

The logo for Sando, featuring the word "sando" in a bold, lowercase, sans-serif font. The letter 'o' has a vertical cutout on its right side. The text is dark green and is centered horizontally on the page.

sando

**POLICY OF RELATIONS WITH
AUTHORITIES AND PUBLIC OFFICIALS**

GENERAL PRINCIPLES OF ACTION

GRUPO SANDO maintains relations with the Authorities and their public servants throughout its daily activities.

Likewise, the company maintains a strict policy of transparency that safeguards the general interest, which the Authorities must serve objectively and impartially.

The preservation of the impartial performance of the Authorities through its public servants is the best indicator of competition in the market and, therefore, the maximum guarantee of quality in the development of the company's activity, always guided by the search for excellence.

KEY POINTS TO KEEP IN MIND

The purpose of this policy is to specify the general principles of SANDO's actions, describing the criteria and rules that guide the performance of the functions and tasks of the professionals of the Companies that are part of the Group (they are considered directors, managers and employees) (the "Professionals") in the context of relations with authorities and public officials.

Spanish law prohibits and punishes bribery of public authorities and officials:

- Offering or delivering gifts, favours or services on advantageous terms to a public official or third party linked to him or her (e.g. relatives, friends, business associates, etc.) is an offence under the Penal Code.
- This conduct is criminal, whether the gift or favour is offered or given on one's own initiative or if it is done at the authority's or public official's request.
- Likewise, this conduct will be considered criminal whether the gift or favour is offered or given to obtain or reward an action of the official authority for the benefit of the person or company that provides it or if such gift or favour occurs solely in consideration of the position or function of the authority or official.
- This conduct is punishable by severe penalties for the individual (up to 6 years in prison) and the company on behalf of which he or she may act (fines of up to five years or up to three to five times the profit obtained).

Only sporadic hospitality and gifts to authorities and public officials in **habitual, social and courtesy uses are excluded from the above prohibition.**

Spanish laws prohibit and punish undue influence over public authorities and officials:

- Influencing a public authority or official, taking advantage of a previous personal relationship with him or with another authority or official, to obtain a resolution beneficial to the person or company influencing is a crime under the provisions of the Penal Code.
- It is also considered a criminal offence to solicit or accept any remuneration or reward in exchange for exercising undue influence over an authority or official.
- This conduct is punishable by penalties for the individual (up to 2 years in prison) and the company for which it may act (fines, dissolution of the legal entity, suspension of activities, closure of premises and establishments, prohibition of public procurement, etc.).

For this policy, and under the provisions of Spanish law, a public official shall be understood as any person who, by provision of the law or by election or appointment of the competent authority, participates in the exercise of public functions. By way of example and not exhaustive, the following are considered public officials: mayors; councillors; municipal technicians; elected members of municipal plenary sessions; regional presidents and councillors; elected members of an autonomous parliament; local, regional and civil servants; administrators, managers and employees of public or mixed commercial companies appointed by the Public Authority and performing a public function; municipal, regional or state advisers and other similar positions of free appointment; judges, magistrates, prosecutors and court clerks; officials seconded to the institutions of the European Union and civil servants who are nationals of another EU Member State; etc.

And by authority, to those who, alone or as a member of any corporation, court or collegiate body, have command or exercise their own jurisdiction. In any case, the members of the Legislative Assemblies of the Autonomous Communities, the European Parliament, and the Public Prosecutor's Office officials shall be considered authorities.

SANDO's commitment to complying with these laws is absolute in every one of its areas of activity. It is essential to develop its activity under the principles of ethics, transparency, and excellence.

This policy and its rules of action are mandatory for all Professionals of the Companies belonging to the Sando Group and for other employees, consultants, agents or third parties hired.

Failure to comply with the provisions of this policy or any of the rules of conduct contained therein will lead to disciplinary sanctions that, where appropriate, may lead to the termination of the employment or commercial relationship that the offender maintains with SANDO.

A Communication Channel (through the e-mail address canaldenuncias@sando.com) is available to all people who will attend and resolve any questions, doubts or uncertainties about applying this policy in each specific case.

RULES OF CONDUCT IN RELATIONS WITH AUTHORITIES AND PUBLIC OFFICIALS

The following rules of conduct respond to the principles of ethics and transparency in developing SANDO's activity, particularly in the relations and interactions of the company's people with authorities and public officials in providing our services.

First.- It is forbidden to offer or deliver to a public authority and/or official (or to a third party linked to it)

- a gift, remuneration, favour or service, regardless of its economic value, conditional, explicitly or implicitly, on the authority and/or official deciding for the benefit of SANDO; or
- a gift, remuneration, favour or service, regardless of its economic value, which constitutes, directly or indirectly, a reward for a decision previously taken by such authority and/or official for the benefit of SANDO; or
- a gift, remuneration, favour or service because of the position held by the authority and/or public official, whatever its nature.
- a gift, favour or service that, because of its economic value, its exceptionality, its exclusivity or any other circumstance, goes beyond a service of little value and of a sporadic nature framed in the usual social and courtesy uses typical of the scope of SANDO's activity.

