquidity, cash management, access to financial markets, exchange rates and interest rates, among others. |
| OPERATIONAL RISKS | Risks directly related to the effectiveness and efficiency of operations, including those that impact on performance and profitability objectives (systems failures, anomalies in processes, etc.). |

The Risk Management System is periodically updated, it works in an integrated and continuous manner, and is the result of consolidating the steps taken by each of the business units, country, or company at the corporate level, which comprise or have comprised part of the company throughout the financial year of 2020.

The main risks to which the Group was exposed during the financial year 2020 in each of the above categories, as well as the various mitigating measures, are described in chapter 6 of the Management Report for the financial year 2020⁽¹⁾, as well as section E of the Annual Corporate Governance Report 2020⁽²⁾.

During the 2020 financial year, both the Risk Map and the Internal Control System have evolved in such a way that non-financial aspects (social, safety, environmental, corporate governance, etc.), derived from climate change, equal opportunities or Corporate reputation issues, have a greater presence and relevance.

In addition, it is verified that the non-financial matters that have been found to be material (Materiality Analysis described in the section "Significant non-financial issues") are aligned with the Company's Risk Map.

(1) <https://www.ezentis.com/media/2021/03/cuentas-anuales-consolidadas-grupo-ezentis-2020.pdf>

(2) <https://www.ezentis.com/media/2021/03/informe-anual-de-gobierno-corporativo-ezentis-2020.pdf>

COVID-19: MANAGING A HEALTH CRISIS

EZENTIS AS AN ESSENTIAL SERVICE

Since the beginning of the pandemic, the Ezentis Group's priority has always been to preserve the health and safety of all employees. Therefore, before the various governments established measures restricting people's mobility, the company mobilised to provide all the necessary tools so that employees who usually work in the offices could continue their work safely from home, and for field staff, all health and safety protocols were immediately activated to minimise the impact on health and the availability of work equipment.

At the height of the pandemic, the Ezentis Group's business was declared a "core business" in all the markets in which it operates. The classification of Ezentis' activity as an essential service was an unprecedented challenge for the company, given its important position in the value chain of the main telecommunications and utilities operators with which it works on a regular basis. Faced with a significant increase in consumption by end users, especially in the field of telecommunications (internet use in the home), Ezentis doubled its efforts with a commitment to continue providing the best service, not only to meet its customers' expectations, but also to fulfil its social responsibility by collaborating directly in ensuring the development of other essential activities.

While government measures and restrictions have been temporary, they have had an effect on our business with an estimated impact of lower sales:

- In Spain, portability of fixed and mobile lines between operators was temporarily banned, which significantly affected this type of service, and a general confinement was applied to the population, affecting the number of services to be provided at the end customer's home for fear of physical contact.
- In Peru, the establishment of a strict curfew forcibly reduced the working hours of our staff and the application of confinement measures, as in other countries, reduced the request for service orders and the demand from end customers.
- In Brazil and Chile, there were restrictions on the cutting and replacement of power, so that certain operation and maintenance services could not be performed on energised lines.

The temporary nature of these limitations and the gradual normalisation of activity have allowed for a generalised recovery since the third quarter of the year.

QUICK ACTION PROTOCOL

The situation arising from COVID-19 led Ezentis to formalise specific bodies for day-to-day monitoring and decision-making: a Global Committee and several Local Committees (one per subsidiary).

GLOBAL COMMITTEE

- Objective: Determine how to govern the crisis and incorporate strategic and operational vision and ensure that this is put into practice.
- Reports to: the Chief Executive Officer.
- Participants: Regional Directors (Europe and Latam), General Director of Resources and Media and General Director of Brazil.
- Coordinator: Occupational Health and Safety Director.
- Status report: Daily and weekly.

LOCAL COMMITTEE

- Objective: Determine the general measures to be adopted and authorize the exceptional ones.
- Reports to: the Director or General Manager of the subsidiary.
- Participants: Resources, Finance and Operations Directors.
- Coordinator: Occupational Health and Safety Director.
- Status report: Daily.



GENERAL MEASURES

- Coordination with clients.
- Action protocol in each subsidiary.
- General communication to all staff on prevention and protection measures.
- Increased frequency of cleaning.

COLLECTIVE PROTECTION MEASURES

- Travel restriction.
- Videoconference meetings, including employees, customers and suppliers.
- Work flexibility, teleworking and new shifts.
- Teleworking for particularly sensitive people, the elderly, pregnant women and those with young children.

INDIVIDUAL PROTECTION MEASURES



- Training (online).
- Business and contract specific procedures.
- Provision of information with protective measures.
- Provision of masks, gloves and alcohol gel.

INTERNAL COMMUNICATION CAMPAIGN: #TODOSJUNTOSLOSUPERAMOS



Ezentis Group management would like to pay special tribute to all those employees who have continued to carry out their activities with total professionalism, fulfilling their professional obligations and demonstrating the commitment and professionalism that characterises us and helps us to overcome difficulties, as in the case of COVID-19, a global event that will undoubtedly mark a before and after in human relations and consumer patterns.



SUSTAINABILITY GOVERNANCE AND MANAGEMENT

In a particularly difficult context such as the one presented at the beginning of 2020 at global level, Ezentis has not only maintained its commitments to sustainability, but has also significantly strengthened them. After starting its journey in 2017 in corporate social and environmental responsibility beyond that expressed in the various jurisdictions, three years later the Ezentis Group has decided to go a step further in its commitment to society and the surrounding environment by laying the foundations for becoming a sustainable company.

The vision of sustainability is broader and more ambitious. It is not just about acting responsibly (CSR) in the present, but about building a sustainable business model from all perspectives.

Looking into the future, Ezentis' new sustainability vision incorporates everything learned and developed previously, giving it new impetus through three levers:

New Master Plan outlining the major sustainability challenges for the next three years.

Creation of a governance body to monitor all initiatives: Sustainability Committee.

New approach to stakeholder relations.

In addition to acting in accordance with the Code of Ethics and Conduct and the company's values, Ezentis collaborates through its activities in the achievement of the Sustainable Development Goals in order to meet the desired balance between the three dimensions of a sustainable company: economic growth, social justice and respect for the environment.

Ezentis' purpose is in itself a declaration of intent. Through its activities, it has a significant impact on the accessibility of telecommunications technologies and electricity supply to communities, which are intrinsic elements of development and social equity in a global world.

10 REDUCED INEQUALITIES



PURPOSE

BRIDGING THE
TECHNOLOGY
GAP
AND REDUCE
ENERGY
POVERTY

SUSTAINABILITY POLICY

The purpose of the company's new Sustainability Policy⁽¹⁾ is to establish a common, cross-cutting reference framework, based on which all Ezentis Group employees can act and make decisions based on the balanced management of economic interests and the social and environmental implications of operations.

This Policy is of a corporate nature and is therefore applicable to all entities that make up the Ezentis Group and to any other entities that may be incorporated in the future.

(1) Sustainability Policy available on the website: <https://www.ezentis.com/media/2020/07/grupo-ezentis-sustainability-policy.pdf>

SUSTAINABILITY MASTER PLAN 2020-2022

In order to achieve the proposed sustainability objectives, a two-year Master Plan has been drawn up from 2020 to 2022, which is a continuation of the previous CSR Plan launched in 2017.

This new Sustainability Master Plan (SMP) has been created on the basis of an exhaustive evaluation of the previous plan, with the participation of all the company's management areas and has been APPROVED by the Group's Board of Directors.

The plan is made up of numerous initiatives distributed by management areas (Resources, Human Resources, Internal Audit, etc.) and differentiating those that are corporate and, therefore, apply to the entire group equally, from other actions that are necessary at country level to cover local needs. In the development of each one of these actions, those in a charge as well as the deadlines to guarantee full accomplishment of the Plan in 2022 have been identified.

Overall
compliance with
the Plan in 2020:
80.9%

KEY INITIATIVES OF THE SMP:



1. CREATION OF A SUSTAINABILITY COMMITTEE

Creation of an internal body made up of senior executives of the Company in charge of promoting sustainability in all areas, coordinating the initiatives to be carried out and supervising compliance with the Master Plan.



2. OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT INSIDE AND OUTSIDE THE ORGANISATION

Given the nature of our services, occupational health and safety is the most relevant issue in the Ezentis Group's materiality matrix (see the section on "Significant non-financial issues") and, therefore, the nature of our services, one of our priorities is that the safety culture that is lived and managed within the organisation extends to our supply chain. The objective of improving people's health and safety applies both to our own employees and to those who operate on our behalf.



3. RENEWAL OF FLEET TO USE LESS POLLUTING VEHICLES

The major environmental impact of Ezentis Group comes from the use of vehicles by its workers for providing their services on the ground. As part of the Group's commitment to mitigating climate change, a fleet transformation plan has been defined, with the incorporation of vehicles using fuels other than diesel or gasoline.



4. DEFINITION OF COMMON GUIDELINES ON THE CONTRIBUTION TO THE SOCIETY

In addition to making a positive contribution to society through our services, at Ezentis we believe that there are other ways in which we can contribute to the sustainable development of local communities and the natural environment. In order to join forces and achieve a greater positive impact, it is necessary to establish common principles and criteria for action to guide the implementation of social action and corporate volunteering in all the Group's subsidiaries.

SUSTAINABILITY COMMITTEE

The first and most important initiative of the SMP has been the creation of a Sustainability Committee that will set the course for sustainability in the company and the correct fulfilment of this and future plans to be implemented.

The Sustainability Committee is an internal body comprising the company's CEO, the Chief Executive Officer (COO) and the Sustainability area, whose mandate is to promote, support and supervise all measures contemplated in the SMP as well as all additional emerging initiatives not initially contemplated. The Committee will report regularly to the Nomination and Remuneration Committee on sustainability monitoring and performance.

Since its approval and launch in May 2020, the Sustainability Committee has met formally on two occasions and has specifically followed up via email on a number of issues that, although not initially foreseen, have occurred throughout 2020.



ACHIEVEMENT 2020

- Update on materiality analysis of non-financial (ESG) issues.
- Elaboration of a specific Climate Change Policy.
- Strengthening the relationship with the stakeholder group: Customers.



GOAL 2021

- Develop of a specific human rights policy.
- Elaborate a specific Responsible Purchasing Policy.
- Strengthening the relationship with the stakeholder group: Investors.

SIGNIFICANT NON-FINANCIAL ISSUES

The identification of non-financial matters is an exercise that companies need to undertake in order to know which are the priority areas of action and which groups or Stakeholders should be kept informed about the company's performance in the most relevant financial and non-financial matters.

This exercise has been carried out by Ezentis since 2017 in accordance with the recommendations of the Global Reporting Initiative (GRI) for the preparation of Corporate Responsibility/Sustainability Reports and its regular updating has been established every two years, without prejudice to the possibility of it being carried out at other times in accordance with the Company's strategic priorities.

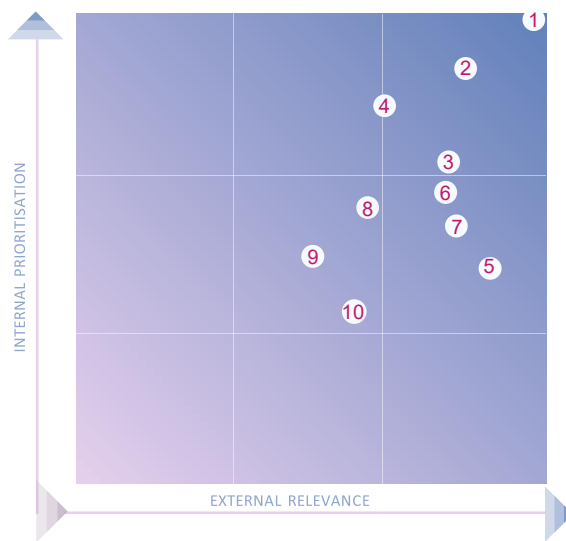
OBJECTIVES OF THE PROCESS

- Establish priorities in the definition of specific actions in each management area (Sustainability Master Plan 2020-2022).
- Be aware of current environmental, social and governance (ESG) trends and adapt our processes to changes that may affect the company's sustainability.
- Devote the necessary efforts and resources to those issues that are most relevant to the Company.
- Involve our stakeholders in the process and be aware of their expectations.
- Define the contents of external reports of non-financial information with relevant information adjusted to the expectations and needs of all Stakeholders, both internal and external.

MAIN STAGES OF THE ANALYSIS



RESULT OF THE 2020 MATERIALITY ANALYSIS



BUSINESS AND GOVERNANCE DIMENSION

| | | |
|---|---|-----|
| 2 | Business ethics, transparency and good governance | 89% |
| 8 | Risk Management | 62% |

SOCIAL DIMENSION

| | | |
|----|----------------------------------|------|
| 1 | Safety at work | 100% |
| 3 | Talent development and retention | 73% |
| 4 | Relations with clients and users | 73% |
| 7 | Human and labour rights | 68% |
| 9 | Cybersecurity | 54% |
| 10 | Local Community Impacts | 49% |

ENVIRONMENTAL DIMENSION

| | | |
|---|--------------------------------------|-----|
| 5 | Climate Change and Energy Efficiency | 72% |
| 6 | Supply chain | 49% |

As can be seen in the matrix, the issues that merit most attention by the Ezentis Group are:

- Safety at work
- Business ethics, transparency and good governance
- Relations with customers and users
- Talent development and retention

The main changes observed compared to the 2018 Materiality Analysis are:

- The importance of Climate Change and Energy Efficiency increased significantly, entering the Top 5 material issues for Ezentis. (+41% compared to 2018).
- Another issue that has increased its relevance both externally and internally is Supply Chain (+24% in external relevance and +13% in internal prioritisation).
- The issue of Cybersecurity is incorporated (suggested in comments received in the 2018 analysis), ranking for the moment, in a low position in terms of global relevance.



UPDATE OF THE MATERIALITY ANALYSIS

After the last review of the study carried out in 2020, and following the periodicity defined by the Company, our objective is to carry out a new Materiality Study in order to confirm the continuity of the most relevant issues or to identify new issues that have not been identified to date and that are also relevant for the company.

The materiality criterion is applied to all content covered by Law 11/2018 of 28 December, without exception. In other words, all aspects that do not apply or are not material for the Ezentis Group will be accompanied by an explanation.

Finally, we believe that the preparation of the materiality analysis is as important as its appropriate dissemination and communication within the organisation and to stakeholders.

For this reason, after the approval and official presentation of the materiality study, a communication plan was agreed upon for the results, both internally and to external stakeholders.

STAKEHOLDER RELATIONS




Ezentis Group, as a business present in eight countries and involved in two major sectors of enormous social utility (telecommunications and energy), is aware of its role and responsibility towards the stakeholders with whom it constantly interacts.




For this reason, and in order to achieve an effective and mutually beneficial collaboration, the Sustainability Master Plan 2020-2022 includes specific initiatives for each of them.

