



**EZENTIS**

# **SUSTAINABILITY POLICY**

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**GRUPO EZENTIS S.A.**

**21 December 2020**

# 1. OBJECT


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The Sustainability Policy (hereinafter, the "Policy") is intended to lay down the foundations and general principles guaranteeing the sustainable development strategy of Grupo Ezentis, establishing a shared and horizontal reference framework allowing all employees belonging to Grupo Ezentis to act and to reach decisions based on balanced management of economic interests and the social and environmental implications derived from corporate operations. In this regard, the Sustainability Policy will serve to supplement all other internal regulations at Grupo Ezentis.

Sustainable development is for Grupo Ezentis a part of the group's management model and entails a way of understanding business that helps to generate shared value for all its stakeholders. This means that the Company must act in accordance with principles of corporate responsibility, by integrating economic, environmental, social and ethical variables, beyond the minimum required by the legislation, into its decision-making processes.

Through this Policy, Grupo Ezentis aims to ensure that all corporate activities are performed through a commitment to promote the values of responsibility, integration and dynamism among its employees and shareholders, so that both the needs of today's society and of future generations are satisfied in a committed and sustainable manner. The objective is therefore to maximise the positive impacts and minimise any possible negative impacts of Grupo Ezentis on the environment throughout ethical and transparent conducts in the entire value chain.





The Policy has been approved by the Board of Directors of Grupo Ezentis, S.A. (hereinafter, the "**Company**"), which, in accordance with its Regulations, is responsible, among other duties, for ensuring that, in its relations with other stakeholders, the Company respects the customs and good practices of the sectors in which it operates and observes the principles of social responsibility that have been accepted.

This Policy shall be subject to periodic review, depending on the various sustainability plans that may be implemented to manage and control the various non-financial risks (social, environmental and ethical), taking advantage of strategic opportunities. Grupo Ezentis understands that sustainability is based on the creation of value for all its stakeholders and is therefore committed to managing these risks.


## 2. SCOPE

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This policy applies at the corporate level and is therefore applicable to all companies and workers comprising Grupo Ezentis, currently made up of the public limited liability company Grupo Ezentis, S.A. and its dependent companies (hereinafter, "Grupo Ezentis").

This Policy applies to all employees and lead them follow certain principles and guidelines aligned within this Policy and all other sustainable development policies. By setting out best practice in the field of sustainability, this Policy is held to serve as a corporate benchmark document and a guide for other departments at the Group in developing any related matters. Any applicable adaptations will be made in order, among other aspects, to comply with national and EU regulations, in addition to recommendations or requirements raised by the corresponding governance bodies.





Grupo Ezentis, S.A., in its capacity as parent company of the Grupo Ezentis, is responsible for laying down the foundations, instruments and mechanisms required for appropriate and efficient coordination between the Company and the other members of the Group, so as to guarantee fulfilment of this Sustainability Policy.

### 3. CREATION OF SUSTAINABLE VALUE

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Grupo Ezentis is firmly committed to the aim of increasing the value of the Company and delivering returns for its shareholders within the context of relationships based on loyalty and transparency. To this end it aims to develop the Group's business activities efficiently and competitively, attempting responsibly to optimise the use of the available resources, in order to generate profits for the investors who have placed their trust in the Company and all stakeholders with an interest in its long-term future.

As a result, the foundations of the Grupo Ezentis Sustainability Policy are based on the nature of its activities themselves, since over the course of activities for the deployment and operation & maintenance of telecommunications and energy networks it works together with its clients and suppliers with the aim of promoting universal access to these utilities, thereby reducing energy poverty and the technology gap which currently exists in our society.

The Grupo Ezentis sustainable enterprise management model entails the following:

- Manage in line with its values: trust in its staff, safety, transparency, ethics and corporate good governance, social commitment, and respect for the environment, demonstrating approachability and responsibility towards clients, suppliers and other stakeholders.

- Achieve business objectives and the desired positioning regarding peers.
- Manage the financial and non-financial risks of the Group by incorporating social and environmental aspects resulting from its activities within the Risk Management Model.
- Maintain stable and close relationships with all stakeholders.
- Convey a culture of sustainable and responsible enterprise, underpinning the sense of belonging among all Grupo Ezentis employees.
- Creation of shared values through interaction between Grupo Ezentis and its surrounding context, and the local communities where it performs its operations.

## 4. GENERAL OPERATIONAL PRINCIPLES

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### 4.1 Compliance with the legislation and regulations in those countries and territories where Grupo Ezentis operates

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The aim will be to assume a position of ethical leadership in those countries where Grupo Ezentis has a presence, through complementary and voluntary adoption of international standards, commitments, and guidelines in those locations where there are no adequate or sufficient legal developments in place, basing its relationship with the competent public bodies and authorities in each jurisdiction on fairness, trust, professionalism, cooperation, reciprocity and good faith.

