

# STATUTE OF THE COMPLIANCE OFFICER

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## 1. INTRODUCTION

Article 31 *bis* 2.2 of the Penal Code requires that the organization and management models of criminal risks have bodies specifically in charge of supervising the operation and compliance with the model in question. Thus, the literal wording of said precept establishes that “*the legal person shall be exempt from liability, if (...) the supervision of the operation and compliance with the implemented prevention model has been entrusted to a body of the legal person with autonomous powers of initiative and control (...)*”.

Circular 1/2016 of the State Attorney General's Office, on page 47 thereof, explains that this supervisory and control body “*must participate in the preparation of risk organization and management models and ensure their proper functioning, establishing appropriate auditing, surveillance and control systems*”, without forgetting the importance of being “*as the most independent as possible*” in the performance of its functions.

On the other hand, Law 2/2023, of February 20, which regulates the protection of people who report on regulatory infractions and the fight against corruption, establishes various requirements regarding the implementation of Internal Information Systems in companies and, among them, that of having a Head of said System.

In order to achieve the maximum levels of autonomy, the models must foresee the mechanisms for the adequate management of any conflict of interest that could cause the development of the functions of the Compliance Officer, guaranteeing that there is an operational separation between the administrative body and the members of the control body (Compliance Officer) who preferably should not be administrators.

On the other hand, the UNE 19601 on criminal Compliance management systems, in its section 3.21, concludes that the Compliance Officer is the “*organ of the organization endowed with autonomous powers of initiative and control entrusted with the responsibility of supervising the operation and observance of the criminal Compliance management system*”.

In short, the Spanish legal system requires that supervision, surveillance and control of the criminal risks management systems, including the internal information systems, be entrusted to a body (personal or collegiate) that complies with the following premises:

- ▶ To have autonomous powers of initiative and control, or that it has legally entrusted with the function of supervising the effectiveness of internal controls.
- ▶ That there is no omission or insufficient exercise of its functions.
- ▶ To comply with the duty to report on possible risks and breaches.

## 2.- PURPOSE AND SCOPE OF APPLICATION

In accordance with the foregoing, this Statute regulates the configuration of the Compliance Officer of the GRUPO MASMOVIL, his functions and the procedures that must be followed for the exercise of these ones, guaranteeing the necessary autonomy of the function of supervision of the operation and compliance with the Model of Organization and Management of Criminal Risks of the GRUPO.

Likewise, the scope of competence of the GRUPO MASMOVIL Compliance Officer shall reach all Employees, Representatives and Third Parties to whom the GRUPO's Criminal Risk Organization and Management Model, the Code of Ethics and the regulations that develop them are applicable, with respect to the management of identified criminal risks and the controls implemented for their prevention or mitigation.

Regarding all matters unrelated to the Criminal Risk Organization and Management Model and to the prevention of criminal risks, the Compliance Officer may inform/report to the Legal Affairs Directors. In this way, the rest of legal matters shall be managed by the Legal Affairs Directors who may rely for this purpose on the person who holds the position of Compliance Officer, without any interference from the Legal Affairs Directors in the proper duties of the Compliance Officer.

For the purposes of this statute, it shall be understood by:

- ▶ **GRUPO MASMOVIL or GRUPO:** all the companies that make up the MASMOVIL business group, headed by its parent company LORCA TELECOM BIDCO, S.A. and all the companies over which it exercises control pursuant to the applicable commercial legislation.
- ▶ **Employees:** any natural person who maintains employment relationship with any of GRUPO MASMOVIL companies, including all managers and people with organization and control powers, and any person providing employment services for any of these ones, whatever their contracting regime.
- ▶ **Representatives:** the legal representatives of the GRUPO companies, including the legal administrators, and those who act individually or as a member of a body of the GRUPO companies who is authorized to make decisions on their behalf, including the administrators of fact or other external control bodies, and any

natural or legal persons linked to the GRUPO companies by legal relationships and/or of any nature other than labor, acting on its behalf.

▶ **Third:** any natural or legal person who provides services to the companies of the GRUPO MASMOVIL, through a relationship other than labor and that is not included in the definition of Representatives, including operators, suppliers, contractors, call center, distributors, collaborators.

▶ **Model of Criminal Risk Organization and Management of the GRUPO:** organizational model aimed at preventing the commission of crimes, through a series of rules, bodies and procedures that bind and must respect all the people linked to the GRUPO.