They are also taken into account in each update of the materiality analysis to guide the company in making future decisions, as detailed in the previous section "Significant non-financial issues".

In addition, all communications via social networks, press and other media available to the company are governed by the principle of transparency and truthfulness, thus guaranteeing the reliability of the information and the commitment assumed by the company to contribute to the growth and sustainable development of the environment in which it operates.

Below, details are given of how the relationships with the different Stakeholders significant to the company are managed, including the communication channels and content considered appropriate in each case.

| | COMMUNICATION CHANNELS | TARGETED CONTENT |
|---|--|--|
| EMPLOYEES | | |
|  | <ul style="list-style-type: none"> • E-mail (Ezentis Comunica) • Ezentis Comunica App • Meetings • Social Networking • Posters in offices and workplaces • Complaints channel • Corporate blog • Sustainability Report | <ul style="list-style-type: none"> • Talent attraction and retention (flexible working hours, teleworking, health insurance, meal cards) • Code of conduct: course for new employees • Health and Safety at Work (training in preventive culture) • Cybersecurity (training on cyber-attacks) • Environment (training and awareness-raising) • Sustainability (Information on company progress and training) |
| CUSTOMERS | | |
|  | <ul style="list-style-type: none"> • E-mail and telephone • Meetings • Social Networking • Satisfaction surveys and sustainability questionnaires • Corporate website and blog • Sustainability Report | <ul style="list-style-type: none"> • Assessment of client satisfaction • Complaints handling • Improvements in the quality of service • Sustainability at Ezentis Group and our role in its value chain |
| SHAREHOLDERS AND INVESTORS | | |
|  | <ul style="list-style-type: none"> • E-mail and postal mail, and telephone • Ezentis IR App • Social Networking • Corporate website and blog • Meetings • Presentations of results • Corporate Reports (CAGR, Management Report, Corporate Governance Report, Sustainability Report) • General Meeting of Shareholders • Events | <ul style="list-style-type: none"> • Financial performance • Strategy and future objectives • Company sustainability performance • Organisational management and governance • Status of the share on the stock exchange |

| | COMMUNICATION CHANNELS | TARGETED CONTENT |
|---|---|---|
| SUPPLIERS/SUBCONTRACTORS | | |
|  | <ul style="list-style-type: none"> • E-mail and telephone • Corporate website and blog • Social Networking • Meetings • Sustainability Report | <ul style="list-style-type: none"> • Supplier relationship management (contracting, payment and invoicing conditions, award criteria) • Management of relations with contractors and subcontractors (quality of service, occupational health and safety conditions, compliance with customer requirements, etc.) • Sustainability criteria at Ezentis and its supply chain |
| MEDIA | | |
|  | <ul style="list-style-type: none"> • E-mail and telephone • Press Office (press releases) • press, events, direct liaison with the Communication Directorate) • Social Networking • Meetings and interviews • Web | <ul style="list-style-type: none"> • Financial results and company strategy • New sustainability policies and initiatives • Relevant issues related to Ezentis' business • Corporate governance • Stock market situation |
| GENERAL SOCIETY | | |
|  | <ul style="list-style-type: none"> • Corporate website and blog • Social Networking • Press releases • Corporate Reports (CAAC, Management Report, Sustainability Report) • Job portals | <ul style="list-style-type: none"> • Economic performance • New contracts • Outstanding initiatives in the field of sustainability • Informative content on our sectors of activity • Job vacancies |

As part of its stakeholder relations, the Group strives to maintain continuous and up-to-date communication with each of its stakeholders in order to build strong and sustainable relationships of trust, seeking two-way communication and mutual enrichment wherever possible.

SUCCESS CASE

What's new in communication channels?

EZENTIS COMUNICA APP - COVID-19 INFORMATION

For Ezentis, protecting the health and safety of its employees is an essential objective, especially in a scenario marked by the COVID-19 health crisis. For this reason, in 2020 Ezentis Group has developed an application, accessible from mobile phones and integrated into the Ezentis Comunica App, which aims to inform workers in real time of their state of health in the event of possible symptoms of the virus and to ensure at all times that they have the necessary protective equipment and therefore comply with the safety protocols in place. In this way, the aim is to ensure the health of the worker and transmit confidence that the necessary procedures are being followed to minimise the risk of infection by COVID-19.

Given that the pandemic has brought with it completely new and unfamiliar situations, a new section on COVID-19 was included in the Ezentis Comunica App, which was updated periodically by the communications department so that all Ezentis employees could access information on the virus, protocols for action and prevention advice.



BLOG LAUNCH

"WORKING FOR THE FUTURE"

In 2020, the company also launched its blog "Working for the future", a new space through which Ezentis aims to give visibility to and share with its various stakeholders all those issues of particular relevance to the corporation. This new channel addresses key areas such as Occupational Health and Safety, Sustainability, Innovation, Corporate Governance and Digital Transformation.

Our experts, professionals who lead each of these areas at Ezentis, offer us their particular vision on a variety of issues and delve into the current situation of the sector, market trends, new scenarios, as well as the company's achievements and challenges. And all of this through topical, interesting and high-quality articles.



OUR PRIORITIES

| | |
|--|----|
| Transparency, ethical principles and good governance | 41 |
| Talent management | 46 |
| Health and safety at work | 57 |
| IT systems security | 65 |
| Digital transformation | 68 |
| Customer proximity and responsibility | 70 |
| Commitment to society | 73 |
| Minimisation of environmental impact | 78 |

TRANSPARENCY, ETHICAL PRINCIPLES AND GOOD GOVERNANCE

ETHICAL AND RESPONSIBLE GOVERNANCE

Ezentis is a company present in several geographies whose values and standards of conduct are universally understood and applied. Therefore, since 2014, and after its last update in 2020, the Ezentis Group has had a [Code of Ethics and Conduct](#) (hereinafter, the Code) approved by its Board of Directors with the aim of ensuring professional, ethical and responsible behaviour by all employees and other parties bound by the Code (suppliers, customers, shareholders, investors, etc.) in the course of their duties and activities with Ezentis.

Ezentis and the individuals to whom it applies undertake to comply with and enforce compliance with the law and to promote ethical behaviour consistent with the corporate values and human rights contained in the United Nations Universal Declaration of Human Rights.

Section 6 of the Code⁽¹⁾ details a series of specific rules of conduct covering aspects of ethical behaviour such as respect for the law, human rights and civil liberties, and support for equal opportunities and non-discrimination.

In addition, in March 2021, the Ezentis Group's first Human Rights policy was submitted to the Board of Directors for approval, which is clearly linked to the aforementioned Code of Ethics and Conduct.

(1) <https://www.ezentis.com/media/2021/02/codigo-de-etica-y-de-conducta.pdf>

In order to avoid any conduct contrary to the values and standards of ethical behaviour in the company, the Code of Ethics and Conduct also includes express mention of the following aspects:

1. **Duty of loyalty and conflict of interest**
2. **Anti-bribery and corruption measures**
3. **Gifts, presents and hospitality**
4. **Money laundering and payment irregularities**
5. **Financial records**



Ezentis is one of the eight companies in the continuous market that already complies with the CNMV's Good Governance Code recommendation of 40% women on the Board by 2022.

Since the Code was drawn up, the organisation has promoted the communication and dissemination of these values to all its members through regular talks and meetings with the different area managers, and by sending the document to all employees. In line with the above, in 2017 Ezentis began, and continues to this day, mandatory online training on the Company's Code of Ethics and Conduct for all of the Group's employees.

As the objective is for 100% of the workforce to know and apply the Code of Ethics and Conduct, as new companies are incorporated into the Group their workers each receive a copy of the Code and they are referred to the online course for employees. In addition, a review of the employee database is carried out every six months and a reminder is sent to those employees who have not completed the training activity.

In addition, the organisation has a Crime Prevention Model, in accordance with the amendment of the Spanish Criminal Code, this is reviewed annually and describes the measures for the prevention and control of operations and/or actions that could constitute a criminal offense by the legal person. The company has [Crime Prevention](#)⁽¹⁾ protocols and criminal risk matrices and controls at Corporate level. For this reason, a Compliance Officer has been appointed in the organisation, who is responsible for the supervision and management of issues related to regulatory compliance.

In addition to the internal dissemination of the Code of Ethics and Conduct, the company provides all employees with a Whistleblower Channel through which they can report possible breaches, anonymously if they wish, the treatment of which is absolutely confidential and restricted to the members of the Ethics Committee.

(1) <https://www.ezentis.com/media/2018/07/Protocolo-de-Prevencion-de-Delitos-de-Grupo-Ezentis-SA.pdf>

The Ethics Committee is the body designated to monitor and resolve complaints received by e-mail (canaldedenuncias@ezentis.com) or by post (Apto Correos 14867 - 28080 Madrid). It meets periodically and is made up of four members, periodically reporting the content of its meetings to the Audit and Compliance Committee.

In order to guarantee the security of personal information and maintain the independence of the processes, Ezentis has internal procedures that establish the functions and guidelines to be followed from the receipt of a complaint of behaviour contrary to the Code of Ethics to its resolution (Ethics Channel Procedure and Ethics Committee Regulations).

The functions of the Ethics Committee include resolving and implementing the action plan determined in each specific case.

Both the Code of Ethics and Conduct and the Crime Prevention Model contain, among other aspects, express mention of the crimes of corruption, bribery and money laundering.

In 2020, a total of five complaints were received, classified according to their content into typologies (working environment, equal opportunities, request for greater transparency in processes, and others), and as a result, the appropriate files and actions were generated in each case for investigation and future mitigation.

CORPORATE GOVERNANCE SYSTEM

Following the recommendations of the CNMV, and as part of its commitment to continue improving in establishing a responsible and transparent governance model, Ezentis has defined policies on corporate governance:

1. **Company Bylaws**
2. **Board regulations**
3. **General Meeting regulations**
4. **Internal code of conduct in the field of securities markets**
5. **Code of Ethics and Conduct**
6. **Board diversity and director candidate selection policy**
7. **Policy on communication of information, contacts with shareholders, institutional investors and proxy advisors**
8. **Corporate tax policy**
9. **Corporate Governance Policy and Group Structure of Grupo Ezentis, S.A.**
10. **Crime Prevention Protocol**
11. **Remuneration policy for directors of Grupo Ezentis, S.A.**
12. **Sustainability Policy ⁽¹⁾**

These policies are publicly available through the company's website: <https://www.ezentis.com/en/investors-and-shareholders/corporate-governance/board-regulations/>.

(1) <https://www.ezentis.com/media/2020/07/grupo-ezentis-sustainability-policy.pdf>

COMMUNICATION OF CRITICAL ISSUES

The entire organization of the Company is involved in the detection of issues that, due to their relevance, are important for it. Important concerns are communicated hierarchically, in the end reaching the highest governing body. The people of reference who work in the organization are those who, first of all, determine the issues relevant to the Stakeholders of the Company.

Ezentis guarantees maximum transparency and communication to its shareholders, facilitating a fluid and direct relationship, so that shareholders can express their interests. This relationship is based on the company's commitment to ensuring that interactivity is always of the highest quality and reliability.

Relevant economic, environmental and social concerns that may arise are brought to the attention of the Audit and Compliance and Nomination and Remuneration Committees and, ultimately, to the highest governance body on a regular basis at meetings of the Board of Directors.

EVALUATION OF THE MANAGEMENT BOARD

The Chairman of the Board, with the support of the Secretary of the Board and the assistance of an external consultant, in accordance with Recommendation 36 of the CNMV's Good Governance Code for listed companies, has coordinated the self-evaluation of the Board of Directors for the 2020 financial year. The evaluation of the Board and its committees is carried out annually and affects the following areas:

i) Evaluate the functioning of the Board of Directors and its Committees:

- Quality and efficiency of the functioning of the Board of Directors and its specialised committees.
- Size, composition and diversity.
- Performance of the Chairman and the CEO.
- Directors' performance and contribution.
- Frequency and duration of meetings.
- Content of the agenda and adequacy of time allocated to deal with the different topics in relation to their importance.
- Quality of the information received.
- Breadth and openness of discussions.
- Decision-making process within the Board and its Committees (influence by one member or a small group of members)

ii) Review the implementation of the 2020 action plan resulting from the evaluation of the previous year.

iii) Define the action plan for the financial year 2021.

This self-assessment has been carried out through a) personal interviews held with all the members of the Board of Directors and meetings with the non-director Secretary, asking the same questions to all the directors, adapted according to their membership of the different Committees, going in depth into those matters and aspects considered necessary or advisable and b) sending identical questionnaires to the members of the Board which include questions on the aspects indicated above, as well as a section where the director may make any observations he/she deems appropriate.

With regard to the review of the degree of compliance with the 2020 action plan, in general terms, significant progress has been made in the implementation of the proposals made in the evaluation report on the operation and composition corresponding to the 2019 financial year, although improvements are required in certain areas, such as making documentation available to the directors sufficiently in advance and its quality and, in the margin of improvement with regard to the greater dedication of strategy issues, with the advisability of dedicating a monographic session to this matter.

KNOWLEDGE OF THE GOVERNING BODIES ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES

The members of the Board of Directors and the Committees, as described in the section on Governing Bodies hereof, possess sufficient experience in non-financial matters and are aware of the progress made by the company in this area, monitoring and evaluating these periodically, although regular control and monitoring is channelled through the meetings of the Appointments and Remuneration Committee held throughout the year.

ESG RESPONSIBILITIES ⁽¹⁾ AT EXECUTIVE LEVEL

Since the end of 2020, the position of non-executive Chairman has been held by Mr. Enrique Sánchez de León. The Chief Executive Officer, Mr. Fernando González Sánchez, is the company's most senior executive.

The corporate divisions involved in the management of non-financial aspects are:

- Resources: Management of Fleet, People and Quality and Environment issues.
- Legal Affairs: Monitoring and control of corporate governance initiatives.
- Investor Relations and Sustainability : Coordination and reporting on non-financial matters.

Just as is the case for those responsible for Resources and Legal Affairs, the Investor Relations and Sustainability Director reports directly to the Chief Executive Officer. In addition, he also reports regularly to the Appointments and Remuneration Committee on all aspects related to the Sustainability area.



(1) ESG: Environmental, social and governance.

TALENT MANAGEMENT

As a services company, Ezentis' business model is strongly based on its human capital. Ezentis' talent management is aimed at ensuring that all its professionals have the training they need to carry out their work and providing them with the resources to be able to do so as effectively and efficiently as possible. The company understands that this approach is mutually beneficial for both the company itself and the professionals who work for it.

Ezentis has policies at corporate level and in each of its companies, which serve as a framework for people management.

9,611

Employees distributed in 8 geographical areas as of December 31, 2020

PRESENCE IN 8 COUNTRIES

Ezentis is a company that is constantly growing and considers attracting talent to be a fundamental pillar of business success. The HR team works under the premise of prioritising employee stability and well-being.

