

Compliance and Prevention of  
Criminal Risks System

# **POLICY ON USE OF THE COMMUNICATIONS CHANNEL**

- **Versions**

<b>Version</b>	<b>Date</b>	<b>Author</b>	<b>Changes</b>
1.0	July 2017	Hotel Investment Partners, S.L.	Initial version
2.0	October 2017	HI Partners Holdco Value Added SAU	Segregation of hotel business
3.0	January 2019	HI Partners Holdco Value Added SAU	Update of the Compliance and Prevention of Criminal Risks System
4.0	December 2019	Hotel Investment Partners S.A.	Change of corporate name

- **Aprobaciones**

<b>Governing body</b>	<b>Entity</b>	<b>Date</b>
Executive Committee	Hotel Investment Partners, S.L.	13 September 2017
General Shareholders Meeting	HI Partners Holdco Value Added SAU Approval of the segregation of hotel business (universal succession)	4 October 2017
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## OBJECT OF POLICY

Hotel Investment Partners, S.A., its group of companies, and all companies managed by Hotel Investment Partners, S.A. (all jointly referred to as “**HIP**”) strives to maintain their position of leadership, prestige and reputation. However, unsuitable behaviour of an employee, executive or associate may harm their image. For this reason, at HIP we work actively to prevent and avoid this possibility.

Hence, among other measures, all executives, employees and associates who act on behalf of HIP follow and respect at all times (i) the law, (ii) the Code of Conduct and (iii) internal policies and procedures. Also, of great importance in this work of prevention is the co-operation of all executives, employees and associates of HIP in detecting possible irregular conducts.

The object of this Policy is to lay down the internal procedure for possible situations of infringement detected by HIP or brought to its attention by way of any of the means of communication referred to in section 1.2. of this Policy. Hence, the investigation and clarification of the facts detected or communicated must be in accordance with this Policy.

In the same way and to reinforce and ensure the confidentiality of incident communications, **HIP has outsourced the management of the Channel to an external firm** in order that –in particular - the identity of the person making the report is duly safeguarded and handled with absolute confidentiality.

### I. REPORTING OF INCIDENTS

#### 1.1. Definition of Incident

For the purposes of this Policy and the procedure set out herein, Incident is any irregularity committed by another member, whether an employee, executive, director and/or supplier (the latter being external entities, and their employees, where they are contracted by HIP for the supply of work or services for the direct or indirect benefit of HIP under its orders and supervision), where:

- a. It may constitute a breach of the Code of Conduct, internal policies, protocols and other internal rules of HIP.
- b. It may constitute a breach of the law.
- c. It may involve serious risk for the reputation of HIP.

## **1.2. On the obligation to report incidents and the channels provided**

All employees, executives and directors of HIP, and suppliers (as defined in section 1.1. above) who are or may be aware of any Incident committed by any other member must immediately report it by way of the Communications Channel with fear of being dismissed or any other kind of reprisal using any of the following means:

- a. By way of the email address provided for such purposes:  
[canalhipartners@cuatrecasas.com](mailto:canalhipartners@cuatrecasas.com).
- b. Direct communication of Incidents by employees to their superiors or to the Chief Compliance Officer (CCO). In these cases:
  - (i) the person to whom the communication is made must record in writing the data of the informant, the date it is made and a summary of the facts of the communication;
  - (ii) the informant must sign this document having read and consented to it; and
  - (iii) the person to whom the communication is made must bring it to the attention of HIP by way of the Communications Channel referred to in section a.

Any information received from outside, particularly where it comes from official media such as a court or a public authority, is a valid means for becoming aware of an Incident.

These channels will also be open to third parties from outside HIP.

## **1.3. On the reporting of Incidents**

All communications will be treated as confidential, and to ensure the correct processing of the same, any person who reports an Incident must provide as much information as possible, including:

- a) Information on informant (optional):
  - Company to which he belongs
  - Given name and family names
  - Email address
  - Telephone number
  - Position in the organisation
  - Preferred way of receiving communications
- b) Information on the person implicated in the facts object of the report:

- Express indication of whether the person implicated in the facts object of the report can be identified (if they cannot be identified, the “observations” field must be completed)
- As applicable, full name of the person or organisation concerned in the facts reported
- Position
- Email address
- Telephone number
- Company to which they belong
- Department or area to which they belong
- Observations (as applicable)

c) Facts reported:

- Company in which the incident has occurred
- Department /area in which the incident has occurred
- Indication of whether the irregularity has already occurred, or it is known that it will occur
- Way and time in which knowledge of the irregularity was acquired
- Place of commission of the irregularity
- Description of the irregularity (*compulsory*)
- Indication of whether other persons are aware of the irregularity
- Indication of whether other persons have been informed of the irregularity
- Indication of whether the irregularity has been brought to the attention of the public authorities
- Indication of whether they have suffered any kind of pressure or coercion as a result of the facts being reported.