## 4.2 Ethics and transparency

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Commitment to the development of corporate governance practices based on ethics, transparency in business and diversity; respecting free market and competition rules and rejecting any unlawful or fraudulent practice in breach of the standards of good governance and the guidelines set out in the Grupo Ezentis Code of Ethics and Conduct. The commitment is given to pursue and report any corrupt practice seen in any territory where Grupo Ezentis operates. Within this context, the principles of corporate good governance will be applied, a culture of ethics promoted, and all our partners will be called upon to respect and comply with the legislation in force, and be rigorously and transparently informed of our economic and financial statements, strategic plans, environmental performance and compliance with our obligations and responsibilities with regard to the social contexts within which we operate, as part of a climate of loyal cooperation and dialogue with public institutions and regulatory bodies.

## 4.3 Activity

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Grupo Ezentis will foster operational excellence through efficiency and continuous improvement in management and operations with the aim of optimising Group resources (processes, technology, and talent), and the provision of high-quality services.

## 4.4 Tax Responsibility

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Grupo Ezentis Tax Policy defines the principles, rules and good tax practices that should govern the Group's actions in order to achieve responsible taxation, thus contributing to the support of public charges and, therefore, making its contribution to society.





## 4.5 Transparency and accuracy

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Grupo Ezentis has in place a series of resources used to establish communication and dialogue with all Stakeholders (hereinafter, the "Stakeholders"), based on transparency, accuracy and commitment as the fundamental cornerstones in building stable relationships of mutual trust.

This commitment to Stakeholders entails:

- Participation in the process of identifying relevant nonfinancial aspects in the development of the business activities of Grupo Ezentis.
- The distribution of relevant and accurate information as to the organisation's performance and activities.
- Elaboration of the Group's financial and non-financial information reports, and its publication via public bodies where applicable.

## 4.6 Respect, defence, and protection of Human Rights

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Grupo Ezentis has signed up to the United Nations Global Compact, registering a firm commitment to fulfil its ten Principles, and to adopt measures to promote contributions to the Sustainable Development Goals (SDGs).

Grupo Ezentis has thus made a direct commitment to respect, defence, and protection of Human and Employment Rights, notwithstanding the adoption and dissemination of the SDG principles, protection for the environment and anti-corruption.





## 4.7 Employee safety

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Grupo Ezentis is working on its commitment to achieve constant supervision and prevention to avoid, or where applicable react to, any situation or circumstance that could endanger the physical safety and health of its workers.

## 4.8 Stronger relationships

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Stronger long-term relationships with the shareholders, clients, and suppliers of Grupo Ezentis, through activity specialisation and the efficient, quality development of the services offered, pursuing the aim of greater loyalty and a sense of belonging to the corporate group.

## 4.9 Efficient environmental management and mitigation of climate change

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Grupo Ezentis is committed to contributing to sustainability from an environmental perspective, in the specific form of responsible management of the resources used and waste generated in the course of its operations, while also mitigating climate change through energy efficiency and the use of clean energies and less polluting fuels.



## 4.10 Commitments to local community

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Grupo Ezentis is committed to increasing economic and social development in those countries where it operates, aiming to integrate its business activities with the environment, and to promote environmental responsibility, preservation of biodiversity and prevention of pollution. Likewise, the Grupo Ezentis business focus is implemented through a perspective of shared value creation for both the company and the societies where we provide our services.

## 4.11 Social responsibility

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Grupo Ezentis promotes a series of guidelines and commitments among its employees, with the emphasis on social responsibility, and a commitment to active participation at national and international forums and organisations identifying and fostering the conduct and commitments set out in this Policy.



## 5. RELATIONSHIP WITH STAKEHOLDERS

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One of the aims of Grupo Ezentis in this Policy is to promote the creation of social value, by establishing alliances and partnerships, and above all, getting the engagement of Stakeholders. To this end it will continue to update the internal and external channels for communication that have already been implemented, fostering, and driving dialogue and serving to arise their needs and expectations.

Grupo Ezentis will thus employ all instruments available to fulfil communication strategies and policies, including the promotion of direct contact, social media, and procedures for consultation and information via the Company's corporate website, with the aim of forging a sense of corporate belonging among the following Stakeholders:

- **Shareholders and Investors:** Grupo Ezentis will promote a positive relationship with its shareholders and investors, as it sees it essential to have in place regular and reliable communication, complying in all cases with the provisions of the current Policy for Communication and Engagement with Shareholders, Institutional Investors and Proxy Advisors, as approved by the Board of Directors of the Company.

Any progress regarding sustainability, social responsibility or any other relevant aspect will be communicated, in line at all times with the general operational principles set out in this Policy.

Grupo Ezentis believes that the relationship with its shareholders and investors must not only be based on mutual trust, but must also pursue sustainable value creation, and it will therefore promote informed participation by shareholders at General Meetings, offering them complete, clear and accurate information at all times.

The Company will thus facilitate and promote the responsible exercise of shareholder rights, and fulfilment of their duties, subject to the principle of equal treatment.



