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## **INTERNAL INFORMATION SYSTEM POLICY**

**Lar España Real Estate SOCIMI, S.A.**



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## 1. INTRODUCTION

One of the aims of Spanish Act 2 of 20 February 2023, which governs the protection of people who report regulatory infringements and the combatting of corruption, is to provide protection for anyone who, in the workplace or during the course of their professional duties, detects criminal acts or a serious or very serious administrative offence that may affect the general interest, and who reports the incidents in question using the mechanisms provided for in the Act.

In this context, and with the aim of providing an **“Internal Information System”** (the **“IIS”** or the **“System”**) with all the necessary guarantees required to protect the person reporting such incidents, the Board of Directors of Lar España Real Estate Socimi S.A. (**“Lar España”** or the **“Company”**) has approved this **Internal Information System Policy** (the **“Policy”**) for the Company and its entire Group, thus complying with the requirements of Act 2/2023.

The Company has also supplemented its IIS with (i) the implementation of an **“Ethics and Whistleblowing Channel”** (the **“Channel”**), which offers anyone connected with the Group the opportunity to report any improper act or reasonable suspicion of illegal activity being committed within the Company, and (ii) the establishment of a **Management Procedure** to handle any information received (the **“Procedure”**).

As a result, this IIS makes it possible for employees and other third parties with professional links to the Company to report, in good faith and based on reasonable suspicions, any events or facts that could give rise to a legal or criminal risk for Lar España. In addition, anyone who submits a report using this System will be provided with clear and accessible information on the possibility of using external channels to inform the competent authorities (e.g. Spain’s independent authority for the protection of whistleblowers, the **“A.A.I.”**) and, where applicable, the institutions, bodies and organisations of the European Union.

The IIS (which comprises the Policy, the Channel and the Procedure) forms an integral part of the Company’s global regulatory compliance model, which also includes, among other elements, the model for the prevention of criminal activity and the model for the prevention of money laundering.

## **2. GUIDING PRINCIPLES**

The main principles that govern the operation and management of Lar España's IIS are as follows:

### **a) Transparency and accessibility**

Information about Lar España's internal information system will be published on the Company's website, where it will be shown on the home page in a separate and easily identifiable section.

### **b) Confidentiality and anonymity**

The structure of Lar España's internal information system will combine guarantees of confidentiality and anonymity while also applying the proper monitoring and investigation practices and protecting the reporting party. Lar España adopts all the measures necessary to protect the identity of the reporting party and any data relating to irregular activity to which it may gain access via the Channel. The managers of the Channel and the bodies responsible for its supervision undertake to maintain the proper confidentiality in relation to all actions and all the people involved in those actions. They will also take adequate measures to prevent and neutralise any kind of reprisal that may be caused by third parties as a result of the complaint.

### **c) Good faith**

The entire contents of any communication must conform to a mandatory principle of good faith, with sufficient grounds and objective evidence to demonstrate the existence of a breach. The forwarding of any false or distorted information must therefore be avoided, along with any information obtained unlawfully.

### **d) Objectivity and impartiality**

Lar España's internal information system ensures that any information received via its Ethics and Whistleblower Channel will be processed and managed on the basis of the same criteria, regardless of who submits it and whom it relates to, and none of the people involved will be treated differently or more favourably, regardless of their circumstances, their position in the organisation or the duties they perform.

#### **e) Prohibition of reprisals**

Lar España's internal information system expressly forbids any acts that constitute reprisals, including threats of reprisal and attempts at reprisal, against anyone who has submitted a communication via the Ethics and Whistleblower Channel.

A reprisal is understood to be any action or omission that is prohibited in law or that directly or indirectly involves unfavourable treatment, and that places the people subject to such actions or omissions at a personal disadvantage in comparison with others in the working or professional environment, solely as a result of their status as whistleblowers.

#### **f) Whistleblower protection**

Lar España's system protects all whistleblowers against any kind of reprisal that might be taken by the organisation as a consequence of the communication submitted.

Among the main requirements necessary to obtain protection, we would particularly mention the following:

- The information relating to irregularities must be obtained in the context of the working environment.
- The person reporting the irregularity must have reasonable grounds to believe that the information is true, even though they may not have conclusive proof, it being sufficient for them to have a reasonable suspicion.

Finally, it should be pointed out that the Lar España System guarantees that any person who reports or discloses an infringement via the Ethics and Whistleblower Channel will have access to a number of support measures (e.g. information, legal advice, etc.).