DISTRIBUTION OF THE WORKFORCE BY COUNTRY

NUMBER OF EMPLOYEES AS OF DECEMBER 31 BY COUNTRY**

| | 2019 | | | 2020 | | |
|--------------|---------------|--------------|---------------|--------------|------------|--------------|
| | MAN | WOMAN | TOTAL | MAN | WOMAN | TOTAL |
| Argentina | 303 | 22 | 325 | 250 | 18 | 268 |
| Brazil | 4,693 | 450 | 5,143 | 3,795 | 382 | 4,177 |
| Chile | 2,399 | 235 | 2,634 | 1,754 | 141 | 1,895 |
| Colombia | 450 | 149 | 599 | 197 | 34 | 231 |
| Spain | 1,740 | 233 | 1,973 | 1,797 | 258 | 2,055 |
| Mexico* | 159 | 20 | 179 | 2 | 1 | 3 |
| Peru | 1,423 | 174 | 1,597 | 861 | 116 | 977 |
| Portugal | 4 | 1 | 5 | 4 | 1 | 5 |
| TOTAL | 11,171 | 1,284 | 12,455 | 8,660 | 951 | 9,611 |

*Data for Mexico 2019 includes own employees and outsourced employees.

** The number of 2020 employees at year-end does not coincide with the 199 employees reported in the Consolidated Annual Financial Statements and its Management Report because these employees were permanently transferred to another company outside the Group at the end of the year.



EQUALITY AND DIVERSITY AT EZENTIS GROUP

Diversity and equal opportunities are two notions which cover multiple variables at Ezentis Group. We consider a workforce to be diverse when it is made up of different nationalities, ages, abilities or genders and promotes equal opportunities without discrimination.

GENDER

Ezentis is a company undergoing constant growth and considers attracting talent as a key pillar for reaching business success. The HR team at Ezentis Group works under the premise of prioritising employee stability and well-being.

The principle of equal opportunities between women and men is assumed in each and every area of company activity, from recruitment to promotion, including wage policy, training, working and employment conditions, occupational health, working time organisation and work-life balance, paying special attention to indirect discrimination, which is understood as "the situation in which an apparently neutral provision, criterion or practice places a person of one sex at a particular disadvantage compared to a person of the other sex".

Ezentis Group companies in Spain with more than 250 employees have an Equality Plan as established by Royal Decree-Law 6/2019, on imminent measures to guarantee equal treatment and opportunities between women and men in the workplace.

10%

Women in the workforce

49%

Of the women who work
at Ezentis are Site
Personnel

SUCCESS CASE

Ezentis Group is committed to people's talent, without any discrimination based on gender, race or any other personal characteristic. As proof of this, we are very proud to have a high percentage of women in the category of Site Technicians (around 50% of women at Ezentis work in the field).

Ezentis for equal opportunities



Olaia, a 26-year-old telecommunications technician, who maintains towers at a height of 40 metres.

DISABILITY

We are aware of the additional difficulties faced by people who, due to birth, illness or accident, have some kind of disability and, like many other associations and organisations, we believe that this term is not accurate, as these employees have significant abilities to work and play an important role in society. Therefore, for us, our employees with disabilities (21 in 2020, 11 less than in 2019) are employees at the same level as the rest and are another way of showing the positive aspects of diversity.

21

people with disabilities

Regardless of the decline in 2020, the Ezentis Group is firmly committed to promoting the integration of people with disabilities in all functions of the company wherever possible and in all geographies where it operates, ensuring at all times that there are no criteria of negative discrimination against these groups in the selection and promotion processes and complying with the company's Code of Ethics and Conduct.

In terms of universal accessibility, all Ezentis Group work centres are equipped for access by employees, customers and suppliers with reduced mobility. Likewise, workstations are adapted to the special needs of employees.

AGE

In 2020, 68% of the company's professionals were under 45 years of age, of which 19% were under 30. The promotion of youth employment takes on a very relevant meaning in the socioeconomic context of countries such as Brazil, Colombia or Spain, where, according to several reports by the International Labour Organisation (ILO)⁽¹⁾, the youth unemployment rate exceeds 30% of total unemployment.

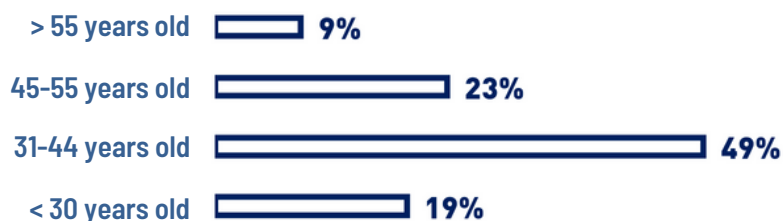
68%

Employees <45 years old in
Ezentis Group

70%

Permanent contract for
young employees (<30
years)

WORKFORCE DISTRIBUTION BY AGE



(1) World Employment and Social Outlook Report - Trends 2020; Latin America and the Caribbean Labor Outlook Report 2019

NATIONALITY

Ezentis Group is present on two continents and in a total of eight countries. This fact provides us with a very interesting melting pot of nationalities which, added to the intense movement of people from other parts of the world in several of the countries where we are present, means that at Ezentis Group we have people of 28 different nationalities, with the cultural richness this implies.

28

Different nationalities in the total workforce of the Ezentis Group

DIVERSITY ON THE BOARD OF DIRECTORS

As of December 31, 2020, 55% of the Board of Directors of Grupo Ezentis, S.A. was comprised of independent directors and 44.4% of its members were women. All board members have extensive professional experience and come from the world of telecommunications, energy, IT and health sciences, among others.

This shows that diversity is a factor taken into account in Ezentis' highest decision-making body and is expressly included in the Board Diversity and Director Candidate Selection Policy.

The elements regarding diversity on the Board are included in the following public documents:

1. Bylaws regulation
2. Code of Ethics and Conduct
3. Board Regulations
4. Board Diversity and Director Candidate Selection Policy
5. Corporate Governance Policy and Group Structure
6. Annual Corporate Governance Report

44%

Women on the Board of Directors

+55%

Independent directors

None of these documents mentions age or disability limitations for directors, which shows that there is no discriminatory criterion in this respect. The Board Diversity and Director Candidate Selection Policy goes beyond gender diversity aspects and promotes a balance of knowledge and experience.

Two quotes from the Policy are included below:

"The Policy shall endeavour to comply with the provisions of the Good Governance Code of Listed Companies regarding the number of female directors representing at least 30% of the total number of members of the Board of Directors by the year 2020. As well as with 50% of independents".

"The selection process for directors will ensure that the composition of the Board of Directors attains an adequate balance of profiles, knowledge, skills, trajectories and experiences, which provides diverse perspectives on the debate of the issues and enhances the decision-making process".

LOCAL AND STABLE EMPLOYMENT

Ezentis is a company that has established itself as a multinational that generates opportunities in all the countries in which it operates. In the particularly difficult context of 2020, the overall workforce has decreased in number; however, job stability has not only not been affected, but has increased compared to previous years. As a result, 81% of the company's employment contracts are permanent or indefinite, compared to 78% in 2019.

In addition, local hiring averages more than 98%, making Ezentis an outstanding generator of wealth and growth in local communities.

Unfortunately, like other companies in the services sector, our companies also experience undesirable departures of employees. Given that the Ezentis Group's activity is carried out through medium-term contracts/projects and given that most of the workforce joins the company on permanent contracts, if a project ends and it is not possible to relocate the employee to another of similar characteristics, we are obliged to terminate the employment relationship.

12.589

Average person
in 2020

81%

Permanent contracts
(78% in 2019)

98%

Local recruitment

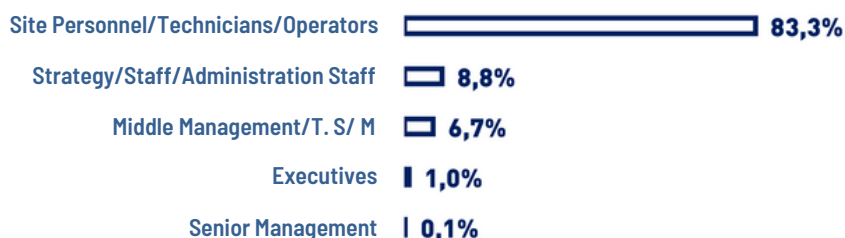
FLAT AND EFFICIENT ORGANISATIONAL STRUCTURE

The company has a very flat, dynamic and efficient structure, fully adapted to the activities it carries out. As can be seen in the graph, our operational base accounts for more than 83% of the total number of employees.

+83%

site personnel or field
technicians

DISTRIBUTION OF STAFF BY PROFESSIONAL CATEGORY



EZENTIS IS COMMITTED TO THE TRAINING AND DEVELOPMENT OF ITS PROFESSIONALS

As part of the Group's commitment to training the professional teams that form part of Ezentis, the company offers them a general training plan, as well as specific training on the sector and the position they hold, so that the initial training they possessed on joining the Group always increases.

Over the last few years, the company has developed a training and technical capacity building plan at different levels of responsibility. This plan has been adapted to local particularities, so that each country identifies training needs and draws up its training plan adapted to the requirements of the clients and services being provided. For example, in Colombia, the Annual Training Plan is drawn up, which is segmented by projects, profiles and client requests, and is additionally structured to convey both hard (operational) and soft (structure/ administration) skills .

+1,000,000

Training hours in the period 2015-2020

+600

Training actions

+120,000

Total training hours

THE OPINION OF OUR EMPLOYEES - AN INCENTIVE TO CONTINUE TO GROW

Aware of the value of the company's human capital, Ezentis periodically carries out work climate assessments to find out employees' opinions and their level of satisfaction. This procedure helps the company to identify critical points in order to carry out the necessary corrective measures to make employees feel more satisfied and increase their pride in belonging to the company.

A questionnaire is conducted in each subsidiary, with a format adapted to the country so that the results obtained are not comparable. However, they do have common survey dimensions, such as questions on the working environment, internal communication in the company, the career plan and the training required for it.

It is a good sign that the voluntary turnover rate has decreased in 2020 to 11% after several years of being around 14%. However, we are not satisfied and we will continue to work to ensure that employees have the best working environment and prospects for professional growth within the Ezentis family.

Other indicators that we use to infer the level of employee satisfaction or well-being are the rate of return from maternity/paternity leave and the number of employees who request shorter working hours. Once again this year, this figure shows that Ezentis promotes work-life balance, as practically all employees who took parental leave in 2020 have remained with the company, and 99.6% of the workforce works full time.

99.6%

Of the staff in the full day

97%

Return after leave paternity or maternity leave in 2018

11%

Voluntary rotation

4.3%

Total absenteeism

REMUNERATION OF EMPLOYEES

In order to promote the right to fair working conditions that ensure that our employees are paid at least equal pay for work of equal value, without distinction of any kind, the Ezentis Group has measures in place to reconcile work and personal life, as well as equality plans, so that our staff can adapt to the different personal situations they face.

The Ezentis Group is firmly committed to pay equity, promoting an equal and fair environment. We have an Integrated Remuneration Policy and we control and monitor the personnel expenses arising from the activities of the various companies in the Ezentis Group, so that we can plan resources correctly and optimise the work of our staff.

In all the companies in the respective countries in which our Group operates, we ensure that no wage discrimination exists or is promoted, but that we always work under criteria of internal and external equity based exclusively on motives linked to the professional's performance.

In this way, the professional development and career of our employees is based on their individual performance and teamwork, without taking into account other issues that go beyond their own development in the workplace, such as gender or age, or any other discriminatory concept that may define the employee.

In compliance with the commitment acquired and reflected last year, during the 2020 financial year we have worked on compiling remuneration data for all Ezentis Group companies, not only in the geographies where we have a greater presence. For this reason, this Sustainability Report only includes data for 2020, which will be comparable with those for 2021.

With regard to the two geographies where we have a smaller number of employees, Mexico and Portugal, as we do not have sufficient representation by gender and professional categories, it is not possible to show the results obtained as the individualised salary of the workers would be disclosed.

For a correct interpretation of the reported data it is important to take into account that within the same category there are employees with different seniority in the company or different assignment of responsibilities.

The average pay for the financial year 2020 expressed in euros for the company's own workforce active in 2020 is shown in the tables below:

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY (SPAIN)

| 2020 | | | | | | |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
| Man | <30 years | NA | NA | 44,945 | 18,879 | 19,865 |
| | 30-45 years | 198,971 | 108,948 | 47,226 | 29,183 | 24,047 |
| | 46-55 years | 441,784 | 86,628 | 41,375 | 32,996 | 25,755 |
| | >55 years | 325,212 | 98,277 | 46,225 | 28,052 | 21,311 |
| Woman | <30 years | NA | NA | NA | 17,653 | 19,902 |
| | 30-45 years | NA | 81,432 | 45,159 | 27,937 | 24,070 |
| | 46-55 years | NA | 75,862 | 37,731 | 25,125 | 28,079 |
| | >55 years | NA | NA | 40,754 | 27,660 | 24,401 |

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY (BRAZIL)

| 2020 | | | | | | |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
| Man | <30 years | NA | NA | 7,629 | 4,114 | 4,937 |
| | 30-45 years | NA | 59,047 | 13,595 | 7,297 | 6,047 |
| | 46-55 years | 125,364 | 67,214 | 13,794 | 7,340 | 6,021 |
| | >55 years | NA | 93,255 | 11,007 | 8,138 | 5,444 |
| Woman | <30 years | NA | NA | NA | 3,420 | 3,913 |
| | 30-45 years | NA | NA | 14,637 | 4,625 | 4,685 |
| | 46-55 years | NA | NA | 8,348 | 4,570 | 5,288 |
| | >55 years | NA | NA | 9,366 | 4,217 | 3,547 |

(1) Average remuneration is defined as the average of the salaries received by the workforce that has been active in the financial year 2020. In the cases where N/A is shown, it is due to the non-existence of a template that complies with the categorisation established for the presentation of the calculation.

