



Compliance Department

1. Object

The purpose of this procedure is to define which situations are likely to constitute a conflict of interest, how they should be managed and to establish controls to mitigate the risks that the existence of conflicts of interest may pose in the company's business activities.

2. Scope

This procedure applies to all persons working in any of the companies of the Aqualia Group, including branches, as well as to those investee companies and Joint Ventures in which Aqualia has control and, the implementation of a Compliance model based on the Aqualia model has been approved by their Board of Directors or Management Committee.

3. Documents for consultation

FCC Code of Ethics and Conduct

FCC Compliance Policy

FCC Anti-Corruption Policy

FCC Gift Policy

FCC Bidding Policy

FCC Agent Policy

Recruitment Procedure for the National and International Areas of Aqualia

4. Terminology

Conflict of Interest: is understood to be the situation in which an Aqualia employee finds himself whose action, on behalf of the Group of companies, may collide with (or be influenced by) his own interest or that of a person with whom he is linked, potentially affecting both the integrity of its decisions and the predominance of Aqualia's interest.

Related persons: The following are considered related persons:

- The spouse or person with a similar emotional relationship
- The ascendants, descendants and siblings of the employee or the spouse (or person with a similar relationship of affectivity) of the employee.
- The spouses of the ascendants, descendants, and siblings of the employee.
- Friendly relationships that may affect professional objectivity and the duty to act in the best interest of the Group.

5. General considerations

A conflict of interest can materialize when there are factors (such as personal relationships or economic interests) that affect the level of objectivity, neutrality, or independence of a worker, putting at risk their ability to act in compliance with their obligations and professional duties.

It is important to point out that the mere existence of a conflict of interest in the performance of the professional activity does not imply, a priori, reprehensible, or punishable conduct. However, situations of misidentified and unmanaged conflicts of interest can put the integrity of the company (and the employee himself) at risk.

Conflicts of interest can be:

- **Real**, when there is a particular interest that may unduly influence the performance of their professional duties and responsibilities.
- **Potential**, when the person has a particular interest that could influence decision-making from the position he occupies in the performance of his professional duties, but that situation has not yet occurred.
- **Apparent**, when the person does not have a conflict of interest – neither real nor potential – but a third person could conclude, reasonably and even if only tentatively, that he does. A conflict of interest is apparent when it is resolved simply by offering all the information necessary to demonstrate that there is no actual or potential conflict of interest.

Although an apparent conflict of interest is not exactly a risk of responsibility, it can lead to reputational risks for the company, so it is always necessary to detect them and offer the necessary information to clarify the situation with total transparency.

In addition, to understand how a situation of conflict of interest can be originated, we must know the factors that give rise to these situations, such as:

- **External factors:** relating to the relationship that the Aqualia's employee has with the third party, they can be:
 - Family: spouse, partner, relative by consanguinity or affinity.
 - Economic: economic participation / control of a society.
 - Others: in certain circumstances, there may be a conflict of interest with people with whom you have a close emotional relationship or family relationships other than those described above.
- **Internal factors:** related to the organization of the company, they can be:
 - Inadequate hierarchical dependence, for example, that an area of internal control depends on a business direction.
 - Carrying out activities that conflict.

5.1. Cases that may give rise to a conflict of interest

Conflicts of interest can occur in many circumstances, and it is not possible to provide an exhaustive list of all cases. However, the following are some examples, including but not limited to situations that may lead to a potential conflict of interest:

- Be involved, directly or through a related person, in any transaction or operation of the Organization.

- Have the capacity to decide, negotiate or formalize contracts on behalf of any of the companies of the FCC Group with related persons or with legal entities in which the employee, directly or through a related person, has economic or personal interests.
- Be directly or through a related person, significant shareholder, administrator, director, manager, etc., of customers, suppliers or direct or indirect competitors of any of the companies of the FCC Group.
- Receive commissions, discounts, gifts, or other services not permitted in accordance with the FCC Gift Policy.
- Having to supervise the work or performance of related persons.
- That the decision-maker in a bidding process is a related person
- In the course of an audit, review by a regulator or supervisor, the person or components of their teams were a related person.
- Access to dependent, hierarchical, or functionally positions of a person with family ties is or close relationship of affectivity.

6. Management of conflicts of interest

6.1. Identification of conflicts of interest

On an annual basis, the Compliance Department will request a declaration of conflict of interest for all those persons whose position in Aqualia entails the representation of the company on boards of directors, management committees, public entities, etc. and/or have the capacity to decide on the hiring of third parties and, in any case, from the position of Plant Manager within the organization chart of the company.

In order to prepare each annual campaign, the Compliance Department will request the collaboration of the rest of the company's management and business areas to identify all the persons likely to complete the declaration.

The declaration will be made by telematic means and in it each person will have to specify within a period of one month, from the beginning of the campaign that will be duly communicated to whoever it affects, if there is or believes that there may be a conflict of interest in the development of their activities in the company, having to describe the specific situation if so. Additionally, this statement will request the renewal of adherence to the FCC Code of Ethics and Conduct.

Regardless of this annual declaration, in the **event that an employee knows or has doubts about the possible existence of a conflict of interest (actual, potential or apparent), he must immediately communicate or consult the Compliance Department verbally or through the aqualiacumplimiento@fcc.es email.** In case of a real conflict of interest, he must also inform his hierarchical superior (unless the hierarchical superior is also affected by the conflict who, in turn, will inform his superior).

In addition, before the start of any employment relationship, a responsible declaration must be made informing about the existence of possible conflicts of interest on the part of both those responsible for hiring and the selected candidates.

6.2. Treatment of identified conflicts of interest

Once the possible conflicts of interest have been identified, the Compliance Department will carry out an evaluation of all of them to determine whether they are apparent, potential or real conflicts, in order to establish the most appropriate treatment for each case, being able, depending on the case, to establish an action plan for the mitigation of said risks of conflict of interest with the hierarchical superior of the person who has declared it. .

In general, **any employee who identifies that he may be affected in a situation of conflict of interest is obliged to abstain or inhibit himself in that activity, project, or negotiation immediately and to communicate it** as established in the previous point.

6.3. Preventive treatment of conflicts of interest

Within the risk-based approach of Aqualia's Compliance Model, a series of controls have been implemented aimed at mitigating compliance risks related to conflicts of interest. These controls are mandatory and are monitored by the Compliance Department:

- Segregation of duties: between critical activities such as accounting and treasury.
- Requirement of joint signature for certain operations such as the signing of contracts or the release of payments.
- Limitation of powers depending on the amounts of the operation (signing contracts, requesting orders, and making payments).
- In addition, Aqualia carries out periodic training and awareness-raising actions on conflicts of interest to clarify concepts and establish an ethical and compliance culture in relation to conflicts of interest.

7. Custody of records and documents

All documents and records derived from this procedure, including their updates, must be archived for a period of not less than 15 years, being the responsibility of the Chief Compliance Officer or the local Compliance Officer, as appropriate.

8. Formats

Form.0 4.01 – Annual declaration of conflict of interest

9. Document Tracking Changes

VERSION	DATE	MODIFICATION	AUTHOR	APPROVED BY
01	April 2023	New document	Compliance Department	CEO Aqualia
02	May 2025	Item 3. The Compliance Policy is included. Item 4. Personal relationships of friendship are included as related parties, in accordance with the new version of the Code of Ethics and Conduct.	Compliance Department	CEO Aqualia