

LLYC

**NON-FINANCIAL
INFORMATION
STATEMENT 2023**

Madrid, March 2024

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INTRODUCTION

Introduction

This consolidated statement of non-financial information and diversity (hereinafter "Statement") responds to the requirements derived from Law 11/2018, of December 28, which amends the Commercial Code, the Consolidated Text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing of Accounts, in matters of non-financial information and diversity.

It also complies with the information dissemination requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council, of June 18, 2020, regarding the establishment of a framework to facilitate sustainable investments, as well as those of Law 7/2021, of May 20, on climate change and energy transition.

In this sense, the purpose of this statement is to provide the necessary information to understand the evolution, results and situation of LLORENTE & CUENCA, S.L. (the parent company, hereinafter the "Company", the "Company", the "Company" or the "Organization") and its subsidiaries (hereinafter the "Group" or "LLYC") as well as the impact of its activity regarding, at least, environmental, social, human rights, anti-corruption and bribery, personnel, promotion of equal treatment and compliance with rules on non-discrimination and disability.

For its preparation, the Guidelines on non-financial reporting of the European Commission (2017/C 215/01) derived from Directive 2014/95/EU and the provisions of the Global Reporting Initiative Standards (GRI Standards) have been considered.

The information in the Statement of Non-Financial Information is verified by Grant Thornton S.L.P., in its capacity as an independent provider of verification services, in accordance with the new wording given by Law 11/2018 to Article 49 of the Commercial Code.

The scope of this document will focus on the consolidated Llorente & Cuenca Group and corresponds to the fiscal year with a start date of January 1, 2023 and a closing date of December 31, 2023.

Finally, it is stated that the periodicity will be in line with the fiscal years.

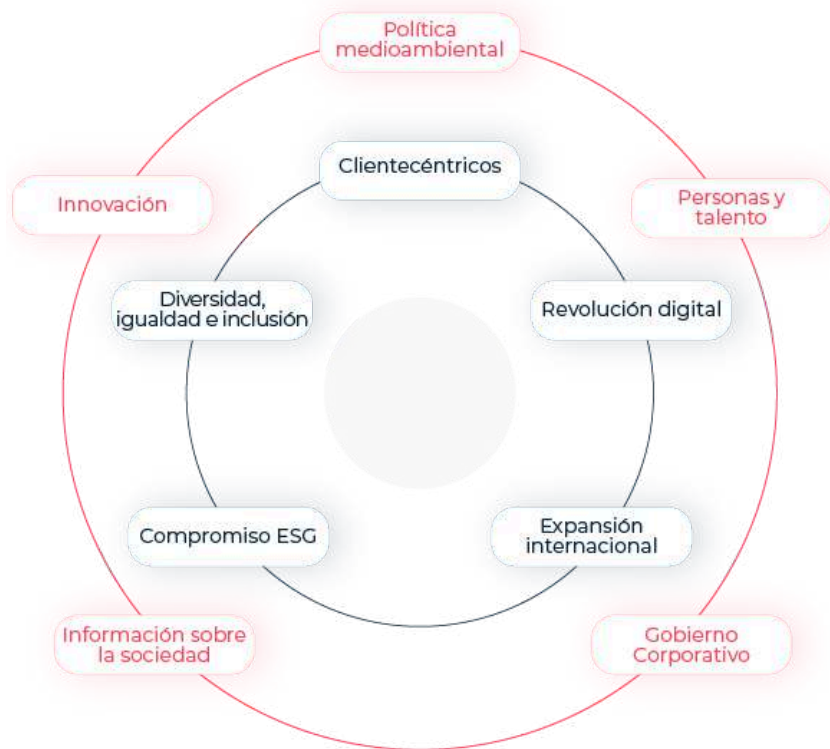
MATERIALITY ANALYSIS

The analysis of issues relevant to the business and stakeholders or materiality analysis is fundamental for the Company, both for reporting and for defining the strategy, initiatives and relationship with stakeholders.

As defined by the GRI standard, materiality is the threshold that determines the aspects that are sufficiently relevant to our stakeholders and on which we must report because they substantially influence their decision-making.

In this sense, for the preparation of this Statement, the aspects that are relevant for LLORENTE & CUENCA, S.A. and which are included in its strategic planning have been taken into consideration. As a result of the analysis carried out, the company has identified five issues on which it will focus its activity in the coming years and which constitute its strategic priorities, as detailed in the section on objectives and strategies in chapter 2.

These priorities are related to the sustainability aspects covered in this report, as shown in the figure below:



At the close of this report, the company is working on a dual materiality analysis that captures both the impacts that its activity has on external stakeholders and the environment, as well as the risks and opportunities that may affect its activity, in accordance with the provisions of the European Sustainability Reporting Standards published in 2023 (see OJEU of December 22, 2023: Commission Delegated Regulation (EU) 2023/2772 of July 31, supplementing Directive 2013/34/EU as regards sustainability reporting standards).

1. ORGANIZATIONAL ASPECTS

1.1 GENERAL PROFILE. BUSINESS MODEL

LLYC is a global communications and public affairs consulting firm that assists its clients in making strategic decisions proactively, with the necessary creativity and expertise, and executing them while minimizing risks, seizing opportunities and always considering reputational impact. In a disruptive and uncertain context, LLYC helps its clients achieve their short-term business goals and set a path, with a long-term vision, to defend their social license to operate and increase their prestige. LLYC works to improve the world around us, primarily through communication.

LLYC offers a full range of Communication Consulting services. The Group combines its portfolio of services with a focus on technology with new digital and innovation services, which allow it to position itself as an Integral Provider with high cross-selling capacity. This has allowed the Company to consolidate lines of activity and geographies with significant volume and growth, with clients who are leaders in their sectors and who rely on LLYC as a strategic supplier in multiple lines of activity and geographies.

As of December 31, 2023, LLYC's main lines of business are as follows: Deep Digital Business, which includes Digital Influence, Deep Learning, Paid Media & Performance, and Digital Marketing, Corporate Communication, Public Affairs; Engagement; Financial Communication and Crisis & Risk.

The geographical areas where LLYC operates through its main offices are: Europe (Spain and Portugal); America Andean Region (Peru, Colombia and Ecuador); America North Region (Mexico, Panama and Dominican Republic); America South Region (Brazil, Argentina and Chile); and the United States. In addition, it offers its services through affiliated companies in the rest of the Latin American markets.

LLYC has a diversified portfolio of more than 900 clients, with the Top 20 clients, measured in fee-based revenue, accounting for nearly 20% of the company's overall revenue in 2023. In addition, LLYC enjoys a high degree of recurrence and loyalty among key clients: of the Top 20 clients in 2023, half of them were acquired in 2018 or previous years.

During 2023, we worked on the design of a new organizational model that will be implemented progressively in 2024.

