



Núñez i Navarro

Compliance and Criminal Risk Prevention Model

Criminal compliance and prevention policy

(Extracted Version)

Núñez i Navarro Group



CONTENTS

I. OBJECT	3
II. AREA OF APPLICATION	3
III. GOVERNANCE	4
IV. CRIMINAL COMPLIANCE OBJECTIVES	4
V. GENERAL PRINCIPLES OF THE COMPLIANCE AND CRIMINAL RISK PREVENTION MODEL	5
VI. DISSEMINATION, UPDATING, MONITORING AND NON-COMPLIANCE AND APPROVAL	6



I. OBJECT

The position of leadership and excellence of the NÚÑEZ I NAVARRO Group (hereinafter, interchangeably, **“Group”, “NIN Group” or “NIN”**) is the result of many years of work and effort. The inappropriate behaviour of our internal and external stakeholders can potentially damage our image and reputation in a very short period of time. Therefore, we must actively prevent and avoid this possibility, developing our activities with the firm commitment to comply with current legislation, our Code of Ethics, this Policy on Compliance and Prevention of Criminal Risks (hereinafter, also the **“Policy”**) and the rest of the internal regulations derived from the Group's **Compliance and Criminal Risk Prevention Model**.

Therefore, this Policy must be understood as a primary rule that shows the Group's zero tolerance for the commission of any unlawful acts (especially those of a criminal nature), provides a reference framework for defining the objectives of Criminal Compliance and describes the general principles of the Compliance and Criminal Risk Prevention Model (hereinafter, also the **“Compliance Model”** or the Group's **“Model”**). The Group does not conceive of a Criminal Risk Prevention and Compliance Policy that is not directly a regulatory compliance policy, regardless of the type of rule violated (administrative, labor, commercial, criminal, etc.).

II. AREA OF APPLICATION

This Policy is applicable to the Group, including all the companies that constitute it, its partners and shareholders, its employees, managers and members of the administrative bodies, regardless of their geographical location or functional or hierarchical position (hereinafter the **“Personnel”**). The Personnel must be aware of, comply with and enforce this Policy within the scope of their duties.

Additionally, the Group encourages third parties linked to NIN, such as suppliers, contractors, subcontractors, collaborators and advisers (hereinafter, **“Third Parties”**) to be governed by the principles contained in this Policy.



III. GOVERNANCE

The **Board of Directors** of the Group's parent company approves this Policy and ensures that the necessary resources are allocated so that it can be complied with, reviewed and improved whenever necessary.

The **employees and managers** of the different areas of the Group are responsible for applying this Policy within the framework of their professional activities and for promoting its application, participating in the information and training actions organized in this area.

On the other hand, the **Ethics Committee**, within the framework of its function of supervising the operation and compliance with the Group's Compliance Model, is in charge of monitoring compliance with this Policy, promoting as many modifications and updates as are necessary and organising informative and training actions for its content, reporting possible deficiencies or incidents detected to the Board of Directors and Management.

IV. CRIMINAL COMPLIANCE OBJECTIVES

The Policy provides a reference framework for the definition, review and achievement of the **general objectives of Criminal Compliance** established by the Group:

- Leaving an explicit record of the Group's commitment to act in accordance with external and internal regulations and its zero tolerance for any type of unlawful act (especially those of a criminal nature) and/or act contrary to the values and commitments of our Code of Ethics and the rest of internal regulations of the Compliance Model.
- The adequate management and supervision of criminal risks, derived from the processes and activities of the Group.
- Establishing an organic prevention and control system aimed at minimising the Group's exposure to criminal risk.
- Raising awareness among all Group personnel in relation to the Compliance Model, Code of Ethics, this Policy and the rest of the internal regulations in this area.
- Informing all Group professionals and external interested parties of the consequences derived from non-compliance with the Compliance Model (e.g., imposition of disciplinary sanctions and termination of contracts)
- Promoting a culture of reporting possible detected irregularities and strengthening our ethical-corporate culture in order to generate an open dialogue among our stakeholders so that together we can detect non-compliance and correct it early on, repairing any damage caused.
- The continuous improvement of the Compliance Model by applying as many changes as are necessary as a result of non-conformities, incidents, legislative and/or organisational changes.



V. GENERAL PRINCIPLES OF THE COMPLIANCE AND CRIMINAL RISK PREVENTION MODEL

The Group's Compliance and Criminal Risk Prevention Model is based on the **general principles** set forth below.

- **Commitment of the Board of Directors and Management to the Compliance Model:** The approval and periodic updating of the main internal regulations that make up the Compliance Model, including this Policy, reinforces the commitment of the Board of Directors and the Management of the Group with the defence of legality and regulatory compliance, which is complemented by the communication and dissemination of the principles contained in the Compliance Model.
- **Continuous monitoring and periodic review of the criminal risks derived from our activities:** Identifying and evaluating the criminal risks inherent to our activities is essential in adopting adequate control measures. For this reason, the map of criminal risks is reviewed on an annual basis, without prejudice to the reviews that proceed when there are changes in regulations, in the business environment or the Group's organisational structure, or when breaches of the implemented Model are found.
- **Commitment to continuous monitoring and periodic review of our control environment:** We ensure that the policies, procedures and other control mechanisms that make up the Compliance and Criminal Risk Prevention Model are kept up to date, subjecting them to periodic review and audit processes.
- **Commitment to information, training and awareness in regulatory compliance:** dissemination of a compliance culture and the prevention of criminal risk are ensured through continuous communication, training and awareness-raising actions throughout the Group.
- **Commitment to those who detect and report regulatory breaches:** we insist on the duty incumbent on all Personnel to report in good faith, through the Group Complaints Channel, about possible irregularities, inappropriate conduct and/or any act which is unlawful or non-compliant with the Code of Ethics, the Policy or other internal regulations of which there is knowledge or suspicion. Third Parties are also encouraged to report such issues through the Complaints Channel. In any case, the Group guarantees the confidentiality of all data transmitted, as well as the absence of reprisals against informants in good faith, all in accordance with the internal regulations of the Complaints Channel.
- **Commitment to correction and disciplinary measures for regulatory breaches detected:** Non-compliance with applicable laws and the Group's internal regulations may give rise to disciplinary liability and any other legal measures depending on the nature of the non-compliance and in accordance with the applicable legal framework.
- **Commitment to the proper allocation of resources for the criminal risk management system:** the Group allocates annually enough human and financial resources required by the Compliance and Criminal Risk Prevention Model towards its continuous improvement and the achievement of the Criminal Compliance objectives.
- **Appointment of an Ethics Committee,** by the Board of Directors of the Group's parent company, **entrusted with supervising the operation, compliance and effectiveness of the Compliance Model**, for which it has the necessary authority, independence, power, initiative, control and resources. The Ethics Committee reports regularly and, at least once a year, on the supervision and monitoring of the Model and any criminal risks to the Management and Board of Directors.



VI. DISSEMINATION, UPDATING, MONITORING, NON-COMPLIANCE AND APPROVAL

This Policy has been approved by the Board of Directors of the Group's parent company in November 2018, entering into force at that time.

Additionally, the policy is published on the website and corporate intranet and is communicated to the Group's Personnel and Third Parties, as well as other interest groups when appropriate.

This Policy is subject to continuous review and improvement by the Ethics Committee, who will review and modify its content as necessary, and supersedes any previous policy or procedure.

Failure to comply with this Policy may give rise to disciplinary measures and other relevant, legal measures based on the nature of the breach.