### **3. OBJECTIVE SCOPE**

This Policy regulates the operation of Lar España's IIS, and any person who falls within its subjective remit and who believes that certain offences are being committed may submit a communication so that the problem can be made known and properly resolved, thus preventing it from deteriorating further, with the harm that this would entail for the organisation.

In addition to protecting those who report infringements of EU Law, it will also protect those who report actions or omissions that could constitute a crime or a serious or very serious administrative infringement under Spanish law.



Lar España's IIS: (i) is designed, implemented and managed in a secure way that ensures the confidentiality of both the reporting party and of any third party mentioned in the communication; (ii) allows communications to be submitted in writing or verbally, or in both ways; and (iii) brings together the various internal information channels in place at the organisation, thus complying fully with the requirements set out in law in this regard.

#### **4. SUBJECTIVE SCOPE**

The IIS extends to everyone who is employed by or maintains a professional connection with Lar España or its Group, as well as to anyone whose professional relationship with the organisation has ended, volunteers, interns, workers who are currently training and even the people involved in selection processes.

The protective measures put in place also apply to the individuals who provide assistance to the reporting party, the people around them who may suffer reprisals and any businesses owned by the reporting party.

Similarly, these protective measures also extend to the workers' representatives who advise and support the reporting party.

#### **5. BODY RESPONSIBLE FOR THE INTERNAL INFORMATION SYSTEM**

In order to ensure the most effective management of its IIS, Lar España has an **Ethics Committee** which will be responsible for the IIS and perform the duties arising from implementation of the Ethics and Whistleblower Channel in the manner set out in law. This Committee will comprise the Company's Director of Internal Auditing, its General Counsel, and the Secretary or Deputy Secretary to the Board of Directors.

In compliance with the legislation in force, the Committee must delegate the duties of managing the Internal Information System and hearing investigative processes to one of its members. These duties are delegated to the Company's Director of Internal Auditing.

## **6. MANAGEMENT OF THE INTERNAL INFORMATION SYSTEM**

Lar España's system will be managed by an external third party that is an expert in this field and that offers all the necessary guarantees of independence, confidentiality, data protection and secrecy of communication. This third party will be responsible for everything relating to the system for receiving information, and it will subsequently submit this information to the Ethics Committee for processing and resolution. All of this will comply with the contents of Act 2/2023.

## **7. DATA PROTECTION**

All personal data, along with any files and other documentation analysed in the context of the application of Lar España's IIS, will be processed in accordance with the requirements of:

- Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data;
- Spanish Act 3/2018, on Personal Data Protection and Guarantees for Digital Rights; and
- Spanish Act 7/2021, on the protection of personal data processed for the purposes of the prevention, detection, investigation and hearing of criminal offences and the enforcement of criminal sanctions.

Lar España hereby guarantees and assumes responsibility for complying with all the appropriate technical and organisational security measures relating to data protection and the confidentiality of information.

No personal data will be collected when they are not clearly relevant to the processing of specific information, and if data are collected by accident they will be deleted without any undue delay.

Access to personal data held in the System will be restricted solely to the following people, acting within the remit of their powers and duties:

- The Body Responsible for the System and the person who is directly managing it.
- The head of human resources, only when it may be appropriate to adopt disciplinary measures against a worker.

- The entity's head of legal services, if it becomes appropriate to adopt legal measures in relation to the events reported in the communication.
- Anyone eventually made responsible for processing the data.
- The Data Protection Officer.

The details of the person who has submitted the communication and of any employees or third parties must be saved in the system only for the time necessary in order to decide whether an investigation should be opened into the events being reported. In any case, if three months have passed following receipt of the communication and no investigative action has been initiated, this information must be deleted, unless the reason for retaining it is to provide evidence that the System is operating.

Complaints that have not been admitted for process may only be recorded in an anonymised way, though the obligation for their encryption set out in Article 32 of the Spanish Act 3/2018 will not apply.

Lar España has a data protection officer who is responsible for all data processing, including the aforementioned System.

## **8. PENALTY REGIME**

The IIS is subject to a penalty regime, and breaches of the system are understood to include, among other things, any action that involves an effective restriction of the rights and guarantees introduced by means of contracts or agreements made individually or collectively, any attempted or effective action aimed at hindering the submission of communications or preventing, frustrating or slowing their investigation, including the presentation of information or documentation that is false by the people required to provide such information, the adoption of any reprisal, or a breach of any of the guarantees of confidentiality and anonymity.