A MATRIX BUSINESS MODEL		REGIONS		
		EUROPE	LATAM	USA
BUSINESS UNITS	CORPORATE AFFAIRS	Corporate Communications Financial Communication Public Affairs Crisis and Risk Sustainability and ESG Public Affairs Talent Engagement		
	MARKETING	Growth Paid Media & Performance Brand & Ad Deep Learning		

With a clear focus on the client, this new organizational model is more efficient, more agile and more global, and will allow us to organize teams in multiple geographies and different areas of specialization and to assign the best talent to the service of the client and its projects.

In this way, we innovate to be more agile and respond to technological trends and market needs, providing value to our customers, but also as an opportunity to adapt our organization to the ambitious growth we intend to achieve in the coming years.

LLYC will now work in a matrix and global organizational model, with two large practice areas (Marketing and Corporate Affairs), with clear disciplines and capabilities, in a concept based on projects and talent communities. Each specialty will be divided into 3 geographical areas; Europe, Latin America and USA (simplifying the different areas that existed before within Americas as now there will only be North and South region).

1.2 LLYC GROUP HOLDINGS

The subsidiaries in which the majority shareholder is LLYC included in the consolidation in 2023 are as follows:

Society	Country
LLORENTE & CUENCA, S.A.	Spain
LLORENTE & CUENCA MADRID, S.L.	Spain
LLORENTE & CUENCA BARCELONA, S.L.	Spain
LLORENTE & CUENCA AMERICA, S.L.	Spain
LLORENTE & CUENCA PORTUGAL LTDA	Portugal
APACHE MEDIA GROUP, S.L.	Spain
CHINA MEDIA PARTNERS, S.L.	Spain
LLYC BRUSSELS, S.L.	Spain
LLORENTE & CUENCA ARGENTINA, S.A.	Argentina
LLORENTE & CUENCA BRASIL, CONSULTORES DE COMUNICAÇÃO, LTDA.	Brazil
LLORENTE & CUENCA COLOMBIA, SAS	Colombia
LLORENTE & CUENCA CHILE, S.A.	Chile
LLORENTE & CUENCA DOMINICANA, LDA.	Dominican
LLORENTE & CUENCA ECUADOR, S.A.	Ecuador
LLORENTE & CUENCA LIMA, S.A.C.	Peru
LLORENTE & CUENCA MEXICO S.de R.L. de C.V.	Mexico
LLORENTE & CUENCA PANAMÁ, S.A.	Panama
LLORENTE & CUENCA, S.A.	Peru
IDEAS y RESULTADOS, S.L.	Spain
MANAGEMENT SERVICES LL&C, S.A.	Ecuador
LL&C MANAGEMENT SERVICES, S. de R.L. de C.V.	Mexico
BEKER 5.0 S.A.P.I. DE C.V.	Mexico
SOCIALAND MEDIA SOLUTIONS, S.A. de C.V.	Mexico
LLORENTE & CUENCA USA, INC.	United States
LLORENTE & CUENCA MIAMI LLC.	United States
REBECCA BAMBERGER WORKS LLC	United States
LLYC VENTURING, S.A	Spain

2. CORPORATE GOVERNANCE

2.1 GOVERNING BODIES AND STRUCTURE

The LLYC Group has a set of rules, principles and procedures that regulate the structure and operation of the Governing Bodies and whose purpose is, among others, to establish control mechanisms for the correct performance of executive management and regulatory compliance, while promoting transparency and efficiency.

Specifically, the Company has:

1. Regulations of the General Shareholders' Meeting
2. Internal code of conduct in the securities markets
3. Rules and Regulations of the Board of Directors
4. Bylaws

In 2021, following the delisting of the French fund MBO and the repurchase of its stake, the Parent Company decided to list BME Growth in order to finance its ambitious growth plan.

The **Board of Directors** is composed of nine members with a high professional profile, including four Company executives with extensive international experience in communications, public affairs and marketing, plus four independent directors, three of whom are women, and one proprietary director. All of them have solid expertise in business, finance and artificial intelligence.

The cultural and international diversity of the members of the Board of Directors of LLYC is also an aspect to highlight, with three of its members with permanent residence in the United States, one of the independent directors of foreign origin and an extensive and proven international experience of the other members of the Board as indicated in their official biographies published on the LLYC website (<https://llyc.global/nosotros/inversores/gobierno-corporativo/>).

It is therefore a board that presents a diversity of culture, knowledge, age, gender and experience, in which each of its members has a fundamental role in the task of driving the Company's progress and differentiation, as well as in its objectives of growth and strengthening an offer based on digitalization and exponential technologies.

The Board, chaired by José Antonio Llorente until his death on December 31, 2023, and by Mr. Francisco Sánchez-Rivas from January 24, 2024, has two Committees; the **Audit Committee** chaired by Elena González-Blanco and the **Appointments and Remuneration Committee**, chaired by Ana Busto, both with long careers in the world of finance and communications.

As of December 31, 2023 the Board of Directors of Llorente & Cuenca S.A. was formed by:

- José Antonio Llorente Herrero: President (executive)
- Alejandro Romero Paniagua: Vice Chairman and Chief Executive Officer (executive)
- Luisa García Navarrete: Second Vice President (executive)
- Adolfo Corujo Pérez: Member (executive)
- Francisco Javier Sánchez-Rivas: Member (Independent)
- Mónica Vidal Sanz: Member (Sunday)
- Elena González-Blanco García: Member (independent)
- Ana Busto Cano: Member (independent)
- Barrie Berg: Vocalist (Independent)
- Juan Pablo Ocaña González: Secretary Non-member of the Board

As of December 31, 2023, the Committees were composed as follows:

- Audit committee
 - Elena González-Blanco García (Chairwoman)
 - Barrie Berg
 - Ana Busto Cano
- Appointments and Remuneration Committee
 - Ana Busto Cano (president)
 - Barrie Berg
 - Elena González Blanco García

The rest of the Group's companies are governed for the most part by single-member management bodies, with powers being distributed through proxies acting on a pooling principle.

In addition, LLYC has a Code of Ethics Compliance Committee and a Crime Prevention and Anti-Corruption Policy Compliance Committee, which are referred to in more detail below. The Code of Ethics Compliance Committee is made up of four regional directors (who are also

partners) and a corporate Director, all of whom are Senior Directors. The Crime Prevention Policy Compliance Committee is made up of three partners and an external lawyer.

The average tenure of directors on the Board of Directors as of December 31, 2023 is 5.55 years.

2.2 MAIN GROUP POLICIES

The Board of Directors of LLORENTE & CUENCA S.A. has elaborated and formalized several policies in its different fields of action with the aim of providing technical and legal coverage to all those issues, activities and processes of greater criticality within the Group.

In this regard, it is worth mentioning that all policies and procedures are updated periodically and reviewed by the corresponding committees.