### 3.- SUPERVISORY AND CONTROL BODY OF THE MODEL OF ORGANIZATION AND MANAGEMENT OF CRIMINAL RISKS OF GRUPO MASMOVIL AND RESPONSIBLE FOR THE INTERNAL INFORMATION SYSTEM

The body designated for the implementation, control and supervision of the Model of Organization and Management of Criminal Risks and for the management, together with the Ethics Committee, of the Internal Information System of the GRUPO MASMOVIL is called the “**Compliance Officer**”, of a unipersonal nature, which assumes among its responsibilities the function of supervision and control of criminal risks of the GRUPO MASMOVIL and the responsibility of the Internal Information System.

The Compliance Officer shall always act with autonomy and criteria of independence. It shall report to the Board of Directors of Lorca, through the Audit and Control Committee of said Company. In this regard, the Compliance Officer shall report at each ordinary session of the Audit and Control Committee on the exercise of its functions, regulated in section 5 of this Statute.

#### 4.- COMPLIANCE OFFICER REQUIREMENTS

The Compliance Officer must comply with the following characteristics:

- ▶ Autonomy and independence in decision-making regarding criminal risk management.
- ▶ Honesty.
- ▶ Professionalism.
- ▶ Integrity and commitment.
- ▶ Skills of effective communication and influence capacity.
- ▶ Capacity and prestige so that his/her guidelines have acceptance.
- ▶ Necessary competence.

The GRUPO MASMOVIL Compliance Officer shall treat all the information available to him/her with the maximum possible confidentiality. Likewise, in the performance of its supervision and control functions of the Criminal Risk Organization and Management Model:

- I. He/she shall have direct access to the governing bodies of the GRUPO MASMOVIL companies.
- II. He/she shall have free access to the information and places of the GRUPO MASMOVIL that shall be necessary to consult within the scope of his/her competences.
- III. He/she may request the support of any management, division, employee, manager, administrator, advisor or any person who maintains a professional and/or labor relationship with the GRUPO MASMOVIL, in the scope of an investigation, and they are obliged to provide the required assistance.

- IV. He/she shall have the adequate means and resources necessary to carry out his/her work, including the adequate management of financial and IT resources.
  
- V. He/she must be up-to-date in all matters that concern him/her, for which the GRUPO MASMOVIL must support (within the limits of what is reasonable) his/her attendance at courses and conferences that may be appropriate for this purpose.
  
- VI. He/she shall be subject to the duty of confidentiality and may not use the information and/or documentation received for a purpose other than that of the management and prevention of criminal risks and the investigation of incidents in this area.



## 5.- FUNCTIONS OF THE SUPERVISORY AND CONTROL BODY IN THE PREVENTION OF CRIMINAL RISKS

The Compliance Officer is responsible for: (i) providing support and advice to the GRUPO MASMOVIL in the process of implementing its Criminal Risk Prevention Model; (ii) taking charge of his/her subsequent monitoring and supervision; and (iii) managing possible breaches of said Model by the Employees and Representatives of the GRUPO.

Among the functions inherent to the position of Compliance Officer in the area of criminal risk prevention, as responsible for compliance, monitoring and updating of this Model, we can list:

### I. **To promote an ethical culture in the GRUPO MASMOVIL and compliance with the Organization and Management of Criminal Risks Model of the GRUPO MASMOVIL and the regulations that comprise it.**

The Compliance Officer shall execute the necessary actions to guarantee a true promotion of an ethical culture in the GRUPO, ensuring compliance with the Model of Criminal Risk Organization and Management of the GRUPO MASMOVIL, as well as the Code of Ethics and other rules or procedures that develop them. For this, the Compliance Officer, among other measures, must:

- a) Promote a preventive culture based: (i) on the principle of “zero tolerance” towards the commission of illegal acts and situations of fraud and (ii) on the application of the principles of ethics and responsible behavior of all Employees and Representatives of the GRUPO MASMOVIL.
- b) Promote the rules that may be necessary for the development of the Criminal Risk Organization and Management Model and the Code of Ethics, and for the prevention of their infractions.
- c) Periodically evaluate the degree of compliance with the Model, the Code of Ethics and the rules of development of the GRUPO MASMOVIL and check the effectiveness of these regulations in the prevention of irregular behaviors. In this regard, he/she shall identify the procedures that are most effective in promoting the highest ethical standards, shall promote

the necessary modifications to guarantee their effectiveness and shall propose to the competent directions the corresponding actions or disciplinary measures derived from the detected breaches.