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY (CHILE)

2020

| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| Man | <30 years | NA | NA | 10,537 | 9,193 | 9,976 |
| | 30-45 years | NA | 49,728 | 17,971 | 13,733 | 12,590 |
| | 46-55 years | 108,794 | 54,261 | 17,669 | 13,460 | 13,109 |
| | >55 years | 140,128 | 57,309 | 19,847 | 18,869 | 12,605 |
| Woman | <30 years | NA | NA | 12,909 | 6,633 | 6,053 |
| | 30-45 years | NA | 28,088 | 11,233 | 9,084 | 7,529 |
| | 46-55 years | NA | 58,074 | 9,450 | 9,489 | 10,387 |
| | >55 years | NA | NA | NA | 6,357 | 12,667 |

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY (PERU)

2020

| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| Man | <30 years | NA | NA | 72,426 | 4,635 | 4,663 |
| | 30-45 years | 115,373 | 57,620 | 13,294 | 9,060 | 5,297 |
| | 46-55 years | 102,335 | 54,604 | 14,112 | 13,666 | 5,067 |
| | >55 years | NA | NA | 13,480 | 3,837 | 4,079 |
| Woman | <30 years | NA | NA | 58,295 | 5,068 | 4,500 |
| | 30-45 years | NA | 22,223 | 13,176 | 8,115 | 4,631 |
| | 46-55 years | NA | 79,185 | 9,556 | 6,108 | 8,022 |
| | >55 years | NA | NA | NA | NA | NA |

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY (COLOMBIA)

2020

| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| Man | <30 years | NA | NA | 7,062 | 4,401 | 4,482 |
| | 30-45 years | NA | 26,357 | 6,422 | 6,989 | 5,051 |
| | 46-55 years | NA | NA | NA | NA | 4,021 |
| | >55 years | NA | NA | 4,311 | NA | 3,460 |
| Woman | <30 years | NA | NA | 7,529 | 6,110 | 4,684 |
| | 30-45 years | NA | 27,171 | 10,576 | 10,226 | 5,085 |
| | 46-55 years | 59,356 | NA | NA | 6,440 | 3,024 |
| | >55 years | NA | NA | 5,846 | 2,294 | NA |

(1) Average remuneration is defined as the average of the salaries received by the workforce that has been active in the financial year 2020.
In the cases where N/A is shown, it is due to the non-existence of a template that complies with the categorisation established for the presentation of the calculation.

AVERAGE PAY BY GENDER ⁽¹⁾, AGE AND PROFESSIONAL CATEGORY(ARGENTINA)

2020

| | | SENIOR MANAGEMENT | GRADUATE MANAGERS | MIDDLE MANAGERS | STRUCTURE PERSONNEL /STAFF/ ADMINISTRATION | SITE PERSONNEL/ TECHNICIANS/ OPERATORS |
|-------|-------------|----------------------|----------------------|--------------------|--|--|
| Man | <30 years | NA | NA | NA | 7,095 | 7,310 |
| | 30-45 years | NA | 31,986 | 9,830 | 6,474 | 8,397 |
| | 46-55 years | NA | NA | NA | 5,176 | 9,096 |
| | >55 years | 101,654 | 26,308 | 11,114 | NA | 7,943 |
| Woman | <30 years | NA | NA | NA | 7,867 | NA |
| | 30-45 years | NA | 20,903 | 17,885 | 9,717 | 7,105 |
| | 46-55 years | NA | NA | NA | 9,948 | 9,981 |
| | >55 years | NA | NA | NA | 8,959 | NA |

(1) Average remuneration is defined as the average of the salaries received by the workforce that has been active in the financial year 2020.

In the cases where N/A is shown, it is due to the non-existence of a template that complies with the categorisation established for the presentation of the calculation.

Although there are certain salary differences based on various aspects, such as seniority or geographical distribution, no cases of discrimination or salary gaps have been identified among our employees, based on gender, age, race, religion or any other concept that may define the employee beyond his or her own performance and professional evaluation.

The nature of the sector to which we belong and how it has evolved over the years is a key factor in understanding the wage differentials presented. In this sense, the telecommunications sector, and specifically in the deployment and maintenance of its infrastructures, as well as its construction and engineering, is characterised by a greater male presence. For example, in Spain, only 15.6%⁽¹⁾ of women in 2017 worked in the information and communication technology sector.

In this case, it is worth mentioning the seniority factor. The male gender has historically been more representative in this sector, so its remuneration has this differential component that explains part of the wage differences when compared with the female gender, which has joined this sector more recently and is strongly polarised towards the male gender.

In spite of this, over the years and with the evolution of society itself, there are more and more women trained in this field who are progressively joining the labour market, occupying the jobs that make up the are progressively joining the labour market, occupying the positions that make up our operational structure.

The Non-Financial Information Statement included in the Consolidated Management Report 2020, available on our website, gives greater detail on remuneration and salary gap.

(1) <http://www.mineco.gob.es/stfls/mineco/ministerio/ficheros/libreria/LibroBlancoFINAL.pdf>

EMPLOYEE-COMPANY RELATIONSHIP

Furthermore, Ezentis respects and strictly complies with freedom of association and collective bargaining as another aspect of protecting workers' rights.

In all countries where the Ezentis Group operates, there is a close and direct relationship with the legal representation of workers through trade unions. In most of these countries, there are sector or company collective labour agreements to which employees are affiliated. Failing this, workers' rights are governed by the corresponding Workers' Statute. This is the case, for example, in Colombia, Mexico or Peru.

At the Ezentis Group, we believe that communication is the cornerstone of a successful relationship between the company, employees and their union representatives. Proof of this are the more than 170 collective bargaining agreements or negotiations that are executed on average per year.

+90%

Employees within
collective
bargaining
agreements

WORKING FOR OUR EMPLOYEES AND THEIR FAMILIES

At the Ezentis Group we ensure that our employees' work/life balance needs are met. Therefore, in addition to offering legal guarantees such as reduced working hours for childcare or care of the elderly - in countries where this is applicable - the company offers flexible working hours so that employees can combine their daily work with their personal life, in cases where the needs of the service permit.

Another of the mechanisms that the company offers in order to favour work/life balance is the possibility of teleworking for employees whose activities are compatible with this type of work, as is the case of the engineering field.

In 2018, a teleworking system was implemented and formalised at Ezentis Tecnología, Navento Technologies, EFF, Grupo Ezentis S.A. (Spain), whereby more than 100 people currently opt for this type of work two days a week.

The exceptional situation caused by the COVID-19 pandemic in the first quarter of 2020 has led us to reorganise the staff who usually work in the office towards the option of teleworking, both in Spain and in the other affected geographies where we are present. Given that in Spain, teleworking, as was said above, was already in place in some companies, adapting the systems and tools has been rapid, thus avoiding inconveniences or interruptions to the normal activity of these employees.

In line with our obligation to look after the well-being of our workers, in November 2019 Ezentis took a step forward with respect to the right to disengage from work, through the statement and approval of the stance of the company on digital disengage.

This position taken by Ezentis Group goes beyond the initial concept of disengagement from work, given that its objective is to promote responsible use of technology by all workers during and outside working hours, thus assisting with the reconciliation with personal and family life, with all its implications this entails in terms of productivity, and health and safety.

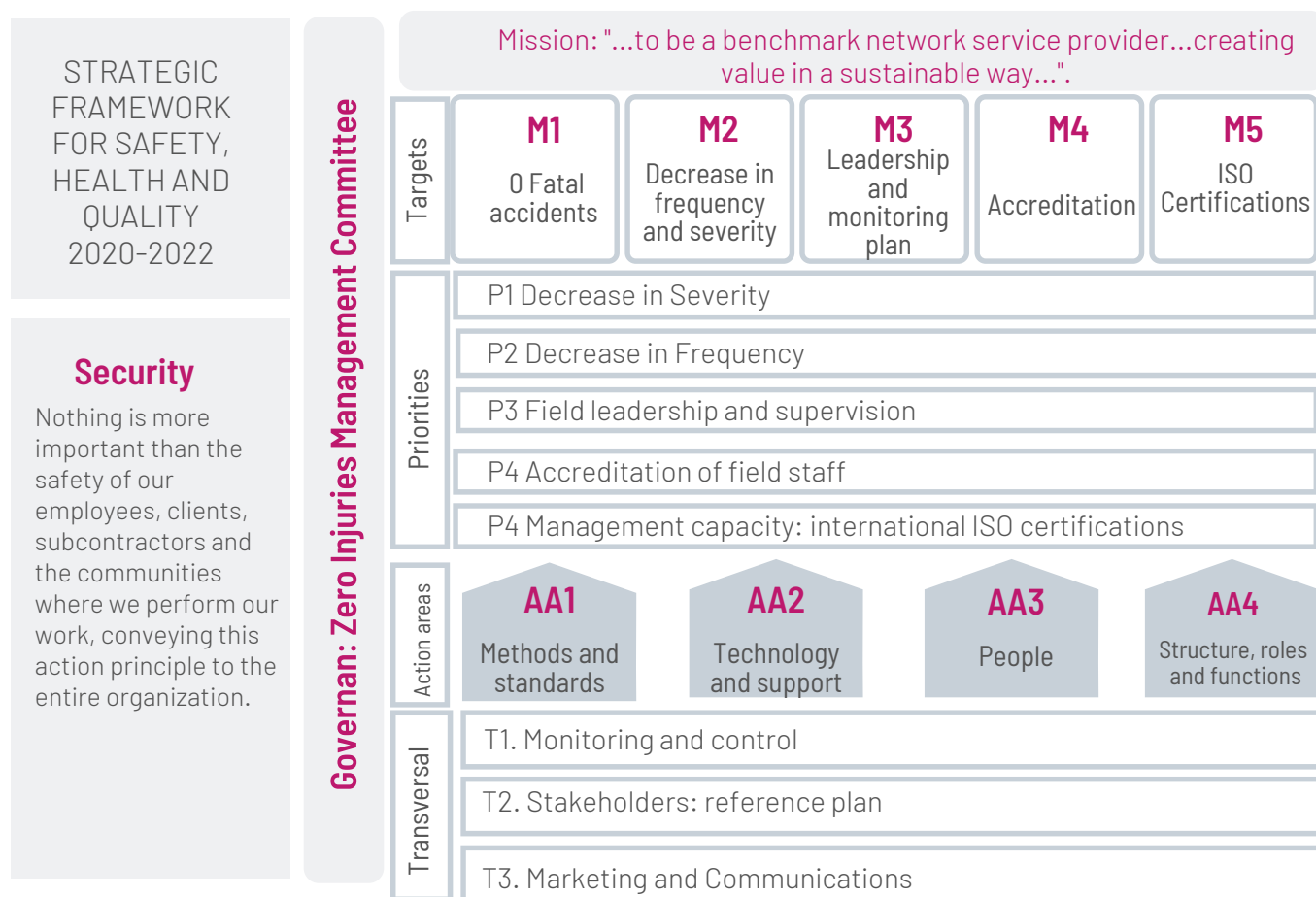
In addition to offering balanced remuneration in line with the duties required in each position, the company offers other benefits to employees focused on promoting work-life balance and health support, such as: medical insurance, study grants, childcare vouchers or salary supplements in situations of IT/AT.

HEALTH AND SAFETY AT WORK

Occupational Health and Safety (OHS) is an area to which Ezentis is firmly committed. So much so that the values that guide the company's activities include the following: "There is nothing more important than the safety of our employees, clients, subcontractors and the communities in which we work, and this principle of action is transmitted throughout the organisation".

At Ezentis we are convinced that all work-related accidents, illnesses and injuries can be avoided. We believe in risk prevention and, with it, in working systematically and permanently to prevent injuries and illnesses, an indisputable premise from which we start when developing our Occupational Health and Safety management model.

OCCUPATIONAL SAFETY AND HEALTH MANAGEMENT MODEL



OUR PRIORITIES

- Zero accidents with fatal outcome
- Zero serious accidents or occupational illnesses
- Falling frequency rate
- Certified operations
- Accredited personnel
- Guarantee compliance with current regulations in all the countries where we operate

COMMON GUIDELINES

The Ezentis Group manages occupational safety within the framework of the Integrated Health and Safety, Quality and Environment Policy and the "Stop Work" Policy, which are the main tools guiding our work to achieve zero accidents and zero occupational illnesses.

PLANNING OF THE ROUTE TO FOLLOW

Drafting of the OHS Master Plans which define the priorities to be executed over a specific period.

CERTIFICATION OF OUR MANAGEMENT SYSTEMS

As regards Safety Management Systems, Ezentis is certified under OHSAS 18001 and/or ISO 45001 in all O&M activities located in Brazil Energy, Chile (Tecnet), Colombia, Spain and Peru. In addition, Ezentis Colombia has obtained a new certification under the NORSOK S006 standard, aimed at improving the environmental, industrial safety and occupational health management of contractor organisations that provide services in the oil industry in order to generate profitability in their operations worldwide.

NORSOK 006

New
certification at Ezentis
Colombia

ISO 45001

CYS Group in Spain, the first
Ezentis Group subsidiary to
achieve this certification

EZENTIS

PRAXIS

La mejor tecnología a tu servicio

Seguridad
Calidad

MÁS SEGURIDAD, MÁS CALIDAD, MÁS PRAXIS.

La herramienta incorpora nuevas funcionalidades que harán más cómoda y eficiente la actividad del día a día de los negocios de Ezentis.

Seguridad en el Trabajo

Uno de los principales objetivos de Praxis es velar por la seguridad de los empleados y, por ello, permite realizar:

- Charlas de Seguridad
- Inspecciones en terreno
- Comunicación de incidencias
- Envío de incidencias a áreas de apoyo

Calidad

Praxis permite un incremento de la calidad del trabajo realizado, ya que ofrece diversas posibilidades en tiempo real:

- Generación de informes
- Evaluación de recursos y medios

TRANSFORMACIÓN DIGITAL. EN LA PALMA DE TU MANO, CON PRAXIS.

EZENTIS

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TOOLS AND SYSTEMS

Implementation of systems, PRAXIS to support field activities and a Document Management tool to maintain the traceability of the documentation necessary for the accreditation of our technicians in all subsidiaries, businesses and contracts.

MONITORING AND CONTROL

Implementation of the "Leadership Matrix", which includes the minimum number of preventive actions to be taken by each supervisory, managerial or executive role, such as: safety talks, safety inspections, safety observations, among others.

Establishment of Health and Safety Committees in all countries where we operate.

INFORMATION AT THE HIGHEST EXECUTIVE LEVEL

Immediate communication via e-mail to the Company's senior executives when there are incidents or accidents related to the operation's critical risks by means of the so-called "Safety Alerts" and extraordinary meetings at which the case is presented, the events and the preventive or protective measures (as applicable) are reviewed, so that the lessons learned can be passed to all subsidiaries.

TRAINING

In 2020, employees have received more than 70,000 hours of training in courses related to safety in their workplaces, such as electrical risk, handling and control of mechanical tools and energised equipment, working with welding or working at heights, among others.

Since the start of the pandemic and throughout 2020, all Ezentis staff have received continuous training on infection prevention measures at work, on public or private transport, at home, among others, as well as on action procedures, protocols and specific procedures, using various means: electronic choreographies, infographics, online and face-to-face talks and initiatives such as microlearning in Chile.

