

BOARD MEMBERS SELECTION POLICY

Document code:	POL-28
Version:	2.0
Date of entry into force:	29/09/2022
Security level:	Public Information

Policy approved by the Board of Director of Lorca Telecom, S.A. at its meeting of September 29th, 2022.

Created by
Secretary to the Board

Approved by
Board of Directors

1. Introduction and object

The Board of Directors of LORCA TELECOM BIDCO, S.A.U. (“**MASMOVIL**” or the “**Company**”) holds the non-delegable power to determine the Company's general policies and strategies and, in particular, the Board's own organization and operation and the approval and supervision of the selection procedures for its members, with the support of the Appointments and Remuneration Committee (the “**Committee**”), which is its internal body for information and consultation.

It is of interest to the Board of Directors to stipulate this *Director Selection Policy* (the “**Policy**”) which sets out the main aspects and commitments of the Company in relation to the selection and appointment of directors, and whose object is to: (i) establish the procedure and criteria the Board of Directors of MASMOVIL will take into account in candidate selection processes for appointment or reelection of members of the Board of Directors, as well as (ii) ensure that the proposals for candidates, as well as for appointing and reelecting directors, are founded upon a prior analysis of the needs of the Company's Board of Directors, and foment the diversity of knowledge, experience and gender in its own composition, free of implicit biases that could entail any type of discrimination, for the Board to possess a balanced composition, all in accordance with the applicable statutes and best practices in corporate governance.

The Committee will verify compliance with the Policy each year and make a report to the Board of Directors.

2. General principles

In line with the principles of corporate governance, in the selection processes for members of the Board of Directors, the bodies with competence in this matter must take the following principles into account at all times:

- ✓ **Principle of transparency.** The Board of Directors recognizes transparency in all its actions as a key element in its corporate governance strategy, and this includes the process of selecting candidate directors and their subsequent selection and appointment.

- ✓ **Principle of diversity of knowledge, gender and experience.** In application of this principle, the Board of Directors shall ensure that in the selection processes for its members, the candidates shall possess an appropriate level of training and profile, to pursue a diversity of training and experience which help the Board of Directors to have a broader vision of the matters that must be submitted to it, and likewise ensure that the selection processes foster gender diversity and the selection of directors of the sex less represented at each moment.

- ✓ **Principle of non-discrimination and equality of treatment,** so that the selection processes for Board members do not suffer from implicit biases that could imply any class of discrimination, whether on the grounds of race, sex, age, disability, or any other, and so that exactly the same opportunities are proffered to all qualified candidates.

- ✓ **Principle of suitability of competences and performance.** The Policy shall ensure that the selection of candidate directors guarantees that they possess sufficient specialized knowledge, so that prior to any selection process, a description of the skills and competences necessary for the Board of Directors shall be set out.

With regard to candidacies for the reelection of directors, the decision will be taken not only in the light of each candidate's profile but, and especially, considering their performance during their preceding term.

- ✓ **Principle of appropriate size and composition.** This Policy shall likewise make sure that the Board of Directors possesses an appropriate number of members and composition to permit it to discharge its duties, with the objective of furnishing an ample majority of Non-Executive Directors and a suitable balance between Proprietary and Independent Directors.

- ✓ **Compliance** with current law and the corporate governance principles of MASMOVIL, as well as the recommendations and principles of good governance assumed by the Company.

3. Subjective scope of application and interpretation

This Policy shall be applicable to the selection of natural persons as candidate directors. For candidates which are legal persons, the provisions hereof shall be applied to the natural persons representing them, who shall be subjected to the same requirements as natural person candidates.

This Policy shall be applicable and must be interpreted together with the corporate stipulations of the Company and the other internal regulations that apply and, in particular:

- ✓ The Articles of Association.
- ✓ The Regulations of the Board of Directors.
- ✓ The Internal Regulations on Conduct on the Securities Markets.

4. Bodies responsible for the selection of directors

Without prejudice to the competences of the Board of Directors with regard to the selection of its members, the Committee shall be responsible for the competences enumerated in the Regulations of the Board of Directors and in the current law applicable to the appointment of directors.

Any director may suggest candidates for directorships, always provided that the requirements set out herein are fulfilled.

Whenever deemed appropriate, it shall be possible to call on the collaboration of an independent expert to confer the greatest objectivity possible upon the director selection process, with the support of the Chairman and Secretary to the Board, or call on other professionals of the Company as may be seen fit.

5. Director selection process

5.1. Evaluation of the Board

The Committee shall evaluate the balance of knowledge, capacity, diversity, and experience on the Board of Directors. With regard to proposals to appoint or reelect directors, it shall set out a description of the functions and aptitudes necessary to complement appropriately the profile of knowledge, capacity, diversity, and experience on the Board of Directors.

5.2. Determination of director profile, analysis of candidates, and proposal

The Committee, in the light of the needs to be met by the Board of Directors and the director selection requirements set out herein, will define the minimum criteria the candidate must fulfill to be considered for appointment or reelection with regard to their knowledge, competence, experience, and diversity, so that all those aspects it is thought necessary to be addressed at each moment in the Board of Directors are covered.