- d) Review the contracts that the GRUPO MASMOVIL has signed with clients, Third Parties, shareholders and any other person, so that:
- They should comply with the rules set forth in the Criminal Risk Organization and Management Model and the Code of Ethics.
  - Clauses should be included in the contracts to be signed with Third Parties by which the Code of Ethics of the GRUPO MASMOVIL is made available to them and, when they act on behalf of any of the companies of the GRUPO, they should warn of the obligation that they have to accept and comply with it.

For the execution of these obligations, the Compliance Officer may request from all the directions and departments of the GRUPO the contract models used, as well as any additional documentation required. Once the verification thereof has been carried out, the Compliance Officer shall send a reasoned report to the Legal Department indicating the deficiencies identified and the recommended measures for their correction. The Legal Department shall inform the Compliance Officer of the degree of execution of these recommendations, the latter being obliged to carry out the necessary follow-up to comply with the existing standards in terms of regulatory compliance.

## II. **Management of the Ethical Channel.**

A unique Ethical Channel (Internal Information System) is established for all the companies of the MASMOVIL Group and the natural person who at any time holds the internal managerial position of "Compliance Officer" of the MASMOVIL Group is designated as responsible for said Internal Information System.

The Compliance Officer shall be responsible for managing the Ethics Channel of the GRUPO MASMOVIL, together with the Ethics Committee. Likewise, the Compliance Officer may count on the collaboration of that person(s) of his/her Area expressly designated for this purpose by the Compliance Officer and the

General Director of Legal Affairs and Compliance of the MASMOVIL Group, who must sign a specific confidentiality agreement.

In the management tasks of the Ethical Channel, the *Compliance Officer* must:

- a) Respond to any queries or doubts that may be raised to him/her in relation to the content, interpretation, application or compliance with the Code of Ethics, the Criminal Risk Organization and Management Model and the regulations that develop them.
- b) Be aware of complaints due to non-compliance with the Code of Ethics, the Criminal Risk Organization and Management Model or derived from any other type of regulatory non-compliance and, where appropriate, promote the verification and investigation procedures of these ones and issue a final report with the conclusions of the investigation, by which it may be proposed to the Board of Directors of Lorca, the relevant measures to impose due to the detected breach.
- c) Adopt the necessary measures to guarantee the confidentiality or, where appropriate, anonymity, of the complaints processed and that they may be used exclusively for the legally foreseen purposes.

The management of the queries and complaints received through the ethical channel of the GRUPO MASMOVIL shall be carried out in accordance with the Ethical Channel Management Procedure.

### III. **Coordinate the dissemination and training of the GRUPO MASMOVIL Criminal Risk Organization and Management Model.**

The Compliance Officer shall coordinate the dissemination, knowledge and compliance with the Criminal Risk Organization and Management Model, the Code of Ethics and the regulations that develop them, promoting a culture of regulatory and ethical compliance in the GRUPO MASMOVIL. To do this, he/she must:

- a) Guarantee the delivery to Employees, Representatives and Third Parties (when applicable) of the Crime Prevention Manual and its appendices,

and the Code of Ethics, so that they may assume them in their professional work, recording their receipt thereof.

In order to carry out this obligation, the Compliance Officer must coordinate, with the Human Resources Department, the Legal Affairs Department or the Department responsible for signing the contract with Third Parties, the actions necessary for its effective compliance. The Compliance Officer shall be obliged to monitor these actions and the respective addresses to inform them about it.

- b) Develop a specific annual training plan on criminal risk prevention for all Employees and Representatives thereof. The training Plan shall be developed according to the following principles.
- Training sessions shall be given on the operation of the GRUPO MASMOVIL Criminal Risk Organization and Management Model and the Code of Ethics, emphasizing the importance of their compliance and the assumption by the GRUPO of the principles of action aimed at avoiding the commission of illicit facts.
  - Training sessions shall be given on specific risks that had been identified in the criminal risk matrix/report that serves as the basis for the GRUPO MASMOVIL Criminal Risk Organization and Management Model, giving prominence to courses on anti-corruption, bribery and data protection.
  - It shall be ensured that there is access to adequate professional advice for the establishment, implementation and maintenance of the GRUPO MASMOVIL Criminal Risk Organization and Management Model.
  - The training plan shall be directed by the Compliance Officer in coordination with the Human Resources Department.
  - Attendance at training courses on crime prevention shall be mandatory, and Employees and Representatives, when applicable, shall be obligatory to leave a written record of their attendance and carry out an evaluation test of the knowledge acquired.
  - The training may be face-to-face or online and it shall be adapted to the working hours of the Employees so that it does not interfere with the normal development of their professional work.