The Group's main policies are described below:

- Sustainability Policy
- Code of Ethics
- Customer selection policy
- Crime Prevention, Anti-Corruption and Anti-Money Laundering Policy
- Environmental Policy
- Equality Plan
- Responsible Purchasing Policy
- Communication policy with shareholders, institutional investors and proxy advisors and dissemination of economic-financial, non-financial and corporate information.
- Privacy Policy.
- Protocol of Succession of the Chairman and Chief Executive Officer.

The Group's Sustainability Policy was approved by the Board of Directors at its meeting of February 21, 2024.

2.3 MAIN RISKS AND OPPORTUNITIES

FINANCIAL RISKS

From the analysis of the risks that could affect the Group, it can be seen that the Group's activities are exposed to different types of financial risks, mainly credit risk, liquidity risk and market risk (exchange rate, interest rate and other price risks).

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations and arises mainly from trade receivables. Due to the characteristics of the current customer portfolio, the Group does not have a significant concentration of credit risk, the exposure being distributed among a large number of counterparties and customers.

The Group's principal financial assets are cash and cash equivalents, trade and other receivables, and investments, which represent the Group's maximum exposure to credit risk in relation to financial assets.

Trade receivables consist of a large number of customers in various industries and geographic areas. The Group's exposure to credit risk is mainly influenced by the individual characteristics of each customer. However, management also considers factors that may influence the credit risk of its customer portfolio, including the default risk associated with the industry and country in which customers operate.

Ongoing credit risk is managed through the periodic review of the aging analysis of outstanding receivables, together with the credit limits per customer. In this regard, the company's policy is to impair all loans more than 180 days past due and to periodically monitor the expected loss on loans less than 180 days past due based on default statistics for the last 5 years.

Liquidity risk

LLYC is not significantly exposed to liquidity risk, due to the maintenance of sufficient cash and cash equivalents to meet the necessary outflows in its normal operations, as well as the periodic renewal of its credit facilities. In the event of an occasional need for financing in euros or other currencies, the Group has access to loans, credit facilities or any other financial instrument.

The Group's liquidity position means that it was not necessary to resort to government aid during the 2023 financial year due to the pandemic and other circumstances such as the conflict in Ukraine.

Market risk (Interest rate risk)

Changes in interest rates modify the fair value of assets and liabilities that accrue a fixed interest rate, as well as the future cash flows of assets and liabilities referenced to a variable interest rate.

The objective of interest rate risk management is to achieve a balanced debt structure that minimizes the cost of debt over the multi-year horizon with reduced volatility in the income statement.

The reference interest rate for the Group's debt is Euribor.

NON-FINANCIAL RISKS THAT MAY AFFECT THE ACHIEVEMENT OF OBJECTIVES

In addition, LLYC operates in an environment exposed to other risks and/or issues, including political, economic, social, technological or legal aspects.

- **Market/competition-related risks:** This category covers risks related to inadequate value proposition to the client. This aspect consists of the eventual inability to follow and respond to market evolutions or to adapt to new situations.
- **Regulatory:** These are the risks to which the Group is exposed, arising from the different legislation in force in the countries where it operates. These include risks related to tax, labor, industrial and intellectual property regulations and risks related to other legislation.
- **Political and social environment risks:** Volatility of the economic, political and social environment.

RISK MONITORING AND SUPERVISION

The main purpose of the supervision activities is to ensure that the mechanisms put in place for internal control over financial and non-financial information are working properly.

Risk supervision in LLYC is led by the Audit Committee, with the direct collaboration of the Management Committee. In addition, LLYC has an internal auditor who, in the development of its functions, helps to identify risks and minimize them through auditing compliance with processes and policies established by the LLYC Group.

The members of the **Management Committee** are Directors with the category of Senior Director or partner, and belong to the various departments of the same, so it is possible to

maintain continuous supervision of the entire organization in each of the processes developed in the Company. In the meetings, aspects related to the different matters related to internal control are discussed. All the people included in this Committee develop activities of supervision and random control of processes in their areas.

INFORMATION ON THE ESTIMATION OF THE FINANCIAL IMPACT OF THE RISKS ASSOCIATED WITH CLIMATE CHANGE (LAW 7/2021, OF MAY 20, ON CLIMATE CHANGE AND ENERGY TRANSITION)

The identification, evaluation and management of risks and opportunities is carried out by the Audit Committee, with the direct collaboration of the Management Committee, within the framework of the Company's general risk management process, which is explained in the section "Risk Monitoring and Supervision". This consideration operates for both transition risks and physical risks, as well as for the identification of climate-related risks and opportunities with material impact.

Information on climate-related risks and opportunities is reported to the board of directors together with other information on risks and opportunities. Climate-related issues are covered by corporate policies on the environment and responsible purchasing. Both give the Corporate General Management the responsibility for driving the company's sustainability policy and the fulfillment of the company's sustainability objectives, as well as for proposing changes and new proposals to the global Executive Committee.

No risks and opportunities in this area that have a material financial impact on the organization have been identified in 2023 within the firm's overall risk management model, and therefore these potential impacts have not been assessed. At the close of this report, the organization does not have specific processes in place to assess the size and potential scope of climate-related risks.

However, within the framework of the commitments contained in the current Environmental Policy, it should be noted that LLYC's 2023-2025 Strategic Plan identifies the need to reduce the carbon footprint per employee and promote waste management and recycling in the offices. It is planned to introduce environmental, social and good governance (ESG) criteria in supplier selection and purchasing policy. It will also be applied in different critical work processes for clients (e.g. audiovisual production or travel), in addition to promoting work with clients that encourages action against climate change.

In the "Climate change and energy" section of chapter 3. "Environmental policy", you can consult the results in terms of energy consumption and carbon footprint for the 2023 fiscal year.

LLYC is committed to reducing its carbon footprint by 2025. In order to be able to evaluate this reduction, the company has started measuring its carbon footprint in 2023, with the aim of having a reduction plan in 2024 adapted to the reality of the business, which includes quantitative objectives and measures to be carried out.

2.4 OBJECTIVES AND STRATEGIES

In line with its objective of positioning itself among the main international benchmarks in the sector in the coming years, LLYC has an expansion plan that takes into account, among others, the following growth levers:

- Acquisitions of complementary companies, primarily in the areas of Technology applied to the Communication Consulting, Digital Marketing and Creativity sector or of Communication Consulting companies in the geographical areas where it is present, in order to continue reinforcing LLYC's strengths based on the experience demonstrated in recent years in acquisitions.
- The United States as the world's leading market in Communication Consulting, with a Hispanic population (Spanish and Portuguese-speaking) increasingly important in size and purchasing power and in particular, in U.S. companies that have a focus on Latin America; and Latin American companies with a focus on the United States, all supported by its positioning as the leading Communication Consulting firm in Latin America.
- Entry into new geographic markets in Europe through new strategic agreements and partnerships.
- Increase tickets from the budgets of the projects carried out for clients, mainly leveraging on technological and creative capabilities.