+70,000

Hours of OSH training

+31,000

Safety talk with
+110,000
participants

+25,000

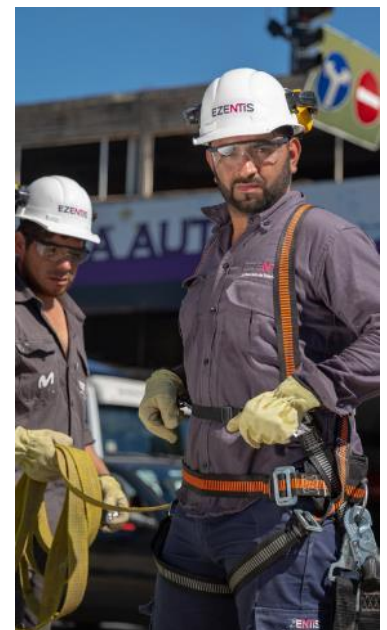
Conduct observations

+26,000

Field inspections

INTERNAL COMMUNICATION TO EMPLOYEES

Given the particularity of health in 2020, the annual internal communication campaign focused on informing employees of the protocols for action and relevant information on COVID-19. However, as always, the CEO addressed all employees as he does every year on 28 April, in commemoration of World Day for Safety and Health at Work.



ANALYSIS OF RISK EXPOSURE

At Ezentis, we have always considered people to be the cornerstone of the company's activity and business, which is why the safety of our people is a critical element on which we work continuously.

The exposure of our field team - technicians - to risks such as driving vehicles, working at heights, working in the presence of tension (energy), working in confined spaces and/or moving equipment, as well as operator errors, are elements or factors that can cause injuries during work, and that is why our priority is to achieve an accident-free work environment and a Safety Culture based on commitment, teamwork, leadership and participation.

It is also important to remember the main risks to which employees working in offices are exposed, although they affect a smaller percentage of Ezentis Group employees:

1. Falls and hitting against objects
2. Adopted postures and movements
3. Manual load handling
4. Visual fatigue
5. Aural comfort
6. Thermal comfort
7. Indoor air quality
8. Psychosocial factors

In the specific area of employee health and well-being, Ezentis Group promotes health monitoring through regular medical check-ups.









Additionally, the company is evaluating other kind of initiatives that promote healthy habits (balanced diet, physical exercise...) that improve the quality of life of our employees and their families.



OCCUPATIONAL HEALTH AND SAFETY COMMITTEES



SPAIN

Law 31/1995, of 8 November 1995, on the Prevention of Occupational Risks.

| COMPANY AND COMMITTEE NAME | MEETINGS FREQUENCY | FUNCTIONS | PROFILE OF MEMBERS |
|--|--------------------|--|--|
| Networks Test | | | |
| Health and Safety Committee | Every 4 months | <ul style="list-style-type: none"> To formally approve the minutes of the previous Committee. Analyse accident indicators. Analyse employee training data. Review aspects related to Health Surveillance. |   |
| Technology Health and Safety Committee | Every 3 / 4 months | <ul style="list-style-type: none"> Review all the points related to the conditioning of the Work Centers: lighting, air conditioning, ergonomics of the workplace, accessibility, evacuation plan, visits of the prevention technician, specific problems, etc., analyze accident indicators. |   |
| Cys Spain Health and Safety Committee | Every 3 months | <ul style="list-style-type: none"> Participate in the development, implementation and evaluation of occupational safety plans and programmes in the company. Promote initiatives on methods and procedures for effective risk prevention. Discuss and study the identification of risks to be analysed and monitored. To be aware of the information on prevention evaluation. Promote the guarantee of occupational health training and information for all workers. |   |
| Excellence Field Factory (EFF) Health and Safety Committee | Every 3 months | <ul style="list-style-type: none"> Participate in the development, implementation and evaluation of plans and programs for workplace safety in the company. Promote initiatives on methods and procedures for effective risk prevention. | 50%  50%  |

MEXICO

Official Mexican Regulation, NOM-019-STPS-2011, Constitution, integration, organization and operation of health and safety Committees.

| | | | |
|-----------------------------|----------------|--|---|
| Health and Safety Committee | Every 3 months | <ul style="list-style-type: none"> Promote investigation of the causes of accidents and occupational illnesses. Prepare the corresponding minutes at the end of each verification procedure, in conjunction with the committee coordinator. Present and deliver the minutes of verification procedures to the employer, along with the committee coordinator. Participate in inspections by the labor authority of the general safety and hygiene conditions in the workplace. Integrate the annual training program of the members of the committee. |   |
|-----------------------------|----------------|--|---|




Company representative



Workers' representative


CHILE

Law of the Ministry of Labor and Social Security No. 16,744, approving social insurance against the risks of occupational accidents and illnesses.

| COMPANY AND COMMITTEE NAME | MEETING FREQUENCY | FUNCTIONS | PROFILE OF MEMBERS |
|--|-------------------|--|---|
| Joint Committee on Hygiene and Safety (JCHS) | Monthly | <ul style="list-style-type: none"> Instruct workers for the correct use of protection instruments. Monitor compliance by both companies and workers with prevention, hygiene and safety measures. Investigate the causes of occupational accidents and illnesses that occur in the company. Indicate the adoption of all hygiene and safety measures that serve to prevent professional risks. Promote the implementation of professional training courses for workers, at public or private organizations authorized for this purpose or at the company, industry or job itself, under the control and direction of those bodies. |  |


BRAZIL

Regulatory Standard Five (NR-5) of MTE, which provides for mandatory annual training for members of the Internal Accident Prevention Committee - INCPA (Ministry of Labor).

| COMPANY AND COMMITTEE NAME | MEETING FREQUENCY | FUNCTIONS | PROFILE OF MEMBERS |
|--|-------------------|--|---|
| Internal Accident Prevention committee | Monthly | <ul style="list-style-type: none"> Identify the risks of the work process, and prepare a risk map with the participation of as many workers as possible. Prepare a work plan that facilitates preventive action in solving occupational health and safety issues. Perform regular checks of working environments and conditions at each meeting (once a month). Evaluate compliance with the objectives set in the work plan and discuss the identified risk situations. Communicate occupational safety and health information to all workers. |  |

COLOMBIA

Law Decree 1072 of 2015 through which the provisions for the implementation of the management system of the occupational safety and health (SG-SST).

| COMPANY AND COMMITTEE NAME | MEETING FREQUENCY | FUNCTIONS | PROFILE OF MEMBERS |
|--|-------------------|---|---|
| Health and Safety Committee at Work (HSCW) | Monthly | <ul style="list-style-type: none"> Participate in promotional, dissemination and information activities on industrial hygiene and safety. Act as a monitoring instrument for compliance with Occupational Health programs in the company's workplaces. Propose training activities in occupational health aimed at workers, supervisors and managers of the company. Collaborate in the analysis of the causes of work accidents and occupational diseases and propose corrective measures. Participate in the planning of compliance monitoring audits of the Occupational Health and Safety Management System. Conduct the review of the Occupational Safety and Health Training Program. |  |

 Company representative

 Workers' representative


PERU

Law 29,783 and its regulations contained in Supreme Decree DS 005-2012-TR.

| COMPANY AND COMMITTEE NAME | MEETING FREQUENCY | FUNCTIONS | PROFILE OF MEMBERS |
|---|-------------------|--|---|
| Central Committee for Safety and Health at work | Monthly | <ul style="list-style-type: none"> Participate in the development, approval, implementation and evaluation of policies, plans and programs to promote occupational safety and health. Monitor compliance with legislation, internal standards and technical specifications of work related to safety and health in the workplace. Promote the commitment, collaboration and participation of all employees in the prevention of work risks. Carry out periodic inspections in administrative areas, operating areas, facilities, machinery and equipment. Investigate the causes of all incidents, accidents, and occupational illnesses that occur in the workplace. Analyze and issue reports of statistics on occupational incidents, accidents and illnesses occurring in the workplace. | 50%  |
| | | | 50%  |

ARGENTINA

National Law on Safety and Hygiene at Work N°19587/72. National Law of Labour Risks N°24557/95. Decree 911/96, Hygiene and Safety at Work for the construction industry. Decree 351/79, Resolutions and annexes modifying and/or extending it.

| | | | |
|--------------------------|---------|--|--|
| SIG Management Committee | Monthly | <ul style="list-style-type: none"> Report the statistics of registered accidents of each Business Unit. Report on the progress of training of all Business Units. Track anomalies identified in monthly inspections. Share relevant issues that arise in the business unit, photos and examples of work. |  |
| | | | <ul style="list-style-type: none"> HSQE Manager Heads of Business Units (Energy, Telecom, Gas, HR) Deputy heads of business units |

Portugal has fewer than 50 employees, so it is not compulsory to set up a **Joint Safety Committee**.

 Company representative

 Workers' representative

PERFORMANCE INDICATORS

Ezentis' business model combines two main activities with very different risk profiles. On the one hand, the telecommunications activity has a low severity risk and high frequency, while the energy activity has a high severity potential with a lower frequency. For this reason, providing aggregated data is not very representative.

Given that the activity in turn covers different segments, both in field operations (telecommunications or energy) and in technology development activities (IT in offices), the analysis of accident statistics and the action and awareness plans are carried out separately, adapted to each region and type of activity:

-7,8%

Net Frequency Index
compared to 2019

+80%

Workforce on the field

OCCUPATIONAL HEALTH AND SAFETY INDICATORS (1)

| | 2019 | | | 2020 | | |
|----------------------------|--------|--------------------|-------|--------|--------------------|-------|
| | ENERGY | TELECOMMUNICATIONS | OTHER | ENERGY | TELECOMMUNICATIONS | OTHER |
| Net Frequency Index | 5.30 | 12.73 | 19.04 | 3.67 | 11.53 | 11.56 |
| Severity Index | 0.79 | 1.26 | 0.27 | 0.1 | 0.58 | 0.63 |
| Net Incidence Index | 14.04 | 36.26 | 40.22 | 8.97 | 30.71 | 24.89 |

(1) Formulas used:

(Net) Frequency Index = (No. accidents with time off or fatal / Total no. hours worked) * 1,000,000

Severity Index = (Total no. days lost / Total no. hours worked) * 1,000

Net Incident Index = (No. accidents with time off or fatal / Average no. workers) * 1,000

Despite 2020 having been a particularly difficult year in the area of people's health, we are very proud to have managed to reduce the frequency of accidents by -7.8% and the severity of accidents by more than -50%, compared to the 2019 financial year, all this also taking into account that our activity has been classified as essential in all the countries where we operate, i.e. field activity has not only not ceased due to the pandemic, but has been more intensive in manpower and in the execution of services, given the circumstances of special need.

However, we will continue to work towards the Zero Accidents target set by Ezentis Group management and passed on to all our own and subcontracted personnel involved in the company's activities.



GOALS 2021

- Maintain current certifications and achieve PARERA Certification in ISO 9001, 14001 and 45001.
- Include Stop Work reporting and incident reporting form in PRAXIS.
- Meet the goals of "Visible Leadership" and "Supervision".
- Decrease accident frequency and severity by 10%.
- Keep at least 90% of field staff (technicians) accredited.

IT SYSTEMS SECURITY

At Ezentis, we maintain cybersecurity as a key element of business sustainability and social responsibility. In line with our commitment to improvement and evolution in this area, we have focused our efforts on consolidating the steps we have already taken and moving forward to mature our information security status.

The awareness of our employees has become the focus of our efforts, in order to convey to our customers that the entire group is involved in the security of their data.

In 2020, the Ezentis Group made significant progress in cybersecurity and information privacy. Below are some examples of initiatives that have been implemented in this area and that constitute a model of solid governance and continuous improvement:

NEW EMPLOYEE AWARENESS CAMPAIGN



Several campaigns aimed at employees have been created through the current multichannel system to reach all corners of the Group. Through email, posters, apps and gamification-based dynamics, our employees learn how to protect themselves and our customers. Specifically, in 2020, the campaigns focused especially on how to deal with fraudulent practices such as phishing and the importance of protecting digital identity.





MEASURING AWARENESS

As mentioned in the previous point, Ezentis Group has undertaken several actions at corporate level aimed at improving employees awareness. In addition, in 2020, a survey was conducted at the start of the campaign and another at the end, to find out to what extent employees have acquired more knowledge or increased awareness. The results were satisfactory: 63% of employees were aware, 19% more than in 2019.



SPECIFIC DATA PROTECTION TRAINING

Ezentis Group has undertaken several actions at corporate level to improve user awareness, one of them being the global launch of a weighted survey to measure awareness in various areas, such as management of the company's assets, threats received via email, and a number of other key areas. In this way, Ezentis Group fulfils its commitment to measurable awareness.



CORPORATE IT SECURITY COMMITTEE

This committee meets periodically upon the invitation of the CISO and is made up of the heads of the Group's Systems, nationally and internationally. If there is any significant event or situation, it is formally reported to the Audit and Compliance Committee.



OMPILATION, APPROVAL AND COMMUNICATION OF CORPORATE IT ASSETS MANAGEMENT POLICIES

A standardisation of cybersecurity management has been implemented with the aim that the Group's IT teams, regardless of the country to which they belong, share and apply the same standards offered worldwide in the field of information security. As a result of this process, corporate guidelines have been drawn up, such as the Information Privacy Policy and the Information Security Policy, which constitute the main framework of the management model.



INFORMATION SECURITY AUDITS

In keeping with our commitment to keep our data and that of our customers secure, we have undertaken a series of security audits in all the countries in which we operate to test our systems against a suspected attack and further strengthen our security. After several months of dedication in the analysis and resolution of the identified improvements, the result obtained was "Low Risk", thus fulfilling the established objective. As could not be otherwise, the company's objective is to maintain the good result achieved and, therefore, the vulnerability detection processes are designed for continuous execution.

CYBERSECURITY CHALLENGES AND OBJECTIVES

**Short Term**

- Launch of an Employee Awareness Plan in 2021.
- Continuous training in cybersecurity for our own employees under any modality (face-to-face, online...).
- Encourage employee proactivity in communicating and reporting cyber incidents.

**Medium Term**

- Standardisation of workstations from a cybersecurity point of view through securitisation of the work environment: equipment, work devices, permitted applications and remote access.
- Encourage the internalisation of the IT security culture throughout the Ezentis Group and extend it to all external agents with whom we interact.
- Monitoring and correlation of cyber security events: early warning of cyber incidents.

**Long term**

- Obtain a cybersecurity maturity level higher than 3 according to the global CMM (Capability Maturity Model) standard.
- Gradually obtain ISO 27000 Certification in all Group companies.
- Automation and consolidation of IT security tools.

DIGITAL TRANSFORMATION

Working for the future necessarily involves transforming current work patterns by making the most of the opportunities offered by technologies.

At Ezentis, we have been working for years on the design of a digitalisation process, focused, among other areas, on processes, competencies and business models, in short, a transformation process that covers all levels of the company.

The result of this process is the Digital Transformation Master Plan 2020-2022, which is part of Ezentis' strategic vision of adding elements of differentiation in the sector and becoming a benchmark through a process of digital transformation.