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- **Employees:** Grupo Ezentis will ensure that its employees, as the driving force of the Company, enjoy appropriate professional development, along with a high level of personal well-being and satisfaction. Grupo Ezentis will to this end promote initiatives including the following:
    - ✓ Work-life balance measures, including the right to switch off digitally.
    - ✓ Guaranteed right of effective equal opportunities for all workers.
    - ✓ Social diversity through non-discrimination because of gender, race, religion or any other circumstance.
    - ✓ Technical and occupational health and safety training, to ensure that employees work under optimal physical, psychological and welfare conditions.
    - ✓ Training and teamwork to share knowledge and generate a working climate in which dialogue, creativity and the capacity for initiative are rewarded.
    - ✓ Contribute to maintaining working environments free of harassment and violent or offensive conduct in terms of personal rights and dignity, while also ensuring that should any such events occur, appropriate procedures and mechanisms are in place to address and correct the problem in question.
  - **Clients:** Grupo Ezentis strives to achieve a permanent focus of continuous improvement in the quality of the services provided by its operational areas, in contact with the purchasing and sustainability departments of the Group's clients. This close and direct relationship will allow the company to work and grow hand-in-hand with its clients, as part of a long-term shared value creation strategy.

Grupo Ezentis will share with its clients the aim of contributing to the conservation of the environment and the mitigation of climate change. Additionally, consideration will likewise be given to exceptional events or situations that could impact on certain clients, with the aim of offering them alternative solutions.



- **Suppliers:** Grupo Ezentis will fulfil the principles of this Policy, likewise extending them to suppliers and contractors that either act on behalf of the Group or provide it with goods and services, in line with the commitments given by the Company to fulfil its supply chain.


Grupo Ezentis will have a supplier and contractor management and relationship model that aims to guarantee an ethical and socially responsible process in its actions with all those involved in the value chain. Responsible practices will similarly be adopted to generate mutual value, complying with the principles and values set out in the Grupo Ezentis Code of Ethics and Conduct.

- **Society:** Grupo Ezentis will promote the establishment of relationships of trust with communities in the territories where it has a presence, supporting any social initiatives that could prove relevant given their connection to material aspects and the Company business activities, or those covered by any of the guidelines set out in the Grupo Ezentis Code of Ethics and Conduct.

Notwithstanding the above, attempts will be made to cooperate with legally recognised charitable institutions in pursuit of shared value creation. This focus emphasises the generation of long-term relationships and initiatives to provide benefits both for Grupo Ezentis and for the societies where it operates, to be sustained over time.

Grupo Ezentis will aim to contribute to the eradication of poverty and support for more underprivileged groups, to foster their social inclusion while also promoting employee participation in this sphere through volunteering initiatives. Grupo Ezentis will in this regard standardise Group activities in the various countries where it operates in accordance with the different social and cultural realities in each of them.





Grupo Ezentis understands the impact that its activities generate in society, and therefore evaluates and manages non-financial (social, environmental and ethical) risks in accordance with the principles, objectives and responsibilities set out in the Group Corporate Responsibility Policy or, where applicable, any other supplementary corporate policy that might subsequently be adopted.

- **Institutions:** Grupo Ezentis will promote the development of alliances with other significant agents in both the public and private sectors, with a commitment to forging long-term alliances based on a relationship of mutual trust, handled through ethics and transparency. Partnership between the public and private sectors is seen as essential in order to achieve the sustainable development goals and to respond to the huge social and environmental challenges facing our society.

## 6. MONITORING AND SUPERVISION

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The Board of Directors of Grupo Ezentis, S.A. is the body responsible for approving this Group Sustainability Policy, and hence for overseeing fulfilment of the principles and standards set out in this regulatory framework.

Before its approval, the Appointments and Remunerations Committee first conducted a review and issued a favourable report of this Policy. This governance body will also serve as the body responsible for periodically supervising performance and monitoring compliance with the objectives set by Grupo Ezentis in the field of Sustainability.

The results of application of this Policy will be set out each year in the Sustainability Report and through the preparation of the Sustainability Master Plan, which will take into account the Company's risk map, the evolution of the expectations of its stakeholders, corporate strategy and the regulations in force, while also including specific initiatives and actions to be implemented in accordance with each operational principle.

Without prejudice to the above, this Policy will be developed and supplemented by means of the various policies approved by the Group that have a direct connection with the general principles established.

The Sustainability Policy will be distributed within the organisation and to external stakeholders, ensuring that it is available, updated and known by all of them.

## 7. APPROVAL AND REVIEW

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This sustainability policy was approved by the Board of Directors of the Company on 25 June 2020, and amended later on the 21st December 2020, will remain in force indefinitely and will be published on the Company's corporate website. Its content shall be subject to periodic review, with any changes or amendments being made as deemed appropriate.

The Board of Directors of the Company, in accordance with the provisions of the Board Regulations, shall be periodically informed by the Appointments and Remuneration Committee as the responsible body for supervising sustainability practices regarding environmental and social matters. The Audit and Compliance Committee shall be responsible for supervising compliance with this Policy.







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