To carry out its strategy, LLYC relies on its competitive strengths, which consist of combining its positioning as an integral supplier in Communication Consulting, with capabilities in Creativity and Marketing, as well as in Technology, with a high degree of proximity to the client through its local teams with a wide geographic reach. The combination of these attributes allows LLYC to position itself as the supplier of reference for the client, combining multiple high value-added services and establishing a long-term relationship.

Additionally, LLYC has other strengths, among them:

- Recognized and experienced management team.
- Business model based on recurrence, cross-selling, diversification and capacity for sustained growth.
- Experience in company integrations (M&A).
- A team of executive professionals with a proven international background and experience that brings a multicultural approach to the company's strategic and management decisions.

As part of its strategic planning and focused on meeting its business goals, the company is preparing a Three-Year Plan. The 2023-2025 Strategic Plan is currently in force, where LLYC aims to almost double its size by exceeding 130 million euros in operating revenues with an EBITDA of 27 million in 2025 and maintaining a margin of 21%. The growth plan will be supported by the revolution brought about by the firm's Deep Digital unit, which is expected to account for half of the firm's operating revenues by 2025, exceeding 60 million euros, thanks to the boost in paid media and performance services, including programmatic advertising.

In addition, in the period 2023-2025, LLYC plans to allocate some 40 million euros for new acquisitions in key markets such as the United States, Canada, Mexico, Brazil and the EU (Brussels).

In short, in three years LLYC will be a larger, more technological, international and egalitarian firm thanks to the efforts of its professionals and the trust of its clients. The Company improves the world around us because it is convinced that honest, intelligent, innovative and effective communication helps to generate trust and understanding between people, companies and institutions, pillars on which economic and social progress is based.

LLYC believes in a communication that, in short, is part of the solution to many of the challenges of our time.

A GLOBAL OUTLOOK FULL OF UNCERTAINTY

As in the previous year, the year just ended was characterized by the continuity of uncertainty in the business environment in general. The conflict in Ukraine is still ongoing, with the energy and raw materials crisis associated with this conflict, in addition to the beginning of another focus of conflict in the Middle East. Both situations can potentially affect global economies, with the maintenance of higher than usual inflation levels, which is why central banks began to apply aggressive interest rate hikes, which, although necessary to help control prices, stifle consumption and therefore the growth of economies.

At LLYC, thanks to our geographic diversification and areas of specialization, we have obtained very good results despite this uncertain global environment. Communication has always been fundamental, but even more so in times like these.

In turbulent times is when messages must be even clearer, must reach further, and must be even more impactful. At LLYC, supported by new technologies and thanks to the enormous talent of our teams, we help our clients in all their needs. Because we are their partners, no matter how difficult the road may be.

2.5 ANTI-CORRUPTION INFORMATION

The Group, its partners, shareholders and professionals, have assumed as a fundamental premise in the management of their business, the strictest compliance with the legislation in force in each of the countries in which they operate, with full respect for human rights and public freedoms. In particular, avoiding the commission of crimes, corruption and money laundering by professionals who are part of any company of the Group and those with which it interacts: collaborators, suppliers, media, partners and customers.

The Company assumes as part of its internal regulations, the principles and obligations established in those agreements and conventions, national or international, to which the LLYC Group is adhered or will adhere in the future.

All LLYC professionals have committed, through the Group's Code of Ethics, not only not to commit violations of the law or collaborate with third parties in violating the law, but also to establish mechanisms to prevent such violations and to report promptly and confidentially to the competent bodies any irregularities they may become aware of.

In addition, the Crime Prevention, Anti-Corruption and Anti-Money Laundering Policy must be signed by all Partners, regional general managers, general managers and financial managers to ensure that they act in an ethical and transparent manner in the management of the business. In addition to this policy, the LLYC Group has a Code of Ethics which must be signed by all Group employees.

Together with these policies, in 2015 the Group created two Compliance Committees for the resolution of possible conflicts and decision making: one related to compliance with the Code of Ethics and the other related to compliance with the Crime Prevention, Anti-Corruption and Money Laundering Policy. The Group also has a whistle-blowing channel through which employees can report inappropriate conduct or conduct that violates the aforementioned codes.

These Committees ensure that the businesses in which we operate are ethical and transparent. Both Committees are made up of Senior and/or Regional Directors (most of them partners) and, in the case of the Committee on Compliance with the Crime Prevention, Anti-Corruption and Money Laundering Policy, a lawyer from outside the LLYC Group sits on the Committee.

POLICIES AND PROCEDURES FOR THE PREVENTION OF CORRUPTION AND BRIBERY

Code of Ethics

In carrying out its activities, LLYC maintains a firm commitment to the highest standards of ethical conduct.

The Company has a mandatory Code of Ethics for all Group professionals, which is available to all of them through the Digital Desk and is incorporated into LLYC's training programs.

All professionals who are part of any Group company undertake to respect at all times the fundamental rights and public freedoms recognized by the legislation of the country in which our activity is carried out, as well as all those laws and rules of application that define the professional and personal behavior expected of a consultant working in our organization and representing our brand.

The main aspects included in the Code of Ethics are as follows:

- Corporate principles and values, such as results orientation, commitment, respect or leadership.
- Basic principles of the Code of Ethics, which includes standards of conduct and responsible practices, among others:
 - Respect and compliance with the law.
 - Fulfillment of commitments assumed in agreements and covenants.
 - Diversity Management: Equal opportunities, healthy environment and non-discrimination.
 - Confidentiality policy.
 - Anti-Corruption and Anti-Money Laundering Policy.
 - Non-concurrence policy.
 - Relationships with our customers.
 - Relations with the media.
 - Participation in social media.
 - Relationships with our suppliers.
 - Relations with Public Administrations.
 - Conflicts of Interest.
- Failure to comply with the rules of the Code of Ethics.
- Additional specific standards for Public Affairs teams.
- Frequently Asked Questions.

Whistleblowing channel

The Company has developed a specific internal communication channel with those responsible for the Code of Ethics Compliance Committee, to serve as an instrument for reporting any possible irregularity, non-compliance or behavior allegedly contrary to the corporate values or principles contained in this document.

On the "Code of Ethics" site, accessible from the LLYC employees' Digital Desktop, a section called "Ethics Mailbox" has been set up, where a form has been included to enable professionals working in any LLYC Group company to communicate, identifying themselves or not according to their preference, any incidents they have observed that are contrary to the policy defined in the Code of Ethics.

No complaints have been received regarding violations of the Code of Ethics during the reporting period 2023.

Crime prevention, anti-corruption and anti-money laundering policy

LLYC, its partners, shareholders and professionals, have assumed as a fundamental premise in the management of our business, the strictest compliance with the legislation in force in each of the countries in which it operates, with full respect for human rights and public freedoms. In particular, the Group has acquired a strong commitment to fight against the commission of crimes, corruption and money laundering by the Group's professionals as well as by its collaborators, suppliers, media, partners and customers.

This commitment is embodied in the principles of crime prevention, the eradication of corruption and the avoidance of money laundering behavior at the Group's global level, to which all members of the Group's organization subscribe and which they endorse through the Code of Ethics.