Subsequently, the Committee will evaluate the profile of the candidates in the light of those minimum criteria, to determine to what extent these match the needs detected in the evaluation process for the Board overall and, if appropriate, it shall submit its definitive proposal to the Board of Directors which, in the light of the Committee's report, shall decide whether to submit the appointment of the proposed candidate for approval by the General Meeting, or appoint the Director by cooptation, depending on the case.

6. Director selection requirements

Members of the Board of Directors must possess the competences, knowledge and experience necessary to perform its duties, taking into account the needs of the Board and its overall composition. In general, candidates must be suitable persons and of acknowledged ability, competence, experience, qualification, training, availability, and commitment to their duties, with a personal and professional record of respect for the law

and good commercial practices, and they must necessarily comply with the precepts of the law at each moment to form part of an administrative body.

In particular, they must be honest professionals, whose conduct and career are in line with the principles of the Company's Code of Ethics and the corporate values.

In view of the foregoing, at least the following criteria shall be taken into account in director selection procedures:

Commercial and professional reputation founded upon respect for the law.

- ✓ **Suitable professional knowledge and experience:** the appointment should fall to persons who enjoy recognized prestige and possess the professional knowledge and experience appropriate to discharging their duties.

Directors must possess suitable knowledge and experience to perform their functions at the Company and they must possess training of the right level and profile, as well as practical experience derived from their earlier occupations for sufficiently long periods. Both knowledge acquired in an academic environment, as well as experience in professional duties similar to those that are to be performed, in other entities, institutions, or companies, shall be taken into account.

- ✓ **Requirements of Independent Directors:** in addition to the foregoing criteria, which are applicable to all directors without regard to their category, in the case of Independent Directors, the persons selected, to be qualified for this category, must possess the independence requirements envisaged in the statutes at each moment, as well as any additional conditions of independence that the Company's internal regulations may stipulate.
- ✓ **Commitment to compliance with directors' duties and obligations:** in reelection proposals for serving members of the Board of Directors, the commitment shown by that Director during their term of office in compliance with their duty of diligence and duty of loyalty shall be taken into account, as well as all standards which, with regard to their standing of shareholder or senior office-

holder of the Company, are imposed by the *Internal Regulations on Conduct on the Securities Markets*, the *Code of Ethics of MASMOVIL Group* and all other standards or procedures that may develop these. It shall also be considered whether their action during their term of office has been in good faith and in the best interests of the Company.

In addition to the foregoing requirements, any other conditions that may be determined by the Committee and the legislation applicable at each moment must be taken into account in the selection processes for MASMOVIL directors.

7. Framework of incompatibilities and impediments to being a candidate director

7.1 Persons, whether natural or legal, affected by grounds for incompatibility for discharge of their duties may not be considered as candidate directors, and nor may they be natural person representatives for any legal person director, and in any case this includes:

- ✓ Spanish or foreign companies of the telecommunications sector, or other sectors, that could be direct or indirect competitors of the Company, as well as the administrators or senior managers who, where applicable, are proposed by the same under the auspices of their standing as shareholders.
- ✓ Nor may civil servants whose duties are related to the activities of the companies in question, judges, magistrates, or any other persons affected by legal incompatibility, be directors.
- ✓ Natural or legal persons who perform the duties of administrator at a number of entities greater than that the Company may determine at each moment.
- ✓ Those who are affected by the grounds of incompatibility, disqualification, or incapacity in accordance with the demands set out in the applicable legislation and the corporate governance standards of MASMOVIL, including those who

have in any manner interests opposing those of the Company or its Group, or which could jeopardize those interests.

7.2 In cases of director reelection, those in any of the following circumstances may not be reelected as directors:

- ✓ Those which have seriously breached their obligations as directors.
- ✓ When the grounds upon which they were appointed to directorships no longer apply, and in particular:
 - When the grounds upon which they were appointed Executive Directors no longer apply.
 - When the shareholder represented by a Proprietary Director sells the entirety of their shareholding.
 - When Independent Directors no longer fulfill the conditions required by law for this category.

8. Approval, monitoring and updating of the Policy

This Policy shall be approved by the Board of Directors, at the proposal of the Committee, the competent body for these purposes, and it shall enter into force on the date of its approval.

The application of this Policy shall be subject, in any case, to modifications in line with the legislation in force at any given time, or how the Company itself construes it and what it deems appropriate to include.

The Board of Directors shall periodically evaluate the effectiveness of this Policy and shall adopt the appropriate measures to remedy any deficiencies, making such modifications as it deems necessary.

9. Archival and registration of documentation

The Secretary to the Board shall archive and safeguard all documentation accrediting the evaluation procedure of the Board of Directors, by maintaining an up-to-date record of the identity of the directors, together with the evaluations of the knowledge, capacity, diversity, and experience of both the Board as a whole and its members individually, and the documentation accrediting all these procedures.

Current version	<i>2.0</i>	
History of changes	Date	Version
	<i>30/06/2017</i>	<i>1.0</i>
	<i>29/09/2022</i>	<i>2.0</i>