SUCCESS CASE

Digital Transformation Master Plan 2020-2022

During the first half of 2020, Ezentis worked on a roadmap for digital transformation, which was finally set out in a Master Plan for 2020-2022, approved by the Board of Directors on 31 July, after review by the Audit and Compliance Committee.

The transformation is based on two main axes, applications and infrastructures, and is governed by the principles of Efficiency, Growth and Control:

EFFICIENCY

Optimisation of processes to provide a more value-added service to our customers, which is accompanied by an increase in productivity and an improvement in our production costs.

GROWTH

Use of scalable platforms and standardised processes that allow the incorporation of companies into an optimised and common Group working model.

CONTROL

Possibility to improve the auditability of financial and non-financial figures through the cross-analysis of information from different systems, supporting compliance with accounting and control regulations.

IMPLEMENTED DEVELOPMENTS THAT ARE STILL IN A PROCESS OF CONTINUOUS IMPROVEMENT

PRAXIS

Tool aimed at operations supervisors. Some of its functionalities are: Control of own and subcontracted resources, attendance control, quality and safety audits, resource evaluation and incident reporting (logistics, fleet, PPE in poor condition, etc.). It is currently implemented in four countries (Brazil, Chile, Spain and Peru) and has more than 900 registered users who have carried out more than 10,000 monthly practices or actions during the year.

SAP HANA

Tool mainly aimed at the financial area. Some of its functionalities are: budgeting, treasury management, accounting, purchasing and logistics registration, invoicing and reporting. In 2020, the group's core process model was completed and a roll-out was carried out in the companies in Spain and in the Corporation. The financial consolidation module has also been implemented, which includes all the Ezentis Group's economic-financial information.

EZENTIS FLEET

System designed to control the vehicle fleet. Some of its functionalities are: vehicle master, driver master, monitoring of fuel use and refuelling, vehicle positioning via GPS, speed control and verification of programmed routes. At present, more than 5,000 vehicles are managed through this tool and more than 200 users are registered in five countries (Spain, Brazil, Chile, Portugal and Peru).

We have managed to improve the number of speeding cases by -78%.

DOCUMENT MANAGEMENT

Documentary control tool for compliance with legal requirements, customer requirements and also those of Ezentis' own companies towards its suppliers and subcontractors. Some of its functionalities are: master of subcontracted human resources, management of digitalised documentation, management of worker accreditations and management of occupational health and safety claims. Work is currently underway on the subcontractor approval module.

CLOSENESS AND RESPONSIBILITY TO THE CUSTOMER

The services provided by Ezentis are uniquely specialised and are focused on large telecommunications and energy companies. As these sectors are highly concentrated in a few operators in each country, Ezentis' client portfolio is made up of a small number of customers with high turnover volumes.

For Ezentis, the ability to establish lasting relationships of trust with its clients is of vital importance, enabling them to have a high recurrence rate in their contracts and stable revenues. To this end, the key is to guarantee a high-quality service in processes, seeking to maximize efficiency and fulfill customer expectations.

Our commitment and the great challenge we have with our customers is that, with long term agreements, we are able to maintain excellent performance throughout the lifetime of the service.



ACHIEVEMENT 2020

SPAIN

- Ezentis is awarded the contract by Movistar Prosegur Alarmas to install security equipment in 13 Spanish provinces.
- Euskaltel awards Ezentis a contract to be developed in nine Spanish provinces.
- Extension of the contract with MasMóvil for installation and maintenance in the province of Madrid.
- Renewal of the contract with Red.es for broadband access in public schools.
- In the energy sector, Ezentis won several renewable energy installation contracts for telecommunications operators and public companies.
- Ezentis wins a project to install charging points for electric vehicles.

BRAZIL

- Ezentis renews fibre optic operation and maintenance contract for customer Vivo (Telefónica).
- Ezentis renews fixed and mobile network operation and maintenance contract to include fibre optic operation activities in the South and Rio de Janeiro/Espírito Santo (TIM) regions.
- Renewal of the contract with the customer Enel for the construction and maintenance of the medium and low voltage network in the São Paulo area.

CHILE

- Ezentis is awarded a 7 million euro contract with the National Electricity Coordinator (CEN).

PERU

- Ezentis renews SBE Construction Contract with Telxius Torres Peru for one year.
- Ezentis is awarded the FLM 2020 - 2023 contract by Telefónica del Perú, continuing the activities awarded in 2017.

COLOMBIA

- Expansion of customer portfolio: Start of contracts with Claro and Wom.

A MANAGEMENT THAT DESERVES THE TRUST OF CUSTOMERS

In the exercise of its activities, Ezentis assumes the responsibility of acting on behalf of its client before the end users of energy and telecommunications services. For this reason, Ezentis customers need to be fully confident that the supplier in which they place their trust is capable of safeguarding the brand and prestige of their company.

It is essential that all its processes are formally structured and subject to regular audits that identify and remedy possible weaknesses. Therefore, the majority of our companies/businesses that conduct activities at client sites have been externally certified to ISO 9001:2008, on Quality Management Systems.

Ezentis believes that the key to offering quality services and ensuring client's satisfaction lies in improving the performance and enhancing the safety of the environment in which its employees work.

The company has consequently implemented a series of policies in the countries in which it operates, committed to:

€213M

Renewed and new contracts

€658.0M

Multiannual contracts
(3 to 5 years)

1

Promote respect for people, safety and teamwork

2

Promote a customer service culture in the company

3

Ensure an adequate Working Climate for employees who form part of Ezentis

RECOGNITION FOR A JOB WELL DONE

The focus on continuous improvement and process innovation has led Ezentis to use customer feedback as input into your company's strategy.

To this end, it regularly conducts customer satisfaction surveys in all the geographies in which it operates. In 2020, Ezentis launched a total of 168 customer surveys, with a slightly lower response rate than in previous years. Of the 76 responses received, 84% showed "satisfactory" or "very satisfactory" results.

This is undoubtedly a very positive balance because, despite receiving a lower volume of customer evaluations, the satisfaction indicator remains above 80% for the fifth consecutive year.

45%

Responses received

84%

Responses expressing satisfaction

EVOLUTION OF CUSTOMER SATISFACTION

| 2016 | 2017 | 2018 | 2019 | 2020 |
|------|------|------|------|------|
| 86% | 86% | 89% | 83% | 84% |

COMMITMENT AND PROXIMITY TO THE END USER

Although Ezentis' main objective is to satisfy its customers through maximum service quality, it is essential that the end users (our client's costumers), are taken into account in the equation as, all thing considered, they are the final receivers of the service Ezentis provides.

In this sense, Ezentis acts close to the end user in telecommunications services (inside and outside the home) and with a firm commitment to collaborate with the community. Proof of this is the occasions on which Ezentis' activity has been described as essential and we have been able to meet people's needs. This was the case three years ago in Chile, with the reconstruction of telecommunications networks damaged by a natural disaster, and more recently, throughout 2020, with the deployment and improvement of the telecommunications network in medicalised hotels to care for COVID-19 patients.

These types of situations and reactions show that the presence of Ezentis goes beyond the representation of a telecommunications or energy network operator, towards a partner or close collaborator of the user community. The company understands that, given the nature of its services, which guarantee basic services for people, this is part of its responsibility and commitment to the community.

OUR CLIENTS: OUR ALLIES

Ezentis' client portfolio is made up of large telecommunications operators and utilities:



KEYS TO EZENTIS' RELATIONSHIP WITH ITS CUSTOMERS

DIVERSIFIED CLIENT
PORTFOLIO

COVERAGE IN THEIR MAIN
MARKETS

MULTIANNUAL
CONTRACTS

COMMITMENT TO SOCIETY

Ezentis is aware of the important challenge in terms of social contribution performing its activities implies as, in short, it consists of contributing to the socioeconomic development of communities by creating employment and opportunities, purchasing local goods and services and collaborating with non-profit organisations that are aligned with Ezentis' strategy.

To meet this challenge, the company structures its commitment around the following lines of action:

- SUPPORT FOR THE LOCAL ECONOMIES
- CONTRIBUTION TO SOCIAL DEVELOPMENT

SUPPORT FOR THE LOCAL PRODUCTIVE FABRIC

One of the ways Ezentis collaborates with local businesses is by purchasing goods and services from companies whose registered address is in the same country as that of our activity, in each case.

The figures speak for themselves: around 98% of our suppliers are local. Specifically, out of the 212.9 million euros Ezentis purchased from its providers in 2020, 98% went to local procurement.

This commitment to local provisioning exerts a tractor effect on the economy which results in the creation of indirect employment and wealth in these communities. By doing this, Ezentis' capacity to generate local employment surpasses the limits of its own organization, by contributing to the creation of indirect employment throughout its supply chain.

Although the weight of suppliers in Ezentis' activity is not particularly significant when compared to other economic sectors, except in the case of subcontracting service and vehicle suppliers, the potential contribution that the company can make in terms of wealth creation and local employment can be significant for the communities in which it operates. For this reason, Ezentis promotes local procurement, as well as a transparent and efficient purchasing process that promotes sustainability in its value chain.

A positive side effect of sourcing goods locally, apart from the obvious creation of indirect employment at local level, is the reduction of emissions from transport. As mentioned below, the main environmental impact of Ezentis' activities are emissions into the atmosphere, linked both to the purchase of goods and services and to the transport of employees in their daily activities. For this reason, the company is constantly seeking solutions to minimise this impact without affecting the profitability of the business and, in turn, is committed to making an increasingly accurate and exhaustive calculation of its carbon footprint to enable better identification of the sources of origin on which, subsequently, reduction targets can be defined.

€212,9M

Total purchases from suppliers

Around
5.900

total suppliers

98%

Local suppliers

PURCHASING PROCESS FOR GOODS AND SERVICES

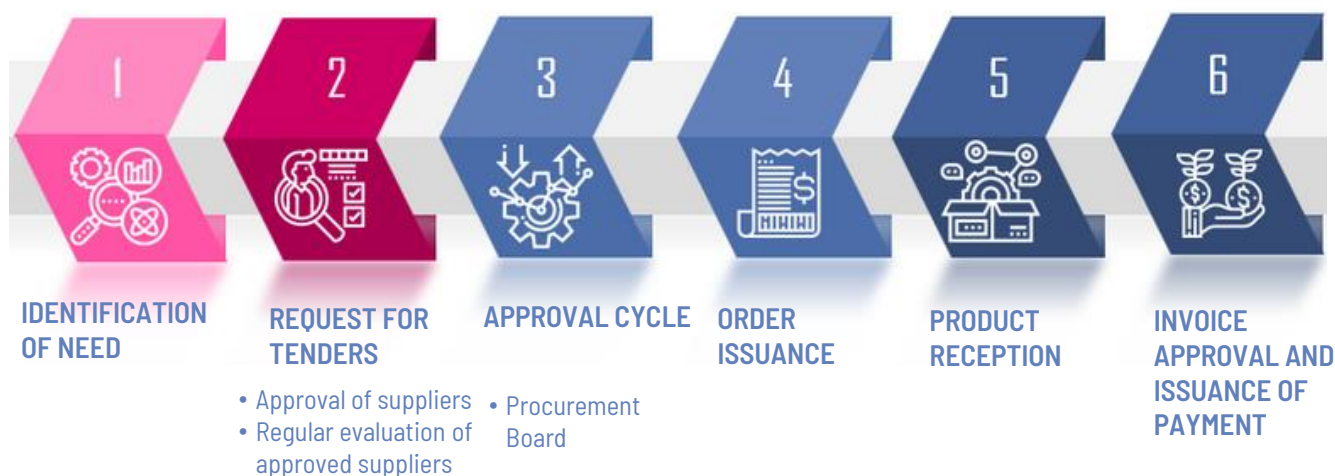
Ezentis has a Procurement Procedure applicable to the entire Group, whose objective is mainly to ensure that all departments involved in the process of procuring goods and services diligently assume their responsibilities in this regard. It also aims to establish a common methodology for procurement and contracting processes for all types of goods, resources, activities and services in all business units.

The content of this policy is mainly linked to financial and legal aspects, but may also incorporate other social or environmental requirements or specifications such as the existence of an external certification based on the ISO 14001 environmental management standard.

Currently, the different territories have specific purchasing policies that must always be applied without contravening the contracting thresholds defined in the Group's Powers of Attorney Procedure, and aligned with the aforementioned Group Procurement Procedure.

This process is particularly important in the case of suppliers considered "critical" based on the type of goods or services they provide and their relevance to Ezentis' production process.

PHASES OF THE PROCUREMENT PROCESS



| MILESTONE 2020 | OBJECTIVES |
|--|---|
| <p>During 2020, the Procurement area and the Sustainability area worked together to draw up a common Group policy identifying the Principles of Responsible Procurement. Finally, this policy was approved by the Board of Directors in March 2021 and is now applicable to all Ezentis Group companies.</p> | <p>SHORT TERM</p> <p>Generate and share information with all countries, seeking synergies for procurement of goods and services.</p> |

CONTRIBUTION TO SOCIAL DEVELOPMENT

The Ezentis Group, through its presence in 2 continents and 8 countries, generates an unquestionable impact on the societies in which it operates. Based on the premise that the level of knowledge and the ability to apply it are clear elements of development in any society, the greatest contribution that Ezentis can make in the areas where it operates is to promote learning among young people and adults, which translates into greater job opportunities and a better quality of life.

With the aim of achieving the greatest professional development for each individual, the company has for years established various agreements and collaborations with training centres and professional lyceums (universities, technical institutes, etc.). These agreements are mostly aimed at students in their final years of technical and technological degrees, through an internship programme at Ezentis work centres and, as a final goal, their definitive incorporation into the company.

The difficulty in identifying highly qualified technical and technological profiles makes this type of alliance mutually beneficial. On the one hand, they offer opportunities to people without work experience and, in turn, help Ezentis to identify the potential of these people and participate directly in their practical learning.

In addition, Ezentis maintains relations with foundations and other charitable organisations through monetary contributions and occasional volunteer activities. Broadly speaking, the social activity carried out by Ezentis can be divided into two main types of projects: Employability and Charity. Below are some examples of projects and collaborations.

EXAMPLES OF PROJECTS AND COLLABORATIONS

SPAIN

- Financial donation made by Ezentis España employees to Banco de Alimentos de Madrid.



BRAZIL



- Agreement with the National Industrial Apprenticeship Service - SENAI



- Vale da Bênção Educational and Benefiting Association

CHILE



- NGO Pather Nostrum



- Hogar de Cristo Charity Institution



EXAMPLES OF PROJECTS AND COLLABORATIONS

| COLOMBIA | | |
|----------|---|--|
| | <div><ul style="list-style-type: none">• Agreement with the National Service for Apprenticeship - SENA</div> | <ul style="list-style-type: none">• Corporate Volunteering Project: Plan Lector (Reading Plan) |
| PERU | | |
| | <div><ul style="list-style-type: none">• National Youth Employment Programme - Ministry of Labour</div> | <ul style="list-style-type: none">• CEF Programme (Special Training Centre) developed at Ezentis |



TARGET 2020

Elaboration of a Corporate Policy on the contribution to development (social, environmental and economic) of the regions in which Ezentis operates.