Additionally, LLYC has approved a Crime Prevention, Anti-Corruption and Money Laundering Policy that must be signed by all Partners, regional general managers, general managers and financial directors of the Group, as part of the continuous policy and commitment to society to continuously improve and adopt the highest standards in matters of ethics, integrity and professionalism in the development of its activity; this policy includes, among other issues, the procedures and controls applicable in this area to each and every one of the companies that make up the Group and its partners, managers and professionals. All the Company's suppliers and collaborators also assume the commitments established in the Crime Prevention, Anti-Corruption and Money Laundering Policy through a specific clause in the contracts signed with them.

The purpose of this Policy is to adopt a prevention model that avoids that all persons who make up any of the LLYC companies may commit a crime for which any company of the LLYC Group could be held responsible, as well as that, consciously or not, they may be co-participants in the commission of a crime by our suppliers, collaborators, media, partners and clients.

Regulatory compliance, internal control and communication committees

The implementation of prevention programs, measures and continuous control mechanisms requires one or more internal control bodies.

The Group has established two different committees depending on the subject matter under analysis:

- Code of Ethics Compliance Committee (corporate values and principles), which will oversee all matters defined in the Code of Ethics.
- Crime Prevention, Anti-Corruption and Money Laundering Policy Compliance Committee that will supervise all activities referred to in the Crime Prevention, Anti-Corruption and Money Laundering Policy.

Fight against corruption and money laundering

LLYC is committed to actively fight against corruption by taking all necessary measures to prevent this type of practice. Employees are strictly forbidden to engage in any form of corruption, active or passive, regardless of origin, destination or amount.

The Compliance Committee will investigate any allegations of corruption and take disciplinary action against those involved, whether partners, professionals or employees.

The Group is also committed to complying with all applicable anti-money laundering laws. Therefore, LLYC will only do business with customers or suppliers engaged in commercial activities conducted in compliance with the law and whose funds come from legitimate sources.

The specific measures and policies for action in the fight against Corruption, Bribery and Money Laundering are set forth in the Crime Prevention, Anti-Corruption and Anti-Money Laundering Policy mentioned in the previous point.

LLYC, in full compliance with national, local and sectoral environmental regulations in all the countries where it operates, actively collaborates with regulators and other relevant stakeholders in this area, anticipating the environmental risks that may arise from our activity.

One of the values and objectives that characterizes LLYC is the utmost respect for Human Rights (HR). Consequently, LLYC does not operate in countries that are in conflict with or violate human rights or that are included in the list of countries sanctioned by the United States or the European Union.

The company has not had to face any expenses derived from sanctions as a result of these proceedings.

Status of legal proceedings in 2023

In relation to legal proceedings or litigation by the organization, LLYC has incurred costs in the amount of €3,000.00 during fiscal year 2023 for procedural expenses associated with such proceedings. The company has not had to face expenses arising from penalties resulting from such processes.

3. ENVIRONMENTAL POLICY

3.1 SUSTAINABILITY OBJECTIVES

LLYC's activities are mainly carried out in offices in 12 countries, located in urban areas, which limits its main environmental impacts to the consumption of water, energy and office supplies necessary for its proper performance, together with those derived from business trips and travel. Although the Group's environmental impact is small, it is aware of the importance of the environment and its conservation for the whole of the society of which it is a part.

The Group has a sustainability policy that addresses its position and has defined a series of guidelines and objectives through a Corporate Environmental Policy and a Responsible Purchasing Policy based on the creation of environmental and social value for both the acquisition of goods and the contracting of services.

With the adoption of these policies and their development, the Group aims to participate in mitigating the environmental impact of its activity, also promoting competitiveness and process efficiency by working on three lines of action: responsible purchasing, circular economy and sustainable office, which involves practices that allow us to reduce our consumption.

MAIN ENVIRONMENTAL POLICIES

The Group's policies are described below:

Environmental policy

As stated above, the purpose of this Policy is to set out the Group's approach to achieving its environmental objectives. The commitment to environmental protection stems from our ethical sense of purpose to create value for society in a sustainable manner.

Specifically, the Policy is articulated through three lines of action:

- **Responsible purchasing.** Introduce responsible purchasing criteria in the selection of suppliers and supplies. Specifically, responsible purchasing implies, in any case, the inclusion of criteria for the selection of eco-efficient, biological supplies and products with a high social impact and ethical-social commitment; and the progressive inclusion of low-consumption criteria in the acquisition of technology equipment. This principle is articulated through the Responsible Purchasing Policy defined in greater detail below.
- **Circular economy.** To move towards the implementation of a circular economy model, reducing the raw materials we use, using materials of more sustainable origin and implementing a waste management plan that promotes recycling in all our offices.
- **Sustainable office.** We are committed to measuring our carbon footprint and implementing actions to reduce it towards the goal of carbon neutrality in line with the

Paris Agreement. We will work to reduce our energy consumption, encourage sustainable mobility, and promote good practices among our suppliers.

Following the principles of:

- **Legal compliance with** national, local and sectorial **environmental regulations**, and environmental risk management, anticipating these risks arising from the activity.
- **Compliance with the commitments** contained in the corporate policies, which take as a reference the ten principles of the United Nations Global Compact.
- **Mutual benefit in the relationship with customers and employees**, adapting to the expectations of our customers, professionals and other stakeholders, promoting mutual benefit in this relationship.
- **Continuous improvement.** The environmental management of our business is an opportunity for the continuous improvement of the Firm and its leadership in the market.

This policy applies to all LLYC offices and companies.

In relation to a possible negative impact on the environment, LLYC does not have any environmental sanctions in 2023, 2022, 2021 or previous years.

The Miami and Mexico offices are operating in buildings with Green Building Rating System certifications granted by The Green Building Certification Institute.

Responsible Purchasing Policy

The objective of this Policy is the creation of environmental and social value for both the acquisition of goods and the contracting of services.

With the adoption of this policy, LLYC aims to participate in the mitigation of the environmental impact of its activity, also promoting the competitiveness and efficiency of its processes, the improvement of its social impact and its reputation and identity in the eyes of its stakeholders.

In these processes, in addition to the appropriate criteria depending on the product or service, environmental and social criteria, such as lower energy consumption and promotion of the use of renewable energy sources, the contracting of companies with social impact or the purchase of certified or traceable, eco-efficient or organic products, among others, will be taken into account.

This Policy is made known to the Company's stakeholders and to suppliers and contractors, who will also be expected to comply with basic standards related to ethical behavior and respect for human rights, labor, occupational health and safety and the environment.

This policy applies to all LLYC companies, without exception.

RESPONSIBLE BODIES

In addition to the Company's governing bodies, whose powers are described in the corresponding chapter, decisions in the environmental area are made by the Corporate Management and the heads of the local offices.

The Corporate Management is responsible, together with the Group Controller, for promoting the Policies and the fulfillment of the sustainability objectives set by the company, and for proposing changes and new proposals to the global Executive Committee.