For this First Rule, by way of example and not exhaustive, the following are beyond the usual social and courtesy uses and, therefore, are not permitted:

- cash deliveries;
- monetary deliveries through means of payment comparable to money (except in the case of remuneration to speakers at seminars or conferences regulated in the Seventh Rule of this policy);
- invitations to lunches/dinners, trips or hotel stays of great luxury;
- individualised invitations (which do not take place in the context of and as part of promotional/training activities organised for groups) to sporting events of high economic value (e.g. VIP boxes);
- invitations of a sexual nature or content, etc.

Second.- It is forbidden to exercise undue influence over an authority and/or public official

- taking advantage of a previous personal relationship (kinship, friendship, mutual business, etc.) with that particular authority or official or with another official and/or authority,
- to obtain from it a resolution beneficial to the company's interests.

Third.- It is forbidden to solicit or accept, in one's own name or on behalf of the company, from any third party a remuneration, payment or reward of any kind and amount in exchange for unduly influencing a public authority or official in the terms described in the Second Rule.

Fourth.- **Low-value services that may be made to** public authorities and officials, **within the framework of the usual social and courtesy usages**, must be sporadic and correspond to legitimate interests, and be guided by the principles of transparency, integrity and honesty, and will be carried out under the following guidelines:

- In cases where the care has **an economic value of up to 90 euros**, the hierarchical superior will be informed in writing (via email) indicating what type of care has been provided, as well as the identity of the recipient.
- In cases where the care has an **economic value equal to or greater than 90 euros and up to 200 euros**, once the agreement of the corresponding hierarchical superior has been collected,

authorisation will be requested in writing (via email) **from the Compliance Body** (“CB”) for its delivery, indicating what type of care will be provided, as well as the identity of the recipient. In no case may the service be carried out without prior authorisation from the *Compliance Body*, also in writing (via email).

The Compliance Body will draw up a register of services carried out for more than 100 euros, which will be included in the Annual Report to be reported to the Board of Directors.

It is not allowed to assist a public authority or official:

- whose economic value exceeds **200 euros individually** considered
- or
- where the economic value of such care and other care provided to the same official during the calendar year **exceeds EUR 200.**

For this Fourth Rule, by way of example and not exhaustive, attention is framed in the habitual, social and courtesy uses, provided they do not exceed the aforementioned economic values.

- I. corporate gifts with the company's logo (e.g. pens, key chains, umbrellas, etc.);
- II. branded promotional items or souvenirs;
- III. material used in meetings, seminars, conferences or congresses (e.g. pens, notebooks, folders, wallets, etc.);
- IV. sweets, beverages or fruits for personal consumption; V. flowers on traditional occasions, etc.

The economic value of the service should be understood as *its actual market value and not the cost to the company of its acquisition (since, in some cases, this acquisition cost may be significantly lower than the market value of the object)*.

Fifth.- Invitations to working lunches/dinners to an authority or public official within the usual social and courtesy uses will be made under the following guidelines:

- In cases where the invitation to the working lunch/dinner has an economic value of up to **80 euros** per person, once made, the

hierarchical superior will be informed in writing (via email), indicating the identity of the guest or guests.

- In cases where the invitation to the working lunch/dinner has an economic value of **more than 80 euros and up to 200 euros per person**, with the prior agreement of the corresponding hierarchical superior, authorisation will be requested in writing (via email) from the CB for its realisation, indicating the identity of the guest or guests. Under no circumstances may the invitation be issued unless prior authorisation has been received from the *Compliance Body*, also in writing (via email).

It is not permitted to invite a civil servant for a working lunch/dinner

- whose economic value exceeds **200 euros** individually considered or
- when the monetary value of that invitation, added to others made to the same authority or official **during the calendar year, exceeds 200 euros.**

Under no circumstances is it permissible for these invitations to business lunches/dinners to be extended to family, friends or other persons close to the public official.

For this Fifth Rule, working lunches/dinners are considered exclusively intended to deal with professional matters related to the company's own activity.

Sixth. - Invitations to business meetings, promotional events, seminars, etc., to a public authority or official, which entail travel and/or accommodation expenses, within the usual social and courtesy uses, will be carried out under the following guidelines:

Travel expenses for Sales Meetings/Promotional Events/Seminars

- In cases where the travel (trip) for the invitation to a business meeting/promotional event/seminar has an **economic value of up to 180 euros** per person and round trip, the hierarchical superior will be informed in writing (via email), indicating the identity of the guest or guests.
- In cases where the travel (trip) for the invitation to a commercial meeting/promotional event/seminar has an **economic value of up to 540 euros** per person and round trip, authorisation will be

requested in writing (via email) from the hierarchical superior to carry it out, indicating the identity of the guest or guests. The hierarchical superior's authorisation will be in writing (via email). The approval of the Compliance Body will accompany it. In no case may the invitation be issued without prior **authorisation from the hierarchical superior with the approval of the CB.**

- Travel expenses will be paid by SANDO directly to the company providing the service or, where appropriate, will be reimbursed to the Public Authorities (state, regional or local) to which the civil servant in question is assigned if it has assumed such expenses in advance. In both cases, the expenses will always be paid by bank transfer and against the corresponding invoice. It is not permissible to reimburse travel expenses directly to the staff member concerned.
- It is not permitted to invite a public official to a business meeting, promotional event, seminar, etc., which, individually considered, entails travel expenses whose economic value **exceeds €540 per round trip.**