In this regard it is stated for the record that the identity of the informant, if the report is not made anonymously, will initially only be known by the external advisers of HIP responsible for the management of the Communications Channel. HIP will not have access to that identity until the time at which –if it occurs– the CCO adopts the final decision concerning the facts reported.

In this respect. HIP has signed with its external advisers the contract laid down in the law on data protection by virtue of which they undertake, among other obligations, to (i) use any information they receive in each report solely and exclusively for processing and investigation, (ii) follow the general instructions given to them in this respect by HIP, (iii) apply to it the technical security measures applicable by law, and (iv) not communicate the information to third parties (not even for its preservation).

#### **1.4. Prohibition on reprisals**

Persons who submit any kind of Incident report, as provided for herein and in good faith, are protected against any type of reprisal, discrimination or penalty as a result of the report. HIP will penalise any type of reprisal against informants acting in good faith.

The prohibition on reprisals referred to in the paragraph above shall not prevent the adoption of the appropriate disciplinary measures where the internal investigation determines that the report is false and that the person who made it was aware it was false and hence acted in bad faith<sup>1</sup>.

#### **1.5. Confidentiality of the informant's identity**

HIP guarantees maximum confidentiality of the informant's identity. As a means of ensuring such confidentiality it is expressly stated that exercise of the right of access by the person the report concerns does not include access to data on the informant's identity.

Likewise, all persons who due to their function in HIP are aware of reports made are obliged to maintain professional secrecy as to the informant's identity.

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<sup>1</sup> In this regard it is pointed out that according to the provisions of article 456 and following of the Criminal Code false accusation and complaint and the simulation of offences is considered an offence, with a prison sentence of up to two years.

## 2. RECEIVING AND PRELIMINARY ANALYSIS OF REPORTS

### 2.1. Receipt

After receiving any report of an Incident by any of the channels referred to in section 1.2 above the external advisers will acknowledge receipt.

### 2.2. Request for further information

Where the external advisers consider that the information received on the Incident is insufficient, they will ask the informant for further information, it being advisable to set out in detail in the request the specific aspects of the information on which further particulars are needed.

### 2.3. Opening of file and preliminary analysis of the information received

The external advisers will open a file with the information received and the receipt, individual for each case, and numbered.

The external advisers will carry out a preliminary analysis of the report of the Incident received - or of any they themselves detect by any other means and think it appropriate to investigate -, to assess the magnitude of the information, the sufficiency and authenticity of the same, the informant's credibility and the relevance for these purposes of the facts reported, determining whether they constitute an infringement of the law or of the internal rules of HIP.

Depending on the result of the preliminary analysis, the external advisers must adopt one of the following decisions:

- a. Non-admission of the report and immediate closure of the file, where
  - (i) the facts reported do not constitute any of the situations referred to in section 1.1; or
  - (ii) the content is clearly irrelevant; the information is insufficient for proceeding with any additional measures; or the facts reported appear inauthentic or completely lack credibility.
- b. Admission of the report and opening of investigation, in case the facts are, or are reasonably foreseen to be, constituting a criminal offence which may affect HIP.
- c. If the facts reported are not, or are not foreseen to be, an offence which might be attributed to HIP, but constitute or may constitute an employment infringement, sanctionable by virtue of the disciplinary rules applicable to HIP, the function of the external advisers will be confined solely to receiving the report and submitting it immediately to the HHRR



Department for it to assess by the procedure laid down, the request for the opening of disciplinary proceedings.

#### **2.4. Information to informant on opening of file**

The external advisers will tell the informant whether the report has been admitted or not, if the proceedings have been closed or referred to another body as applicable, and of any additional measure adopted.

### **3. INVESTIGATION PROCEDURE**

If the report is admitted the investigation procedure will be opened.

The external advisers and the CCO will assess the investigation strategy for the case in question, based on the scope and the persons allegedly involved in the Incident.

In any case, the secrecy of the procedure and the facts reported will be guaranteed, with access only allowed to persons forming part of the investigation and only as strictly necessary.

The investigation will include all investigatory measures appropriate for the clarification of the facts, the persons responsible and any corrective measures which should be adopted.

Once all investigatory measures are completed, the external advisers, the CCO or the investigation team appointed will draw up their conclusions.

### **4. CONCLUSION OF PROCEDURE**

#### **4.1. Hearing procedure**

The CCO will pass the final report to the persons investigated, to whom HHRR will grant time to make written submissions in their defence and present any documents they consider of interest.

This will not be necessary where the persons investigated have been given the opportunity to make submissions during the holding of the procedure and their submissions are contained in the file.

