
SUSTAINABILITY POLICY

GRUPO LAR
2022



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1. Introduction

The Board of Directors of Grupo Lar, hereinafter Grupo Lar or "The Company", is attributed, among other functions, to determine the general policies and strategies and, within the framework of this responsibility, approves at its meeting on March 29, 2022, this Sustainability Policy document, hereinafter "the Policy".

This Policy is based on the commitment of Grupo Lar's Board of Directors to sustainable development and the creation of long-term shared value.

2. Purpose

The purpose of the Policy is to establish the principles, commitments, objectives, strategy, and values that must define the bases of direction and management of Grupo Lar and its investee companies, in order to generate a sustainable business model that contributes to the creation of value in the long term, that meets the needs and expectations of its stakeholders and to identify and optimize the effects of the company's activity.

3. Principles, commitments, objectives, and general strategies for action

Grupo Lar will develop its business model in accordance with the principles, commitments, objectives, and action strategies aligned with the United Nations Sustainable Development Goals (2030 Agenda¹), the Paris Agreement (COP-21)², in those aspects in which its contribution is relevant. Likewise, the Company undertakes to observe the principles of OECD³, the Universal Declaration of Human Rights of the United Nations⁴, as well as the Declaration of the International Labour Organization (ILO)⁵.

Below are some of the main commitments and objectives in the areas in which Grupo Lar operates.

3.1. Ethics and integrity

- The Company undertakes to comply with the legislation of the territories in which it operates, in addition to its own internal codes, especially with its Code of Ethics⁶; always ensuring good faith in the development of its activities and establishing internal channels that allow the communication of irregularities in a secure and anonymous manner.

Not to accept any discrimination based on age, race, color, sex, religion, political opinion, national descent, sexual orientation, social origin, or disability. Consequently, Grupo Lar is committed to promoting the incorporation of universal accessibility criteria to its promotions and to the buildings it owns in order to avoid discrimination that may originate in the diversity of people's abilities.

- Integrate Sustainability permanently into the guiding principles of action of the Board of Directors, as well as into the Company's strategy and in the exercise of its daily management

¹ <https://sdgs.un.org/2030agenda>

² https://unfccc.int/sites/default/files/spanish_paris_agreement.pdf

³ <https://www.oecd.org/daf/inv/mne/MNEguidelinesESPANOL.pdf>

⁴ <https://www.un.org/es/about-us/universal-declaration-of-human-rights>

⁵ <https://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--es/index.htm>

3.2. Creating shared value

- Create value for owners and/or shareholders in order to guarantee the financial strength and sustainability of Grupo Lar in the long term.
- Contribute to human, economic, and environmental development that favors the sustainable development and social progress of the communities where Grupo Lar operates.
- Collaborate with institutions, non-governmental organizations, private companies, or others, for the effective development of social actions, related to promotion / construction, in order to contribute to economic and social welfare.
- Channel the solidarity and commitment concerns of Grupo Lar employees through corporate volunteering and specific social action proposals.
- Promote communication with stakeholders, in order to collect and respond to their expectations, incorporating those considered relevant to the Company's Sustainability strategy.

3.3. Environmental Management

- Guarantee the optimization of environmental management, the minimization of environmental risks and the training and awareness of stakeholders linked to Grupo Lar.
- Incorporate aspects related to criteria of energy efficiency, responsible water consumption and rational use of natural resources, according to sustainability criteria and promoting innovation and the use of the best technologies in the development of the Company's activities.
- Incorporate biodiversity conservation into the Company's strategy in decision-making in the field of planning, implementation, and operation of its activity.
- Promote the establishment of measures to support the fight against climate change through the use of renewable energies, the promotion of energy saving and efficiency and the application of the most appropriate technologies and provide for adaptation to the new conditions resulting from climate change.
- Incorporate operational efficiency into the management of waste generated in the scope of control of the Company, paying special attention to the principles of the Circular Economy.

3.4. Suppliers

- Ensure that the processes of selection and contracting of products and services do not suffer from any type of bias, and that they are transparent, objective, and equitable.
- Establish commercial relations based on mutual benefit, generating strategic relationships for the future and positively valuing compliance with the Sustainability conditions established by Grupo Lar.

- Promote adherence to Grupo Lar's Sustainability commitments in commercial relations with suppliers.

3.5. Employees

- Select and retain talent under a framework of equal opportunities, non-discrimination, and diversity, facilitating measures for the integration of minority groups.
- Promote awareness, training, and qualification of Grupo Lar employees in environmental protection.
- Provide the means and resources necessary to ensure a safe and healthy work environment for employees.

3.6. Transparency

- Commitment to accountability through the development of the necessary indicators to obtain quantifiable information that contributes to implementing actions that improve products, services, and processes in the management of the Company.
- Promote transparency, assuming the commitment to periodically prepare and publish exhaustive, relevant, reliable, and verifiable information on the performance and activities of the Company.
- Employ responsible communication practices that prevent manipulation of information and protect integrity and honor.

4. Management objectives

For the advancement in the fulfillment of the principles, commitments, objectives, and strategies established in this Policy, Grupo Lar undertakes to carry out a management based on:

- Diagnosis based on national and international trends and best practices.
- Establishment of objectives and specific actions.
- Monitoring of compliance with the environmental objectives established through specific indicators.
- Monitoring compliance with the Policy with the aim of continuous improvement.

5. Responsibility and organization

The Board of Directors of Grupo Lar will be responsible for monitoring the Sustainability strategy and practices, as well as supervising compliance with this Policy through the Board Committee created for this purpose. Likewise, specific committees will be created, at the general level and at the level of each country, for the application of the policy and the generation and monitoring of the action plans that are considered necessary to develop each aspect of Sustainability required by the Company.