SUCCESS CASE

Ezentis Spain employees donate 3,500 euros to Madrid Food Bank

In line with its motto "Todos juntos lo superamos" ("Together we will all get through it"), in December 2020 Ezentis Spain launched the #UnGestoUnAlimento campaign, a new initiative in the company that aimed to raise funds internally and voluntarily and allocate them to the Banco de Alimentos de Madrid for distribution, in the form of food, to people with limited resources, who unfortunately are becoming increasingly numerous in these difficult times caused by the COVID-19 crisis.



Photo: Food Bank Volunteers

Thanks to the solidarity of Ezentis España employees, 3,469 euros have been raised and donated to the Food Bank so that it can begin distributing the food through various charities. It is estimated that the amount raised will help around a hundred needy people who will receive food for a month.

We are leaving behind a year 2020 that will go down in history as one of the most critical for the most disadvantaged groups. The health crisis, unsurprisingly, has evolved into a severe humanitarian crisis. The loss of employment and health of family members has led to truly extreme situations.

It is in difficult times that the most human side of people comes to the surface, with the sole purpose of helping each other, and although unfortunately none of us have the capacity to solve either the health issue or the economic crisis generated as a result, at Ezentis we could not stand idly by in this social emergency. The company's employees have shown their solidarity and have voluntarily joined the cause by donating the amount they considered appropriate from their meal card balance for the month of January 2021 to the Banco de Alimentos de Madrid.

MINIMISATION OF ENVIRONMENTAL IMPACT

Ezentis, as a company whose business model is based on the construction, operation and maintenance of infrastructures, takes special care and prevention in all its actions in which it interacts with the natural environment.

The main business lines comprising Ezentis' activity (Energy and Telecommunications) generate environmental impacts of different magnitude depending on the deployment, operation or maintenance activities, however, they have a common element, and this is the intensive use of vehicles.

Ezentis' operational centres are of two types:

- **Field work centres:** Consisting of a small administrative office, a materials/waste warehouse and a vehicle parking area.
- **Administrative offices:** Located in the main cities of the countries where we are present.

ZERO

Hazardous substance spill incidents

ZERO

Significant fines or penalties for non-compliance with environmental regulations

Although environmental aspects are not the most relevant in the company's ESG Materiality Matrix, it is true that in the update of this analysis carried out in 2020, it shows that the Climate Change and Energy Efficiency aspect has increased from 51% to 72% in relevance with respect to the analysis carried out in 2018.

It is a clear trend that is present in society and in the realities of business organisations and, therefore, it is an aspect to which Ezentis pays special attention.

We are in 2020 and, at this point in time, business sustainability strategy cannot be understood without companies carrying out, at least, an analysis of their activities and the impacts they generate on the natural environment. Increasingly demanding environmental legislation, together with greater awareness and knowledge on the part of customers and end users, means that environmental issues are becoming increasingly important in companies' strategic decisions.

Ezentis Group faces the environmental challenge from four basic pillars:

- 1 Commitments to environmental sustainability
- 2 Responsible and efficient environmental management
- 3 Climate change and energy efficiency
- 4 Proper waste management

COMMITMENTS TO ENVIRONMENTAL SUSTAINABILITY

**1. CARBON DISCLOSURE PROJECT**

Annual completion of the Carbon Disclosure Project (CDP) Climate Change questionnaire.

Stakeholders: Investors.

**2. ECOVADIS QUESTIONNAIRE**

Completion of the ECOVADIS questionnaire.

Stakeholders: Customers.

**3. GLOBAL COMPACT PRINCIPLES AND SDGS**

Commitment undertaken to fulfill the 10 Principles of the United Nations Global Compact and the Sustainable Development Goals (SDG), which are to be found in our Sustainability Master Plan (2020-2022).

Stakeholders: Local community.

**4. SYNDICATED FINANCING**

Ezentis incorporates sustainability into its syndicated financing.

Stakeholders: Funders

EFFICIENT AND RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Environmental management is carried out at Ezentis Group from an integrated point of view together with quality and occupational health and safety management, although in some cases there are individualized environmental management systems which are generally certified by an external entity.

The continuous acquisition of companies in recent years has made it difficult to establish common policies and alignments in terms of environmental management and efficiency. For this reason, at present, some geographies maintain their particular environmental policies and certified environmental management systems, and those that do not have them, aim to obtain certification of their system in accordance with the ISO 14001:2015 Standard in the near future.

SUMMARY OF SUBSIDIARIES WITH CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM

Spain:

- Ezentis Field Factory (EFF)
- Communications and Sound Group (CYS)
- Ezentis Technology

Colombia:

- Ezentis Colombia

Peru:

- Ezentis Peru

MILESTONES 2020

Global:

- Development of the company's new Carbon Footprint Procedure.
- Participation in a specific workshop on Climate Change, organised by our client Telefónica.

Spain:

- Portugal's activity included in EFF ISO 14001.

GOALS 2021

- External Carbon Footprint Verification.
- Recertification of relevant companies.
- ISO 14064 certification from Parera.

CLIMATE CHANGE AND ENERGY EFFICIENCY

At Ezentis Group we work under the premise of efficiency in the use of resources, understanding that reasonableness in consumption favours environmental and economic sustainability throughout the organisation.

ENERGY CONSUMPTION

The main sources of energy consumption in Ezentis Group are of non-renewable origin and correspond mainly to fuel for its vehicle fleet and energy consumption in offices and warehouses.

The field activity, which accounts for more than 80% of the company's business, is supported by a large number of technicians and operators who travel daily to the locations of operations.

Ezentis has a large fleet of vehicles (an average of 6,473 units in 2019) which, through fuel consumption, generate emissions into the atmosphere and, therefore, are one of the causes of climate change and global warming. This is undoubtedly the most significant environmental impact linked to Ezentis' activity and, consequently, it is the one to which the company pays most attention in an attempt to mitigate its effects.

Ezentis, aware of the environmental implications of the logistics part of its activity, is developing plans to replace vehicles with more efficient ones or those that consume less polluting fuels (LPG, biodiesel, ethanol or compressed natural gas). Spain and Brazil are the two countries in which our vehicle fleet is moving towards less polluting alternative fuels.

As demonstrated in the following table, fuel consumption accounted for 98% of the energy consumption of the entire organisation in 2020:

DISTRIBUTION OF ENERGY CONSUMED BY TYPE OF SOURCE

| ENERGY CONSUMPTION (GJ) | | |
|-------------------------------------|----------------|----------------|
| | 2019 | 2020 |
| Electricity consumption | 15,098 | 10,781 |
| Fuel consumption (vehicles) | 540,612 | 447,156 |
| Fuel consumption (other sources) | 41,810 | 30,921 |
| Total energy consumption | 597,520 | 488,858 |

As can be seen in the table, total energy consumption has been reduced by 18% with respect to 2019 considering the different types of energy used in the company, highlighting the reduction in electricity and vehicle consumption, clearly influenced by the situation caused by the COVID-19 pandemic.



It is important to note that the environmental consumption includes the new companies incorporated in Spain in 2020: Enesys and Pentágono (Ezentis Ingeniería de Seguridad). The consumption corresponding to the latest acquisition (Parera) will be included in the next reporting process, as this incorporation corresponds to December 2020.

-18%

Energy consumption
compared to 2019

ENERGY EFFICIENCY INITIATIVES

Good practices at work centres



Wherever possible, the following energy saving and consumption rationalisation measures are implemented in the administrative offices and warehouses:

- Lighting with presence detector.
- Fluorescent and energy-saving lamps (LED).
- Rational use of air-conditioning equipment (24°C).
- Use of low-energy appliances (canteen and rest rooms).
- Ecotips to raise awareness on rational use of energy and other environmental issues.

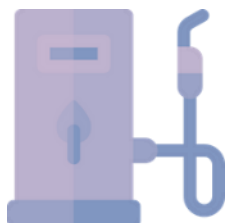
Maintenance and replacement of vehicles



In Spain, for instance, the company EFF is progressively incorporating Compressed Natural Gas (CNG) vehicles, which provide greater fuel efficiency, with a corresponding reduction in greenhouse gas (GHG) emissions.

Ezentis' subsidiary in Brazil has agreed a vehicle replacement plan with the leasing company that owns the fleet, which actively promotes the incorporation of vehicles that use biofuels instead of petrol.

Tools which improve efficiency



An important aspect of the operational systems implemented in the company is the control and management of the fleet of vehicles and the fuel they consume. Currently, the Group has recorded information on each vehicle in use, such as, for example, the geographic location using GPS tools, or the refuelling of the vehicle via a cash card. This information, together with the fact that the team supervisors are free, in some cases, to design the most efficient service route in terms of distance and time, helps to reduce fuel consumption and, therefore, atmospheric emissions.

On the other hand, this application also helps to identify vehicles that require more maintenance due to their age or accumulated faults, so that they can be included in the vehicle replacement plan. As a general rule, older vehicles generate more emissions into the atmosphere as they do not incorporate the efficiency improvements of the latest generation models. This cost-saving measure is also an environmental benefit.

As a result of the fleet maintenance and replacement process, an improvement in fleet efficiency is observed: -7% lower consumption/vehicle compared to 2019.



CALCULATION OF EMISSIONS FROM ENERGY CONSUMPTION

As envisaged in the Sustainability Master Plan 2020-2022, in 2020 the company carried out a survey of energy consumption sources in order to update the Ezentis Group's Carbon Footprint Procedure and identify the main sources of consumption.

As a result of this process, to prepare scope 1 and 2 emissions, all countries report in a homogeneous format the environmental consumptions referring to: vehicle fleet, equipment/machinery, and electricity. Regarding scope 3, only business trips are reported under the same criteria as in previous years.

On the other hand, in order to report Spain's Carbon Footprint in the tool of the Ministry for Ecological Transition and the Demographic Challenge (MITECO), the carbon emissions of this geography have been calculated following the document published by the Ministry itself, while the emissions of the rest of the countries have been calculated using international reference sources (DEFRA and EIA).

Another new feature of the Ezentis Group's 2020 carbon footprint data is that for the first time it is subject to independent external verification under the ISAE 3410 standard, and a specific document explaining the process for calculating the carbon footprint is being prepared in parallel with this CRS.

-75%

Emissions from
business travel

-10%

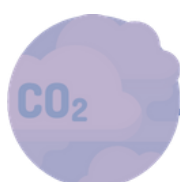
Ezentis Group total
emissions compared to
2018

DISTRIBUTION OF GENERATED EMISSIONS

| EMISSIONS IN tCO ₂ e | | |
|-------------------------------------|---------------|---------------|
| | 2019 | 2020 |
| Direct emissions (Scope 1) | 32,761 | 30,014 |
| Indirect emissions (Scope 2) | 1,59 | 778 |
| Other indirect emissions (Scope 3) | 532 | 130 |
| Total energy consumption | 34,452 | 30,922 |

As expected due to the situation caused by the COVID-19 pandemic, overall, the carbon footprint for the 2020 financial year has been reduced by 10% compared to 2019.

Business travel (Scope 3) has been drastically reduced due to the different confinements that have taken place in the different geographies, as well as electricity emissions (Scope 2), as employees are not normally present in the offices.



GOAL 2021

Calculate the base year of emissions to define the reduction targets for the following years

POSITIONING ON CLIMATE CHANGE

Climate change is one of the major challenges facing humanity in this century, mainly caused by the increase in the concentration of greenhouse gases in the atmosphere, which in turn accelerates the process known as global warming.

The year 2020 was a milestone for Ezentis in the fight against climate change. For the first time, a specific policy set out the company's position and the foundations that lead it to join this global cause.

Among the principles of action, this Climate Change Policy includes:

- Consideration of climate change risk in the Ezentis' risk catalogue.
- Use of renewable energies.
- Gradual decarbonisation of the vehicle fleet.
- Calculation, reduction and offsetting of emissions.
- Extending our commitment to the supply chain.

Prior to the existence of the Climate Change Policy, the company already measured its Carbon Footprint annually and reported on its performance to its Stakeholders through the CSR/Sustainability Report and also by completing the Carbon Disclosure Project (CDP) questionnaire on Climate Change, one of the instruments that investors use as a reference in their decisions.

The perception and opinion of stakeholders and, specifically, of investors, is key to its growth and international expansion strategy of Ezentis. For this reason, the company responds to all information requirements that demonstrate its transparent management, and not only in strictly financial matters.

In addition to defining the Ezentis Group's transversal and common framework for climate change, in 2020 the Board of Directors of Ezentis Group also approved the new Sustainability Master Plan 2020-2022, which includes initiatives linked to several Sustainable Development Goals (SDGs), including SDG 13 (Climate Action) in the environmental sphere.

PROPER WASTE MANAGEMENT



Matters related to waste management do not appear in our Materiality Analysis with a special relevance so we understand that it is not currently material for the company. That said, it is worth mentioning that our provision of services involves the correct disposal and management of the waste that may be generated, in accordance with the local legislation in force and the requirements that, on occasions, our own clients establish in their contracts.

For example, the company EFF in Spain manages the waste generated as a result of its activity in accordance with legal regulations. The company's centres and facilities are registered as small waste producers. It also has a waste management contract with accredited waste managers at each centre, carrying out waste collection in accordance with applicable regulations. Of the total waste generated, more than 99% is non-hazardous waste, including paper and cardboard, wood, iron and steel, and construction and demolition waste, among others.

Finally, in order to raise the awareness of the entire EFF team of the importance of the proper management of these, awareness campaigns are carried out.

> RESIDUOS **Separa en la medida de lo posible los residuos que puedan ser reutilizados**

Segregación de residuos

1. Separa en la medida de lo posible residuos que puedan ser reutilizados como los cables, chatarra, maderas.
2. Depositálos en los contenedores que se habiliten en tu almacén.
3. Avisa a los responsables cuando estén llenos.
4. Si crees que faltan contenedores de residuos en tu delegación comunícalo al departamento de calidad y medioambiente

¿Sabías qué...

... cada residuo que se recupera para reciclarlo supone un ahorro en materias primas, energía y agua?

...reciclando reducimos la contaminación que se produce en la obtención de la materia prima?

...tanto el vidrio, como el aluminio y muchos plásticos pueden ser reciclados de forma ilimitada sin perder su calidad?

...la gestión de residuos genera más de 42.600 puestos de trabajo en España, 9.400 de ellos de forma directa?*

Equivalencias y datos*

Algunos ejemplos de lo que se puede conseguir reciclando:

6 botas = 1 caja de zapatos 40 botellas de PET = 1 kilo de carne 80 botellas de refresco = 1 rueda de bicicleta

Siendo responsables individualmente conseguiremos serlo como conjunto

¡La unión hace la fuerza!