The local sustainability teams will be responsible, by operation, for monitoring and evaluating the responsible purchasing policy and the achievement of the objectives set. LLYC has 15 teams, located in all the Group's countries and comprising personnel from Finance, Human Resources and Office Administration.

The Group is in the process of reviewing its environmental targets for emissions, energy efficiency and consumption with a view to setting new targets in 2024.

3.2 CLIMATE CHANGE AND ENERGY

Although LLYC's environmental impact is very small, climate change is a global challenge whose resolution depends on everyone, and we want to reduce and extend good practices to our value chain, starting with reducing our energy consumption.

ENERGY CONSUMPTION

Given the nature of LLYC's activities, energy consumption is not a material issue for the Company, which nevertheless works to ensure its control and drive its reduction. Energy consumption at the global level has increased by a very low percentage compared to 2022. Teleworking measures have continued to be maintained, generating sustained energy consumption.

	2022	2023	2022 vs. 2023 (%)
Electricity consumption (kWh)	602.465	669.896 (1)	11,1%
Fuel consumption (liters)			
- Gasoline	8.203	5.618 (2)	-31,52%
- Diesel	3.358	1.735 (2)	-48,33%

(1) The data for the Miami office have been estimated taking into account the total consumption of the building, taking into account the area of the office in relation to the area of the building.

(1) Data from the Ecuador office have been estimated in October, November and December based on average consumption from January to September.

(1) Data for the Barcelona office were estimated in December based on average consumption from January to November.

(2) The offices that have owned vehicles are Mexico, Lisbon, Dominican Republic, Beso and Panama. Ecuador and Apache are no longer registered in this consumption, as was done in 2022. The remaining offices do not have owned vehicles.

Energy savings are materialized in several actions among the group's offices:

- All offices have 100% efficient electronic equipment. In Europe, all equipment prior to 2018 has been renewed.
- The offices in Madrid, CHINA, Brazil, Chile, Argentina, Mexico, BESO, Panama and the Dominican Republic have 100% of screens with A or B energy rating. Miami, Ecuador and Peru have between 70% and 90% of screens with A or B energy rating.
- The offices in Madrid, CHINA, Brazil, Miami, Chile, Argentina, Panama, Dominican Republic, Ecuador and Peru have 100% of appliances with A or B energy rating.
- The offices in Madrid, Portugal, Colombia, Chile, Argentina, Panama, Dominican Republic, Ecuador, Miami and Peru have all LED lighting. CHINA has 90% LED lighting, while the offices in Brazil, Mexico and BESO have between 50 and 60%.
- In the offices and meeting rooms of the Madrid office, there are blinds that regulate the light and the outside temperature.
- In the Madrid office, air conditioning is provided by a combined system between the building's central system, which uses the heat from its machinery to reduce costs in winter and has a responsible cooling system in summer, and the office air conditioning

system, which supports the building's air conditioning system, but with less intensive use.

GREENHOUSE GAS EMISSIONS

Given the nature of LLYC's activity, the emissions associated with it are mainly those corresponding to the consumption of electrical energy, which is used for lighting and air conditioning. Therefore, initiatives aimed at reducing such energy consumption, some of which are mentioned in the previous section, in turn contribute to reducing greenhouse gas emissions.

Until 2022, LLYC had only estimated its emissions in Spain. In 2023, we present for the first time the measurement of the carbon footprint at a global level across the Group's 12 operations.

LLYC has calculated its Carbon Footprint at the organizational level, in accordance with the guidelines of the GHG Protocol (Greenhouse Gases Protocol) and in accordance with the principles of the ISO 14064-1:2018 standard, Organizational Greenhouse Gas (GHG) Inventory. In this context, LLYC has calculated the organizational Carbon Footprint for the companies that make up its perimeter.

In order to obtain this report, the characterization of the processes and data collection was carried out to subsequently develop the calculations through the GreeMko tool, resulting in the carbon footprint of the activities carried out by LLYC.

DATA 2023	TOTAL EMISSIONS (tCO₂ e)
Scope 1: Direct emissions	27,2632
Scope 2: Indirect emissions electricity consumption	189,3689
Scope 3: other indirect emissions	453,2647
Total emissions (1)	669,8967

- (1) BAM issues have not been included because it has no physical offices.
- (2) The calculation was made with an estimate of water consumption. The estimate for the offices that did not have this data available at the close of this report was calculated based on the overall average water consumption per employee of the offices that had this data available. See section on water consumption.

3.3 CIRCULAR ECONOMY, RESPONSIBLE PURCHASING AND SUSTAINABLE RESOURCE USE

LLYC focuses on minimizing waste generation, properly managing waste from office activities (paper, cardboard and toners) and implementing recycling campaigns.

The Company has a waste management and disposal program that includes the separation, classification and recycling of waste, in which employees are informed of the procedure to follow when disposing of waste.

Each year we strengthen this process of awareness and corporate culture in environmental matters, based on information and dissemination of messages related to environmental care.

SUSTAINABLE USE OF RESOURCES

LLYC is aware of the need to use resources responsibly and for this reason we carry out different practices to promote their sustainable use. Among other initiatives implemented, we highlight the following:

1. Zero paper

LLYC works to reduce paper consumption in its offices, using Google Drive servers, tablets, digital payrolls and implementing electronic signatures in all Group operations, thus reducing its carbon footprint by reducing and saving paper. In addition, PEFC-certified paper and printers with a low environmental impact are used.

In the European offices, the number of printers has been reduced, reducing waste and paper consumption. e-Follow policies have been implemented, the document is only printed when the user is at the printer, reducing the number of unwanted printouts and forgotten documents that are not retrieved.

A total of 690.85 kg of PEFC certified paper was consumed in 2023 (no data available for previous years).

2. Reduction of single-use materials or unnecessary plastics

The Group's offices are located in urban areas. In general, the offices prioritize reusable materials or materials made from recycled materials and avoid single-use materials and materials made from unnecessary plastic such as: water bottles, plastic or paper cutlery and tableware, and promotional products, among others.

WASTE MANAGEMENT AND REDUCTION

LLYC's offices mainly generate waste similar to municipal waste, such as packaging, paper, glass and organic waste, as well as waste electrical and electronic equipment, lighting fixtures and batteries, which are replaced when necessary. The Group does not produce hazardous waste of any kind.

- In the case of paper, confidential documentation is certified for destruction and recycling, while the rest is sent for recycling. All the Group's offices use the building's recycling systems.
- For the recycling of printer consumables, batteries, coffee capsules and packaging, there are containers in all the group's offices, which are subsequently sent to specific containers or managers.
- Urban waste is managed in accordance with the management systems of the buildings where the offices are located.
- When computer equipment is renewed, equipment that may still be in use is donated or sent to certified managers for proper treatment.
- Policies of resale or donation of obsolete furniture are employed.
- Inputs are purchased from certified suppliers with products of sustainable origin.
- In Europe, new printers and more energy-efficient models have been purchased. As well as a change of televisions/monitors in meeting rooms to more up-to-date energy-efficient models.

