

Sustainability Framework Policy



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This framework policy has been approved by the Management, as the most senior body with the highest authority to determine the policies and strategies to be applied in the company, following a proposal from the competent body, the Sustainability Committee in this case, which has been appointed for the development and observance of issues related to corporate sustainability.

01 INTRODUCTION

ULMA Construction sees sustainability as its very 'raison d'être': as a cooperative parent project, it operates under the principle that "the most important member is the company", focusing on the viability and permanence of the human-business project in the future, with the aim of leaving a **legacy** for future generations.

ULMA Construction's commitment to sustainable development is embedded in all facets of its business activity. This global approach to the promotion of sustainability is supported by the company's own definition of this concept, including it in the conceptualisation of its Mission: "(...) So, by consolidating an **attractive** and **sustainable** business project, we seek to generate **wealth and well-being** in the environment, promoting the **satisfaction and development** of our employees".

ULMA Construction specifically defines the "**sustainable project**" concept through the following elements, which encompass the three areas of sustainability: environmental, social and economic:

- > This is about leaving a legacy, about improving the project and leaving it to future generations to **continue generating wealth and well-being**.
- > Being **transparent** and based on good management practices.
- > It consists of responding to the **expectations of the various Stakeholders** with whom we interact.
- > Respecting the **environment and the culture** of the surrounding area.
- > **Creating quality jobs** wherever we are established.
- > Being committed to **gender equality and diversity**.
- > All of these **involve applying ESG** (Environmental, Social and Governance) criteria and best practices.

Therefore, ULMA Construction's commitment to sustainability goes beyond strict compliance with the law. It seeks to apply best practices in this area and contribute to the achievement of global targets such as the **Sustainable Development Goals** (SDGs) set out in the 2030 Agenda of the United Nations.

In this vein, this policy serves as a general framework for the development and promotion of sustainability within ULMA Construction, and encompasses the policies, guidelines and recommendations from different areas that cover the various aspects related to corporate sustainability in detail. Its objective is to establish the framework for action and guidelines applicable to the development of ULMA's corporate sustainability, including both the lines of action incorporated to date and those to be implemented in the future.

Due to the dynamic and changing nature of the environments in which ULMA Construction operates, the sustainability framework policy will be reviewed periodically and updated as necessary.

02

SCOPE OF APPLICATION

This framework policy applies to ULMA Construction, including the parent company and its subsidiaries¹, regardless of their geographical location. Its application encompasses all the processes necessary to carry out the company's economic activity, from product design to customer management services, including organisational management activities.

03

GENERAL SUSTAINABILITY PRINCIPLES

ULMA Construction's commitment to sustainability is based on the respect and application of **best practices** in **environmental management, social responsibility and governance**. These best practices include compliance with the guidelines set out in the following international treaties:

- > Universal Declaration of Human Rights.
- > The 10 principles of the UN Global Compact.
- > The UN Guiding Principles on Business and Human Rights.
- > The ILO Declaration on Fundamental Principles and Rights at Work (1998).
- > OECD Guidelines for Multinational Enterprises.
- > Paris Agreement on Climate Change.
- > The European Green Deal.

¹ Means the entities controlled by ULMA C Y E S.COOP. in accordance with article 42 of the Commercial Code.

Sustainability is integrated into ULMA Construction's daily activity through compliance with the following general principles:

- > Respect the **principle of legality** in all environments in which it operates.
- > Promote **maximum transparency and accountability** by providing material, truthful and reliable information on its activities to stakeholders.
- > Adopt **good governance policies** based on international treaties and recommendations.
- > Ensure the highest **ethical behaviour** through compliance with the General Compliance Policy and the Code of Ethics.
- > Ensure and foster a **relationship based on trust** with the different stakeholders, by making the most appropriate means of communication available to them.
- > Promote and adopt **more sustainable procedures and conducts** within the entity and among its workers.
- > Promote and invest in **continuous innovation** processes for a sustainable transformation of its activity, including the promotion of the circular economy.
- > **Identify and manage the entity's** sustainability risks and impacts.
- > Encourage **collaboration with third parties** through voluntary adherence to initiatives to promote sustainability.
- > Build stakeholder confidence in the sustainable transformation process by obtaining and maintaining **sustainability certifications and standards**.
- > Ensure **environmental protection** through the development and enforcement of policies and codes of conduct.
- > Ensure **safe, healthy and inclusive working environments**.
- > Respect and promote **human and labour rights**.