**IV. Inform the governing bodies of matters related to the prevention of criminal risks.**

The Compliance Officer must periodically inform the Lorca Board of Directors, through the Audit and Control Committee, when it shall be required or on his own initiative when he/she shall consider that it should be informed directly, regarding everything related to the Organization Model and Management of Criminal Risks of the GRUPO and its Code of Ethics. In this regard, he/she shall report to the Council:

- a) Of the measures adopted to ensure compliance with the Criminal Risk Organization and Management Model, the Code of Ethics and the regulations that develop them.
- b) Of the main conclusions and opinions that he/she issues in the exercise of his/her functions, unilaterally or with the support of other directions of the GRUPO, including the consultations and reports that he/she issues as a result of the detailed investigations in the procedure established in section 8 of this Statute.
- c) Of the recommendations to other GRUPO MASMOVIL departments regarding the adoption of various prevention measures, as well as the results of their follow-up.
- d) In any case, when he/she appreciates that a matter has sufficient entity to be known by said bodies.

**V. Carry out a periodic verification of the criminal risk organization and management model.**

The Compliance Officer should carry out a periodic verification of the Model, at least once a year, and coordinate its modification when relevant infringements of its provisions become apparent, changes occur in the organization, structure or activity carried out, as well as in the applicable legislation. Specifically, the Compliance Officer develops the activities of:

- a) *Supervision*: the Compliance Officer shall establish the review and control measures, in common agreement with the departments involved, in order to verify that the GRUPO's activities are carried out in accordance with the policies and procedures of this Model.

For this purpose, the Compliance Officer shall hold meetings with the heads of each direction or department every six months for assessing their compliance with the Model and the need, where appropriate, to adopt new measures or correct existing ones.

- b) *Monitoring*: the monitoring of the Model especially includes the necessary modifications when relevant infringements of its provisions are revealed, changes shall occur in the organization, in the control structure, in the activity carried out, or even when there are legislative modifications that require adapt the Model in order to ensure its correct operation. For this, the Compliance Officer shall carry out specific periodic reviews, detecting possible faults and recommending the relevant changes and improvements.

This monitoring task corresponds to the Compliance Officer with the assistance, where appropriate, of external advice.

- c) *Verification*: the verification process allows to evaluate the effectiveness of the GRUPO MASMOVIL Criminal Risk Organization and Management Model at the end of each year, which includes the analysis of any incident or material deficiency that may have affected it.

Consequently, annually, the Compliance Officer shall prepare and present to the Lorca Board of Directors, through the Appointments and Remuneration Committee, a Report in which he/she shall highlight:

- The actions developed, improvements, proposals, updates implemented, agreed measures, as well as any other aspect that may be considered relevant relative to the Model.
- His/her opinion on the sufficiency and effectiveness of the existing policies or procedures to manage and prevent the criminal risks identified in the GRUPO and of the current supervision and monitoring mechanisms of the Model.

- A summary of the inquiries received through the Ethics Channel or sent by other directions of the GRUPO and of their replies, as well as the impact on the operation of the GRUPO.
- A summary of the complaints received through the Ethics Channel or of the investigations initiated, and of the final report of conclusions issued, indicating the proposed measures and the approved measures and their degree of execution or compliance on the date.
- The recommendations he/she deems appropriate to improve the deficiencies detected, if they exist.
- The proposal of an annual action plan containing the activities and measures that in the area of criminal risk prevention he/she considers to be carried out in said period, as well as a duly justified training proposal, in this matter, for the Compliance Officer.

In view of said Report and the proposed recommendations, the Lorca Board of Directors, with a favorable report from the Audit and Control Committee, shall approve whatever modifications and measures may be necessary to guarantee the effectiveness and sufficiency of the Crime Prevention Model of the GRUPO MASMOVIL.

Additionally, said body may commission a specialized external advisor to prepare a verification Report on the operational effectiveness of the control mechanisms in the companies of the GRUPO MASMOVIL.

**VI. Adopt and/or coordinate the adoption of those measures he/she deems appropriate to guarantee adequate compliance with the GRUPO MASMOVIL Criminal Risk Organization and Management Model.**

The Compliance Officer shall be responsible for adopting and/or coordinating with the competent departments according to the matter, the measures deemed appropriate to guarantee adequate compliance with the GRUPO's Criminal Risk Organization and Management Model. Thus, the Compliance Officer shall promote the adoption:

- a) Regarding the Group Employees: of disciplinary measures for breaches that cause a criminal risk for the GRUPO MASMOVIL

and its staff, in accordance with the established system and in accordance with current applicable labor regulations.