Departamento de gestión de calidad y medio ambiente * Datos obtenidos de la web de Ecoembes



MILESTONES 2020

Update of the inventory of hazardous and non-hazardous waste generated by the Ezentis Group in the course of its activities (Spain and Portugal).



GOAL 2021

Update of the inventory of hazardous and non-hazardous waste generated by the Ezentis Group in the course of its activities in Brazil.

ABOUT THIS REPORT

Principles governing the report

86

ABOUT THIS REPORT

PRINCIPLES GOVERNING THE REPORT

In response to the requirements and expectations of the various stakeholders, and in line with the company's commitment to establish basic sustainability pillars on which to work in the interests of transparency and corporate responsibility management, Ezentis has prepared and published its second Sustainability Report, after three years of including this information in the Corporate Social Responsibility Report.

This report sets out the organisation's management and commitments on financial and non-financial material aspects for the year 2020 and has been prepared in accordance with the Core option of the GRI Standards.

In following the guidelines established by GRI, the principles set out below are complied with, thus ensuring that the requirements of the standard are met:

MATERIALITY

A Materiality Analysis has been conducted for the identification of relevant issues, explained in more detail in the section "Significant non-financial matters".

STAKEHOLDERS INCLUSIVENESS

The company has established different two-way communication channels with its stakeholders, as described in the section "Stakeholders Relations".

SUSTAINABILITY CONTEXT

The Sustainability Report is conceived as an instrument that reflects the company's activity and performance from a perspective that integrates all the variables: economic, social and environmental.

COMPLETENESS

This report has been prepared in collaboration with the company's main management areas in order to gather all the relevant and strategic issues of the organisation.

Moreover, the application of GRI principles which determine the quality of the report was taken into account:

BALANCE

The contents of this report have been reflected in a transparent and rigorous manner, both in positive aspects and in areas where the organisation recognises that it has room for improvement.

COMPARABILITY

As this is the fifth year of this report, information has been included for all comparative quantitative data for which up-to-date and reliable information was available.

ACCURACY

The organization has reported such information that is available, updated and reliable, with explanations and clarifications added to explain the scope and detail of the data.

TIMELINESS

Ezentis believes that it is relevant to publish the Sustainability Report on a regular basis, and undertakes to issue the report annually.

CLARITY

This report has been prepared for the understanding of all the organisation's stakeholders, using clear and unambiguous language, as well as including the necessary informative notes to avoid ambiguities or double interpretations.

RELIABILITY

Ezentis is aware of the need to report reliable and traceable information. Therefore, the report only contains information whose source is reliable and verifiable.

GRI CONTENTS INDEX

| | |
|---------------------------|----|
| General Contents | 89 |
| Economic aspects | 90 |
| Environmental aspects | 91 |
| Social aspects | 92 |
| Global Compact Principles | 93 |

GRI CONTENT INDEX

This report has been prepared in accordance with the Core option of the GRI Standards.

Below is the list of GRI indicators SRS-2016 version and the reference to them in the content of the report.



| GRI STANDARD | CONTENT | PAGE/REFERENCE |
|---------------------------------|---|--|
| GRI 101: Foundation 2016 | | |
| | 102-1 Name of the organisation | Back cover |
| | 102-2 Activities, brands, products and services | Pages 07-08; 12 |
| | 102-3 Location of headquarters | Back cover |
| | 102-4 Location of operations | Pages 07-08 |
| | 102-5 Ownership and legal form | Page 21 |
| | 102-6 Markets served | Pages 07-08 |
| | 102-7 Scale of the organisation | Pages 07-08; 17-18 |
| | 102-8 Information on employees and other workers | Pages 46-56 |
| | 102-9 Supply chain | Page 73 |
| | 102-10 Significant changes to the organisation and its supply chain | Page 73 |
| | 102-11 Precautionary Principle or approach | Our actions are governed by the principle of precaution and prevention of environmental risks, in accordance with both our own alignments and the requirements of our clients. |
| | 102-12 External initiatives | Pages 18; 79 |
| | 102-13 Membership of associations | Pages 18; 79 |
| | 102-14 Statement from senior decision-maker | Pages 01-04 |
| | 102-15 Key impacts, risks and opportunities | Pages 27-29 |
| | 102-16 Values, principles, standards and norms of behaviour | Pages 05-06 |
| | 102-17 Mechanisms for advices and concerns about ethics | Page 42 |
| | 102-18 Governance structure | Pages 21-26 |
| | 102-19 Delegating authority | Pages 21-26 |
| | 102-20 Executive-level responsibility for economic, environmental and social topics | Pages 21-26 |
| | 102-21 Stakeholder consultation on economic, environmental and social topics | Pages 38-40 |
| | 102-22 Composition of the highest governance body and its committees | Pages 21-26 |
| | 102-23 Chairman of the highest governance body | Pages 21-26 |
| | 102-24 4 Nominating and selecting the highest governance body | View Annual Corporate Governance Report 2020 |
| | 102-25 Conflicts of interest | View Annual Corporate Governance Report 2020 |
| | 102-26 Role of highest governance body in setting purpose, values, and strategy | The Board of Directors is ultimately responsible for approving the company's values and Strategic Plan. |
| | 102-27 Collective knowledge of highest governance body | Page 47 |
| | 102-28 Evaluating the highest governance body's performance | Page 44 |
| | 102-29 Identifying and managing economic, environmental, and social impacts | Pages 36-37 |
| | 102-31 Review of economic, environmental, and social topics | Pages 21-26; 41-45 |
| | 102-32 Highest governance body's role in sustainability reporting | Approval of the Sustainability Report by the Board of Directors of Grupo Ezentis S.A. |
| | 102-33 Communicating critical concerns | Page 44 |
| | 102-40 List of stakeholders groups | Pages 38-40 |
| | 102-41 Collective bargaining agreements | Page 56 |

GRI 102: General Disclosures 2016

| GRI STANDARD | CONTENT | PAGE/REFERENCE |
|---|--|---|
| GRI 101: Foundation 2016 | | |
| | 102-42 Identifying and selecting stakeholders | Pages 38-40 |
| | 102-43 Approach to stakeholder engagement | Pages 38-40 |
| | 102-44 Key topics and concerns raised | Pages 36-37 |
| | 102-45 Entities included in the consolidated financial statements | See Annual Accounts 2020 |
| | 102-46 Defining the contents of the reports and the topic boundaries | Pages 36-37 |
| | 102-47 List of material topics | Pages 36-37 |
| | 102-48 Restatements of information | In this fifth non-financial report no information from the previous report has been restated. |
| | 102-49 Changes in reporting | There has been no significant change in the preparation of the report compared to 2019. |
| GRI 102: General Disclosures 2016 | | |
| | 102-50 Reporting period | 2020 |
| | 102-51 Date of most recent report | May 2020 |
| | 102-52 Reporting cycle | Annual |
| | 102-53 Contact point for questions on the report | Investor Relations and Sustainability Directorate sostenibilidad@ezentis.com |
| | 102-54 Statement of preparation of the report in accordance with the GRI Standards | Pages 4; 88 |
| | 102-55 GRI Content Index | Pages 89-93 |
| | 102-56 External assurance | This 2020 Sustainability Report has not been externally verified. |
| ECONOMIC ASPECTS | | |
| GRI 103. Management approach (GRI201) 2016 | | |
| | 103-1 Explanation of the material topic and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 28-29 |
| | 103-3 Evaluation of the management approach | Pages 28-29 |
| GRI 201. Economic performance 2016 | | |
| | 201-1 Direct economic value generated and distributed | See Annual Accounts 2020 |
| | 201-2 Financial implications and other risks and opportunities due to climate change | Pages 28-29 |
| | 201-4 Financial assistance received from the government | See Annual Accounts 2020 |
| GRI 103. Management approach (GRI204) 2016 | | |
| | 103-1 Explanation of the material topic and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 73-76 |
| | 103-3 Evaluation of the management approach | Pages 73-76 |
| GRI 204. Procurement Practices | | |
| | 204-1 Proportion of spending on local suppliers | Pages 73-76 |
| GRI 103. Management approach (GRI205) 2016 | | |
| | 103-1 Explanation of the material topic and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 41-45 |
| | 103-3 Evaluation of the management approach | Pages 41-45 |

| GRI STANDARD | CONTENTS | PAGE/REFERENCE |
|---|---|--|
| ECONOMIC ASPECTS | | |
| | 205-2 Communication and training about anti-corruption policies and procedures | Pages 41-45 |
| GRI 205. Anti-Corruption 2016 | 205-3 3 Confirmed incidents of corruption and actions taken | The Company is not aware of having received or recorded any cases of corruption during 2020. |
| GRI 103. Management approach (GRI206) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 91 |
| | 103-3 Evaluation of the management approach | Page 91 |
| GRI 206. Unfair competition practices | 206-1 Legal actions related to unfair competition and practices monopolistic and anti-competitive practices | The Company is not aware of having received or registered any significant legal action related to unfair competition and monopolistic and anti-competitive practices during 2020. |
| ENVIRONMENTAL ASPECTS | | |
| GRI 103: Management Approach (GRI302) | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 81 |
| | 103-3 Evaluation of the management approach | Page 81 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organisation | Page 81 |
| | 302-4 Reduction of energy consumption | Page 81 |
| GRI 103: Management approach (GRI305) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 83-84 |
| | 103-3 Evaluation of the management approach | Page 83-84 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | Page 83-84 |
| | 305-2 Energy indirect (Scope 2) GHG emissions | Page 83-84 |
| | 305-3 Other indirect (Scope 3) GHG emissions | Page 83-84 |
| | 305-5 Reduction of GHG emissions | Page 83-84 |
| GRI 103: Management approach (GRI307) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 91 |
| | 103-3 Evaluation of the management approach | Page 91 |
| GRI 307: Environmental Compliance 2016 | 307-1 Non-compliance with environmental laws and regulations | The Company is not aware of having received or recorded any significant cases of non-compliance with environmental regulations in 2020 in any of the geographical areas in which Ezentis operates. |

| GRI STANDARD | CONTENTS | PAGE/REFERENCE |
|---|---|--|
| SOCIAL ASPECTS | | |
| GRI 103: Management approach (GRI401) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 51-55 |
| | 103-3 Evaluation of the management approach | Pages 51-55 |
| GRI 401. Employment | 401-1 New employee hires and employee turnover | Pages 51-55 |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | Page 55 |
| | 401-3 Parental leave | Page 55 |
| GRI 103: Management approach (GRI403) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 57-64 |
| | 103-3 Evaluation of the management approach | Pages 57-64 |
| GRI 403. Occupational health and safety 2016 | 403-1 Workers representation in formal joint management-worker health and safety committees | Pages 57-64 |
| | 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | Page 64 |
| | 403-3 Workers with high incidence or high risk of diseases related to their occupation | More than 8,000 employees exposed to occupational hazards, i.e. staff working in the field (82% of the total workforce). |
| | 403-4 Health and safety topics covered in formal agreements with trade unions | Pages 57-64 |
| GRI 103: Management approach (GRI404) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 51 |
| | 103-3 Evaluation of the management approach | Page 51 |
| GRI 404. Training and education 2016 | 404-1 Average hours of training per year per employee | Page 51 |
| GRI 103: Management approach (GRI405) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Pages 47-49 |
| | 103-3 Evaluation of the management approach | Pages 47-49 |
| GRI 405. Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | Pages 47-49 |
| | 405-2 Ratio of basic salary and remuneration of women to men | Pages 52-55 |
| GRI 103: Management approach (GRI406) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 92 |
| | 103-3 Evaluation of the management approach | Page 92 |
| GRI 406. Non-discrimination 2016 | Incidents of discrimination and corrective actions taken | No cases of discrimination have been identified during 2020 |
| GRI 103: Management approach (GRI407) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 92 |
| | 103-3 Evaluation of the management approach | Page 92 |
| GRI 407. Freedom of association and collective bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | No significant risk of infringement of the right to freedom of association and collective bargaining has been identified in any of the company's operations or those of its suppliers. |
| GRI 103: Management approach (GRI412) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 93 |
| | 103-3 Evaluation of the management approach | Page 93 |

| GRI STANDARD | CONTENTS | PAGE/REFERENCE |
|---|--|--|
| SOCIAL ASPECTS | | |
| GRI 412. Human Rights Assessment 201 | 412-2 Employee training on human rights policies or procedures | Employees are trained in the Company's Code of Ethics and Conduct, which includes content on respect for Human Rights. |
| GRI 103: Management approach (GRI417) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 93 |
| | 103-3 Evaluation of the management approach | Page 93 |
| GRI 417: Marketing and labelling 2016 | 417-3 Incidents of non-compliance concerning marketing communications | The Company is not aware of having received or recorded any significant instances of non-compliance related to marketing communications (advertising, promotion or sponsorship) during 2020. |
| GRI 103: Management approach (GRI418) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 93 |
| | 103-3 Evaluation of the management approach | Page 93 |
| GRI 418. Customer privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | The Company is not aware of having received or recorded any significant cases of privacy breaches and customer data leakage during 2020. |
| GRI 103: Management approach (GRI419) 2016 | 103-1 Explanation of the material topics and its boundary | Pages 36-37 |
| | 103-2 The management approach and its components | Page 93 |
| | 103-3 Evaluation of the management approach | Page 93 |
| GRI 419. Socio-economic compliance 2016 | 419-1 Non-compliance with laws and regulations in the social and economic area | The Company is not aware of having received or recorded any significant cases of non-compliance with laws and regulations in the social and economic fields during 2020. |

| UNITED NATIONS GLOBAL COMPACT PRINCIPLES | | PAGE/REFERENCE |
|---|---|-----------------------|
| Principle 1 | Businesses should support and respect the protection of internationally proclaimed human rights | Pages 41-43 |
| Principle 2 | Businesses should make sure that they are not complicit in human rights abuses | Pages 41-43 |
| Principle 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining | Page 56 |
| Principle 4 | Businesses should uphold the elimination of all forms of forced and compulsory labour | Page 41-43 |
| Principle 5 | Businesses should uphold the effective abolition of child labour | Page 41-43 |
| Principle 6 | Businesses should uphold the elimination of discrimination in respect of employment and occupation | Page 41-43 |
| Principle 7 | Businesses should maintain a precautionary approach to environmental challenges | Page 47-49 |
| Principle 8 | Businesses should undertake initiatives to promote greater environmental responsibility | Page 78-85 |
| Principle 9 | Businesses should encourage the development and diffusion of environmentally friendly technologies | Page 78-85 |
| Principle 10 | Businesses should work against corruption in all its forms, including extortion and bribery | Page 41-43 |



Working for the future

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