04

AREAS COVERED BY SUSTAINABILITY

ULMA Construction integrates sustainability into its business activities in a holistic manner, considering ESG (Environmental, Social and Governance) aspects, through various policies and plans, as indicated below:

- > **Corporate governance:** this focuses on the adoption of best practices in corporate governance. More specifically, these best practices are set out in the Compliance Framework Policy, which encompasses, by way of example, the Code of Ethics, the Governance Policy, the Legal and Contractual Policy, the Policy on Crime Prevention and the Prevention of Fraud, Bribery and Corruption and the Policy on International Sanctions and Embargoes.
- > **Quality:** this focuses on ensuring the maximum quality of ULMA Construction's products and services, responding to the needs and requirements established by its customers and included in national and international quality standards, always ensuring its compatibility with the protection of the environment and human and labour rights.
- > **Innovation:** this focuses on implementing the principle of continuous improvement, innovating in processes, products and services to contribute to sustainable transition, thus responding to the changing needs of both customers and society.
- > **Environment:** this focuses on ensuring respect for the environment, minimising its impact on it and supporting the conservation of the environments in which it operates. ULMA Construction coordinates environmental sustainability through its environmental management system, with special emphasis on mitigating and adapting to climate change and reducing and managing waste.
- > **Equal opportunities and promoting diversity:** this focuses on ensuring equal treatment and opportunities for all persons belonging to the entity and those with which it establishes business relations, and prohibits discrimination based on any personal and/or socio-economic circumstance. The principles of equality and diversity are further developed in the Code of Ethics and the Policy on the prevention of sexual harassment, harassment on the grounds of sex, harassment on the grounds of sexual orientation and identity, gender expression or sexual characteristics and psychological harassment.
- > **Talent management:** this focuses on fostering professional development and satisfaction through continuous improvement in terms of training, promotion, recognition and work-life balance of the people who form part of the ULMA Construction project. Because of its cooperative nature, it is particularly important to encourage people to identify with the project, so that they develop values such as commitment, customer focus and a passion to improve.

- > **Health and safety:** this focuses on ensuring the health and safety of all people working at ULMA Construction. This means implementing the necessary measures and procedures, with the appropriate resources, to protect safety in the workplace and to avoid risks to people's health and well-being. Safety measures and procedures are specifically adapted to the nature of each job. Prevention is prioritised as an action principle, and measures to deal with risks and negative impacts are also considered, should they arise.
- > **Human and labour rights:** this focuses on ensuring the proper enforcement and protection of human rights, as enshrined in the United Nations Declaration of Human Rights. Particular emphasis is placed on the three pillars of the UN Guiding Principles on Business and Human Rights: protect, respect and remedy. Furthermore, the organisation complies with the labour rights set out in the ILO Declaration on Fundamental Principles and Rights at Work. These principles are specified in the Code of Ethics.
- > **Social value:** this focuses on generating value, beyond its economic activity, for its stakeholders and society as a whole. As a company with a cooperative parent organisation, ULMA Construction's primary objective is to create value for its members by generating and maintaining quality employment, closely tied to local economic development. In addition, ULMA Construction's commitment to social sustainability includes the creation of benefits that benefit society directly, contributing to the economic development of local communities and supporting local culture, as well as other aspects.

05

SUSTAINABILITY BODIES

ULMA Construction's effective and substantial contribution to sustainable development depends on the full integration of this concept throughout the entire organisation. Management is therefore responsible for encouraging and supporting the necessary collaboration between all ULMA Construction people for the full implementation of sustainability processes at all levels, from strategic to operational.

The **Management's** tasks regarding sustainability are as follows:

- > Establish sustainability policies and objectives.
- > Gear the organisation towards behaviour aligned with environmental, social and economic sustainability.
- > Conduct periodic reviews to ensure compliance.
- > Ensure the availability of resources.

At a **planning** level, the **Sustainability Committee** has the following responsibilities:

- > Ensure the adoption of sustainability policies, strategies and measures by the different areas and subsidiaries of ULMA Construction.
- > Follow-up of the measures taken.
- > Adopt measures to improve sustainability.

At an **operational** level, both the Management and the Sustainability Committee are supported by the **Sustainability Area**, which has the following functions:

- > Execute sustainability strategies, plans and processes.
- > Regularly assess sustainability risks.
- > Evaluate the measures taken and propose potential improvements.
- > Actively monitor sustainability legislation.
- > Prepare the information required for compliance with the principle of transparency.
- > Provide the necessary training in sustainability to the different areas and subsidiaries.



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