Accommodation expenses for Commercial meetings/Promotional Events/Seminars

- In cases where the accommodation (hotel) for the invitation to a business meeting/promotional event/seminar has an **economic value of up to 150** euros per person per day of overnight stay, the hierarchical superior will be informed in writing (via email), indicating the identity of the guest or guests.
- In cases where the accommodation (hotel) for the invitation to a business meeting/promotional event/seminar has an economic value of up to 360 euros per person per day of overnight stay, authorisation will be requested in writing (via email) from the corresponding hierarchical superior for its realisation, indicating the identity of the guest or guests. The hierarchical superior's authorisation will be in writing (via email). The approval of the Compliance Body will accompany it. In no case may the invitation be issued if the hierarchical superior authorisation has not been previously received with the approval of the CB.
- Accommodation costs will be paid by SANDO directly to the hotel establishment providing the service or, where appropriate, will be reimbursed to the Public Authorities (state, regional or local) to which the civil servant in question is assigned if it has assumed such expenses in advance. In both cases, the expenses will always be paid by bank transfer and against the corresponding invoice. It is not permissible to reimburse accommodation costs directly to the staff member concerned.

- It is not permitted to invite a public official to a business meeting, promotional event, seminar, etc., to a public official which, individually considered, **entails accommodation whose economic value exceeds 360 euros per day of overnight stay.**

Under no circumstances is it permissible for these invitations to business meetings, promotional events, seminars, etc., to be extended to relatives, friends or other persons close to the authority or public official.

For this Sixth Rule, by example and not exhaustive, commercial meetings, promotional events, seminars, etc., typical of the usual, social and courtesy usages are considered, provided that the travel and accommodation expenses do not exceed the aforementioned economic values.

1. commercial meetings exclusively for professional matters relating to the company's activity;
2. the seminars and conferences organised by SANDO on topics of interest specific to the sector of activity;
3. promotional events and presentations of the company's new products, services, facilities, etc.

Seventh.- The **remuneration of speakers** who hold the status of authority or public official in seminars, conferences, conventions, etc., organised by the Society, within the usual uses, will be paid under the following guidelines:

- In cases where the remuneration has an economic value **of up to 300 euros per person and presentation**, once satisfied, the hierarchical superior will be informed in writing (via email) indicating the identity of the speaker, the title and content of the presentation, and the description of the conference, seminar, etc.
- In cases where the remuneration has an economic value of **up to 600 euros per person per presentation**, with the prior approval of the corresponding hierarchical superior, authorisation will be requested in writing (via e-mail) from the *Compliance Body* for their satisfaction, indicating the identity of the speaker, the title and content of the presentation, and the description of the day, seminar, etc. The remuneration may not be paid to the rapporteur unless the CB's prior authorisation has been received in writing (via e-mail).
- The remuneration of the speakers in seminars, conferences, conventions, etc., will always be paid against the corresponding invoice issued by the speaker and by bank transfer to the current

account indicated by the speaker. Remuneration for presentations in cash, in kind, or by cheques, promissory notes or other similar instruments is not permitted.

- It is not allowed to pay speakers who are authorities or public officials at seminars, conferences, conventions, etc., organised by SANDO, a remuneration **whose economic value exceeds 600 euros per person per presentation.**

In no case is it allowed that the remuneration for presentations at seminars, conferences or conventions organised by SANDO be paid to relatives, friends or other people close to the authority or public official who makes the presentation, including travel and accommodation expenses.

For this Seventh Standard, seminars, conferences or conventions within the usual uses are considered exclusively intended to deal with training, professional, legal, economic, business, social issues, etc. related to the corporate purpose, the sector of activity or the provision of the services of the companies belonging to the SANDO GROUP.

Eighth.- The actions and projects of sponsorship, patronage and collaboration developed by SANDO in which a Public Authorities and its officials participate or are beneficiaries will follow the guidelines established in the Society's Sponsorship, Patronage and Collaboration Policy.

REPORTING OF NON-COMPLIANCE

Any SANDO employee who becomes aware of an action that violates this policy or constitutes a breach of any of its rules of conduct must report it to the *Compliance Body* by any of the following means:

- Through the Whistleblowing Channel enabled on the SANDO intranet
- By letter addressed to:

Criminal Enforcement Body

Avenida José Ortega y Gasset, 112 – SANDO Building
29006 - Malaga

All reports of violations of this policy and its rules of conduct will be considered and appropriately investigated.

Such notification will be protected by confidentiality if given in good faith.

COMMUNICATION OF THIS POLICY

The present RELATIONS WITH AUTHORITIES and PUBLIC OFFICIALS' POLICY will be communicated to all administrators, managers and employees of SANDO, as well as periodic actions to raise awareness and remind them of their existence.

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NOTE: This policy is annexed to the Protocol on the Prevention and Detection of Crimes, approved by the **SANDO Board of Directors at its meeting on 30 April 2021.**