RESOURCE CONSUMPTION: WATER

Given the nature of LLYC's activities, water consumption is not a material issue for the Company, which nevertheless works to ensure its control and drive its reduction. In 2023, consumption per employee amounted to 3.12 m³. The calculation was made using data from the offices in Madrid, Barcelona, Lisbon, BESO, Colombia, Peru and Brazil, and the corresponding number of employees. (1) (2) (3)

(1) The data for the offices in Brazil, Peru, BESO and Madrid have been estimated based on the total consumption bill of the building, taking into account the area of the office in relation to the area of the building.

(2) Data for Argentina, Chile, Ecuador, Dominican Republic, Panama, Mexico, Miami, CHINA were not available at the close of this report.

(3) In 2022, water consumption was estimated at 4.06 m³/employee using data from the Barcelona, Lisbon, Lima, Quito, Bogota and CHINA offices.

4. PEOPLE AND TALENT

4.1 EMPLOYMENT

At December 31, 2023, the LLYC Group's workforce will comprise 1,181 people. The workforce has grown from 1,127 professionals at the end of 2022 to 1,181 at the end of 2023 (966 in 2021), increasing by 4.6% at the end of 2023 (16.66% between 2021 and 2022 and 59.40% between 2020 and 2021). 31 of the 2023 additions are due to the acquisition of the company BAM by LLYC as part of the firm in mid-2023.

In 2023, 63.8% (62.6% in 2022) of the team was made up of women - constituting 52% (45% in 2022) of LLYC's management layer -, and 36.2% of the total number of employees (37.3% in 2022) were men. In 2023, the number of women in the Company has increased compared to 2022 by 5.3% (having an increase of 19.59% in 2022 vs. 2021) and that of men has increased by 4.1% in 2023 compared to 2022 (having an increase of 16.25% in 2022 vs. 2021).

The average age of professionals in 2023 is 33 years (33 years in 2022).

Evolution of workforce by gender

Sex	2023	2022
Man	427	410
Woman	754	716
Another	0	1
Total	1,181	1,127

Evolution of headcount with breakdown by age

Age	2023	2022
20 - 29	517	519
30 - 45	544	494
46 - 60	109	104
61 - more	11	10
Total	1,181	1,127

Company Executive Profiles

During the year 2023 and in line with the New Business Model that will be implemented as of January 1, 2024, the profiles considered as Executive in LLYC have been redefined. That is, those professionals with an executive profile and responsibility in the management of the company. These profiles are reflected on the corporate website (<https://llyc.global/liderazgo/>) and include more than 170 executives.

The executive roles at LLYC have a very varied profile in terms of origin, cultural background, gender and age, as shown below. They are those listed on the corporate website (<https://llyc.global/liderazgo/>):

- By gender:

Sex	2023	%
Man	85	48%
Woman	93	52%
Total	178	100%

- By age range:

Age	2023	%
20 - 29	2	1.1%
30 - 45	106	59.6%
46 - 60	60	33.7%
61 - more	10	5.6%
Total	178	100%

- By nationality

Nationality	2023	%
Argentina	5	2.8%
Brazil	11	6.2%
Chile	3	1.7%
Colombia	13	7.3%
Cuba	1	0.6%
Ecuador	1	0.6%
Spain	87	48.9%
United States	10	5.6%
France	1	0.6%
Italy	1	0.6%

Mexico	22	12.4%
Panama	4	2.1%
Peru	14	7.9%
Portugal	4	2.1%
Venezuela	1	0.6%
Total	178	100%

- By geographic location

Location	2023	%
Spain (Barcelona)	12	6.7%
Colombia (Bogota)	9	5.1%
Argentina (Buenos Aires)	3	1.7%
Mexico (Mexico City)	27	15.2%
Peru (Lima)	13	7.3%
Portugal (Lisbon)	4	2.2%
Spain (Madrid)	67	37.6%
United States (Miami)	18	10.1%
Panama	5	2.8%
Ecuador (Quito)	2	1.1%
Brazil (Rio de Janeiro)	1	0.6%
Chile (Santiago)	3	1.7%
Dominican Republic (Santo Domingo)	2	1.2%
Brazil (São Paulo)	12	6.7%
Total	178	100%

TOTAL NUMBER AND DISTRIBUTION OF EMPLOYEES BY COUNTRY, GENDER AND PROFESSIONAL CATEGORY

As of December 31, 2023, the staff as of December 31, 2023, is distributed as follows:

BREAKDOWN BY CATEGORY AND GENDER AS OF 12/31/2023

Category and Gender	Man	Woman	Another	Total
Senior Managers/ Managers	88	97		185
Senior Managers/Consultants	110	166		276
Junior Consultants /Cons.	146	301		447
Young Talents	31	100		131
Secretarial/Reception/General Services	15	37		52
Finance, HR and Legal Department	37	53		90
Total	427	754	0	1,181

BREAKDOWN BY CATEGORY AND GENDER AS OF 12/31/2022

Category and Gender	Man	Woman	Another	Total
Senior Managers/ Directors/ Directors	99	81		180
Senior Managers/Consultants	87	145		232
Junior Consultants /Cons.	151	292		443
Young Talents	40	102	1	143
Secretarial/Reception/General Services	12	34		46
Finance and HR Department.	31	52		83
Total	420	706	1	1,127

BREAKDOWN BY COUNTRY AND GENDER AS OF 12/31/2023

Country / Gender	Man	Woman	Another	Total
Mexico	138	153		291
Panama	4	21		25
Dominican Republic	7	9		16
USA	12	35		47
Ecuador	4	9		13
Colombia	28	47		75
Peru	21	61		82
Brazil	25	53		78
Argentina	11	31		42
Chile	10	9		19
Spain	156	298		454
Portugal	11	28		39
Total	427	754	0	1,181

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

BREAKDOWN BY COUNTRY AND GENDER AS OF 12/31/2022

Country / Gender	Man	Woman	Another	Total
Mexico	136	136		272
Panama	6	17		23
Dominican Republic	9	14		23
USA	9	13		22
Ecuador	3	13		16
Colombia	18	46		64
Peru	29	53		82
Brazil	30	58	1	89
Argentina	12	30		42
Chile	9	9		18
Spain	149	295		444
Portugal	10	22		32
Total	420	706	1	1,127

(Mexico includes Beso and Spain includes Apache and CHINA)

BREAKDOWN BY COUNTRY AND AGE AS OF 12/31/2023

Country / age	20-29	30-45	46-60	61-more	Total
Mexico	92	179	19	1	291
Panama	10	13	2	0	25
Dominican Republic	8	6	2	0	16
USA	19	21	7	0	47
Ecuador	5	7	1	0	13
Colombia	39	34	2	0	75
Peru	43	31	6	2	82
Brazil	38	35	4	1	78
Argentina	22	16	4	0	42
Chile	9	9	1	0	19
Spain	212	182	53	7	454
Portugal	20	11	8	0	39
Total	517	544	109	11	1.181