This penalty regime will apply to all natural persons and bodies corporate that engage in any of the activities described as very serious, serious and mild infringements in Title IX of Act 2/2023.

## **9. APPROVAL AND ENTRY INTO FORCE**

This Policy has been approved by the Board of Directors of Lar España, following a favourable report by the Audit and Control Committee, and it came into force on the day following its approval.

## **10. VERSION HISTORY**

Prepared by	Date	Approved by	Date
Ethics Committee	H1 2023	Board of Directors	<b>27/07/2023</b>

## **SCHEDULE 1: PRE-DEFINED TERMS**

For the purposes of this Policy, the following terms and definitions (set out here in alphabetical order) will apply:

**Accused:** The employee or third party accused of the alleged irregularity.

**Act 2/2023:** The Spanish Act governing the protection of people who report regulatory infringements and combatting corruption.

**Body responsible for the Internal Information System:** collegiate body responsible for managing the said System and/or the natural person charged with the duties of managing the System and conducting investigation processes.

**Communication (report):** A verbal or written communication reporting an infringement.

**Ethics Committee:** The organisation's internal body that performs the duties arising from implementation of the Internal Information System and that receives any communications submitted via the Ethics and Whistleblower Channel, outsourced to a third-party expert specialising in this field.

**Group:** Lar España and all of its subsidiaries at any time. The names of Lar España's subsidiaries on the date on which this Policy was approved are listed for information purposes in Schedule II, though the term "Group" should be understood to extend to all the companies that belong to the Lar España Group at any time.

**Independent Authority for Whistleblower Protection (AAI):** An external channel through which engagement in any of the actions or omissions that fall within the applicable scope of Act 2/2023 may be reported.

**Infringement:** Improper act committed within the company.

**Internal information channel:** The Ethics and Whistleblower Channel which the Company provides to allow information on certain offences to be reported and which forms part of the Internal Information System.

**Internal Information System:** Preferred channel for reporting certain actions or omissions, provided that it can effectively deal with the infringement and if the complainant believes there is no risk of reprisal.

**Investigated party:** Any employee or third party who, together with the accused, may be a party to the proceedings.

**Investigation:** Systematic, independent and documented process for establishing and objectively assessing the facts in order to decide whether irregularities have occurred, are currently occurring, or are likely to occur, and their extent.

**Recipient of communications:** The Ethics Committee.

**Reprisal:** Any action or omission, whether direct or indirect, that takes place in the working environment and is motivated by an internal or external complaint or a public disclosure, and that causes or may cause unjustified harm to the reporting party.

**Whistleblower:** Any person who reports their suspicions of irregularities or actual irregularities and who reasonably believes their information to be true at the time of reporting.

## SCHEDULE II: SUBSIDIARIES

The following is a list of Lar España's subsidiary companies, all of which are included within the material scope of the Internal Information System:

LE Logistic Alovera I y II, S.A.U.
LE Retail Hiper Albacenter, S.A.U.
LE Retail Alisal, S.A.U.
LE Offices Eloy Gonzalo 27, S.A.U.
LE Retail As Termas, S.L.U.
LE Logistic Alovera III y IV, S.L.U.
LE Logistic Almussafes, S.L.U.
LE Retail Hiper Ondara, S.L.U.
LE Offices Joan Miró 21, S.L.U.
LE Retail Vidanova Parc, S.L.U.
LE Retail El Rosal, S.L.U.
LE Retail Galaria, S.L.U.
LE Retail Lagoh, S.L.U.
LE Retail Sagunto II, S.L.U.
LE Retail Vistahermosa, S.L.U.
Lar España Inversión Logística IV, S.L.U.
LE Retail Villaverde, S.L.U.
LE Retail Anec Blau, S.L.U.
LE Retail Albacenter, S.L.U.
LE Retail Txingudi, S.L.U.
LE Retail Las Huertas, S.L.U.
LE Offices Marcelo Spínola, S.L.U.
LE Retail Gran Vía de Vigo, S.A.U.
LE Retail Abadía, S.L.U.
LE Retail Rivas, S.L.U.
LE Retail Córdoba Sur, S.L.U.
Inmobiliaria Juan Bravo, 3 S.L.