- b) Regarding the Representatives and Third Parties: of actions or measures, including resolution ones, as well as the claim of the responsibilities that proceed according to the contract that regulates them, derived from a breach in the prevention of criminal risks.
- c) In any cases where there are criminal indications, he/she shall propose to the Lorca Board of Directors to inform the relevant judicial authority of these facts, including the Public Prosecutor's Office.

The adoption of these measures shall be governed by the Ethical Channel Management Procedure (guaranteeing the due motivation of the same), whether it is measures derived from an investigation process initiated by a complaint, or if it is about non-compliances with the prevention of criminal risks of which the Compliance Officer has been aware in the exercise of his/her functions. Likewise, the Compliance Officer is obliged to monitor the measures carried out.

**VII. Establish the necessary tools to ensure the constancy and record of the actions that make up the Compliance system.**

The GRUPO MASMOVIL Criminal Risk Organization and Management Model generates evidences that allow the proper development, monitoring and supervision of the Model itself, as well as the accreditation of its effectiveness, for which the Compliance Officer shall be responsible for keeping the record of these evidences.

With this objective, the Compliance Officer shall have to identify, compile, standardize and guarantee the custody of the documents that reflect the effective and efficient application of the criminal risk prevention mechanisms in each company of the GRUPO. In this regard, the Compliance Officer shall establish:

- a) a procedure for the control and custody of the documents and records generated in the verification and monitoring process; and



- b) a procedure for the control and custody of documents that are part of the Crime Prevention Model of the GRUPO MASMOVIL (Report of Criminal Risks of the GRUPO, Disciplinary System, Ethical Channel, among others).

All documentation generated in this regard must be kept during a minimum period of ten years.

## 6.- SUPPORT FROM OTHER MANAGERMENTS OF THE GRUPO MASMOVIL

For the development of his/her functions, the Compliance Officer may seek the support of any Employee, Representative or Third Party linked to the companies of the GRUPO MASMOVIL, who shall be obliged to provide the collaboration that is required, assisting him/her in his/her work on a recurring basis. Likewise, the Compliance Officer may convene the Ethics Committee to deal with any matter regarding the prevention of criminal risks, in which is required his/her advice.

## 7.- ETHICS COMMITTEE

The Ethics Committee is an autonomous internal collegiate body and that operates with criteria of independence. It is made up by:

- ▶ The Chief Human Resources Officer.
- ▶ The Chief Financial Officer.
- ▶ The Chief Legal Officer.
- ▶ The Group's General Manager
- ▶ A representative from other directions of the GRUPO, to be convened on a rotating basis.

The functions assigned to the Ethics Committee are, enunciated but not limited to, the following:

- a) Participate and decide, together with the Compliance Officer, in the procedures for investigating the complaints received, as well as proposing the measures to be carried out.
- b) Support and advise the Compliance Officer in all queries, investigations or activities that he/she may require due to the nature thereof.

The Committee shall function as a support body for the Compliance Officer, so it shall be called upon by the latter both to carry out the complaints procedure regulated in the Ethical Channel Management Procedure as to advise or support him/her in any other activity.

All meetings held within the framework of the complaints procedure shall be validly constituted if, at least, 4 of the 5 members of the Committee and the Compliance Officer attend, whose attendance is mandatory at all sessions. The latter shall preside over the meeting and shall draw up the minutes indicating the members of the Committee who participate, a summary of the debate and the conclusions of the meeting.

The decisions that the Ethics Committee and the Compliance Officer must adopt jointly shall be approved by a majority of votes of all of them, with each member of the Committee having one vote and the Compliance Officer having a double vote.

## 8.- MATERIAL AND PERSONAL RESOURCES

The GRUPO MASMOVIL, on an annual basis, shall allocate a sufficient budget item to ensure effective compliance with its Criminal Risk Organization and Management Model, guaranteeing the provision of sufficient personal and material resources for a correct and effective compliance with it.

The approval, management and audit of this budget item shall be governed by the policies and procedures that are in force in this regard in the GRUPO MASMOVIL. The annual budget presented must be based on the action plan presented annually by the Compliance Officer to the Board of Directors, through the Audit and Control Committee, for approval thereof. The budget shall include a sum for the training of the Compliance Officer, duly justified.

The annual budget may foresee limited funds to carry out investigations or activities that must be considered confidential and that cannot be expressly established in the aforementioned budget proposal.

In any case, the contracting of goods and services required by the Compliance Officer in order to perform his/her functions shall be governed by the GRUPO MASMOVIL purchasing policy and procedure.