#### **4.2. Decisions of the CCO**

When the time allowed for the persons investigated to make submissions has elapsed the CCO may adopt one of the following decisions:

- a. Ask the investigator to carry out additional investigatory measures or carry them out himself or by way of other persons.
- b. Close the proceedings due to insufficient evidence or because the facts are not relevant for these purposes, in the same way as laid down for situation a) of section 2.3.
- c. Declare an Incident in HIP, also being able to impose sanctions for labour infringements or adopt any additional measure in accordance with the sections below.

#### **4.3. Sanctions for labour infringements**

The sanctions for labour infringements which may be imposed in each case will be those provided for in the Collective Agreement applicable at the time or in the Statute of Workers. These sanctions will be graduated in view of the seriousness of the facts, with factors such as whether it is a repeat infringement, the damage caused, the circumstances of any victims, etc. being taken into account.

#### **4.4. Notification of decisions**

The sanctions adopted will be notified to the persons investigated and to the superiors of the persons investigated.

#### **4.5. Special procedure if communication affects CCO or a member of the Board of Directors of HIP<sup>2</sup>**

If the facts reported are against or affect the CCO, the latter may not take part in the proceedings. There will also be deemed to be a risk of conflict of interest preventing the participation of the CCO in the investigation in the following cases:

- Existence of family ties with the informant or persons involved in the facts reported;
- Being or having been the object of another report by the informant;
- Having a direct interest in the facts reported;
- Being part of the area or department affected by the report;
- Clear enmity with the informant or persons involved in the facts reported;
- Being or having been in a position of inferior status in respect of the informant or persons involved in the facts reported;

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<sup>2</sup> Any report affecting the Board of Directors of (i) Hotel Investment Partners, S.A., (ii) its group of companies and/or (iii) the companies managed by Hotel Investment Partners, S.A.

- Any other circumstance preventing the CCO from acting with independence, impartiality and objectivity.

The decision on the existence of a situation of conflict of interest for the CCO must be notified prior to commencement of the investigation by the CCO to the external advisers or to the investigation team appointed and the decision will be taken by the Executive Committee.

If the report affects a member of the Board of Directors of HIP, the CCO will inform the Chairman of the Board for him to assist the CCO in the selection of the investigation team which, to guarantee independence, must be a person outside HIP, either the asset manager or the external advisers. If the facts reported involve the Chairman of the Board of Directors of the company, the CCO will inform the other members of the Board for the same purposes.

## 5. REVIEW OF POLICY

This Policy will be reviewed and redrafted as appropriate at least once a year, including any alterations considered necessary in light of the assessments made after each procedure.

## 6. PROTECTION OF PERSONAL DATA

Persons who make a report through the communications channel represent and warrant that the personal data provided is true, accurate, complete and up-to-date, and shall hold HIP harmless from and against any liability which may derive from breach of the said representation and warranty.

Data provided in the course of communications and consultations in the communications channel, and the updates of the same, will be processed by HIP, address Av. de Sarrià, 102-106, 08017 Barcelona, telephone 931 59 57 75, and whose data protection officer may be contacted at [dpo@hipartners.com](mailto:dpo@hipartners.com).

HIP will preserve the personal data of persons affected and of informants for the time strictly necessary to decide whether to commence an investigation on facts reported and, when this has been decided, they will be preserved in blocked form for compliance with any legal obligations which may arise.

Personal data will be erased within the maximum period of three months from being entered in the communications channel unless it is preserved to demonstrate the functioning of the prevention of crime system of HIP. After this time, it may be still be processed for the time necessary for the investigation of the facts reported provided it is not kept in the communications channel itself.

The legal basis for the processing of the data is the performance of the legal obligation to deal with consultations received, applicable by virtue of the provisions of the Fundamental Law 10/1995 of 23 November publishing the Criminal Code.

The said personal data will only be passed to third parties to whom HIP is legally or contractually obliged to supply it, to the relevant asset managers corresponding in each case and to the law firms and companies of its group from which it has hired consultancy and advice services in relation to the management of the channel for HIP, insofar as necessary for the supply of these services.

HIP will not make international transfers of personal data to third countries or to international organisations. The data provided may only be passed to the public authorities if the facts reported give rise to administrative or court proceedings, for investigation and punishment, if any.

The rights to access, rectification, cancellation, opposition, limitation of processing or to oppose processing in the cases legally permitted, and the right to portability of personal data, may be exercised, on the terms laid down in the applicable law by means of a written request submitted to HIP (by email - [dpo@hipartners.com](mailto:dpo@hipartners.com) - or by post - Av. de Sarrià, 102-106, 08017 Barcelona-, ref. "Data Protection"), enclosing a photocopy of your identity card and indicating which particular right you wish to exercise. You may also submit a claim to the Spanish Data Protection Agency.

The purpose of this processing is the investigation and resolution of inappropriate actions or conducts, especially in criminal and regulatory compliance matters as described in this Policy. Its purpose is also to handle consultations, doubts, and/or proposals of improvement in the systems of HIP.