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

BREAKDOWN BY COUNTRY AND AGE AS OF 12/31/2022

Country / age	20-29	30-45	46-60	61-more	Total
Mexico	85	167	18	2	272
Panama	7	12	4	0	23
Dominican Republic	9	12	2	0	23
USA	8	9	5	0	22
Ecuador	6	9	1	0	16
Colombia	31	28	4	1	64
Peru	43	33	5	1	82
Brazil	42	37	7	3	89
Argentina	19	19	4	0	42
Chile	8	8	2	0	18
Spain	191	189	58	6	444
Portugal	13	13	5	1	32
Total	462	536	115	14	1,127

(Mexico includes Beso and Spain includes Apache and CHINA)

BREAKDOWN BY COUNTRY AND BY CATEGORY AS OF 12/31/2023

Country / Category	Senior Managers/Directors	Managers/Senior Consultants	Consultants / Junior Cons.	Young Talents	Secretariat /Reception /General Services	Finance, HR and Legal Dept. Finance, HR and Legal	Total
Mexico	31	59	140	22	15	24	291
Panama	5	5	7	5	1	2	25
Dominican Republic	2	3	5	1	2	3	16
USA	20	17	6	2	2	0	47
Ecuador	2	1	5	2	1	2	13
Colombia	10	20	26	9	2	8	75
Peru	13	14	30	18	1	6	82
Brazil	14	15	25	15	3	6	78
Argentina	4	16	14	4	1	3	42
Chile	3	6	7	1	1	1	19
Spain	76	109	166	49	22	32	454
Portugal	5	11	16	3	1	3	39
Total	185	276	447	131	52	90	1.181

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

BREAKDOWN BY COUNTRY AND BY CATEGORY AS OF 12/31/2022

Country / Category	Senior Managers/ Directors	Managers/ Senior Consultants	Consultants / Junior Cons.	Young Talents	Secretarial /Reception/ General Services	Finance and HR Dept. Finance and HR	Total
Mexico	31	46	135	24	14	22	272
Panama	4	5	9	2	1	2	23
Dominican Republic	3	3	10	3	2	2	23
USA	8	5	6	0	1	2	22
Ecuador	3	1	6	3	1	2	16
Colombia	13	16	22	7	2	4	64
Peru	14	15	26	20	1	6	82
Brazil	14	16	29	19	2	9	89
Argentina	7	12	14	5	1	3	42
Chile	3	6	5	2	1	1	18
Spain	77	97	169	55	19	27	444
Portugal	3	10	12	3	1	3	32
Total	180	232	443	143	46	83	1.127

BREAKDOWN BY OFFICE AS OF 12/31/2023

Nationality	2023
Barcelona	84
Bogotá	75
Buenos Aires	42
Mexico City	132
BESO - Mexico City	147
Lima	82
Lisbon	39
Madrid	295
Madrid Apache	56
Madrid China	19
Miami	15
BAM	31

BESO - Monterrey	12
New York	1
Panama	25
Quito	13
Rio de Janeiro	6
Santiago de Chile	19
Santo Domingo	16
São Paulo	72
TOTAL	1.181

TOTAL NUMBER AND DISTRIBUTION OF EMPLOYMENT CONTRACT MODALITIES

BREAKDOWN BY TYPE OF CONTRACT AND GENDER AS OF 12/31/2023

Contract Type/ Gender	Man		Woman	
	Total Contracts	% Contracts/Total Contracts man	Total Contracts	% Contracts/Total Contracts women
Indefinite full time	379	88,8%	612	81,2%
Indefinite part-time	13	3,0%	41	5,4%
Full-time temporary	25	5,9%	81	10,7%
Temporary part-time	10	2,3%	20	2,7%
Subtotal // % vs total contracts	427	36,2%	754	63,8%
Total	1.181			

BREAKDOWN BY TYPE OF CONTRACT AND GENDER AS OF 12/31/2022

Type of Contract/ Gender	Man		Woman		Another	
	Total Contracts	% Contracts/ Total Contracts men	Total Contracts	% Contracts/Tot al Contracts women	Total Contracts	Contracts/Total Contracts other
Indefinite full time	361	85,9%	555	78,6%	1	100%
Indefinite part-time	17	4,0%	44	6,2%		
Full-time temporary	26	6,1%	83	11,7%		
Temporary part-time	16	4,0%	24	3,5%		
Subtotal // % vs total contracts	420	37,2%	706	62,7%	1	0,1%
Total	1.127					

BREAKDOWN BY TYPE OF CONTRACT AND AGE AS OF 12/31/2023

Type of Contract/ Age	20-29		30-45		46-60		61-more	
	Total Contracts	% Contracts/ Total Contracts 20-29	Total Contracts	% Contracts/ Total Contracts 30-45	Total Contracts	% Contracts / Total Contracts 46-60	Total Contracts	% Contracts/ Total Contracts 61-plus
Indefinite full time	386	74,7%	501	92,1%	94	86,2%	10	90,9%
Indefinite part-time	12	2,3%	27	5,0%	14	12,8%	1	9,1%
Full-time temporary	90	17,4%	16	2,9%		0,0%		0,0%
Temporary part-time	29	5,6%		0,0%	1	0,9%		0,0%
Subtotal // % vs total contracts	517	43,8%	544	46,1%	109	9,2%	11	0,9%
Total	1.181							

BREAKDOWN BY TYPE OF CONTRACT AND AGE AS OF 12/31/2022

Type of Contract/ Age	20-29		30-45		46-60		61-more	
	Total Contracts	% Contracts/ Total Contract 20-29	Total Contracts	% Contracts/ Total Contracts 30-45	Total Contracts	Contracts /Total Contracts 46-60	Total Contracts	% Contracts/ Total Contracts 61-plus
Indefinite full time	321	69,5%	485	90,5%	98	85,2%	13	92,9%
Indefinite part-time	11	2,4%	35	6,5%	14	12,2%	1	7,1%
Full-time temporary	94	20,3%	15	2,8%	0	0,0%	0	0,0%
Temporary part-time	36	7,8%	1	0,2%	3	2,6%	0	0,0%
Subtotal // % vs total contracts	462	41,0%	536	47,6%	115	10,2%	14	1,2%
Total	1.127							

BREAKDOWN BY TYPE OF CONTRACT AND CATEGORY AS OF 12/31/2023

Type of Contract/ Category	Senior Managers Directors		Managers/ Senior Consultants		Junior Cons Consultants		Young Talents		Secretariat Reception General Services		Finance, HR and Legal Department.	
	Total Contracts	% Contracts/ Total Contract D & DS	Total Contracts	% Contracts/ Total Contracts G & CS	Total Contracts	Contracts/ Total Contracts C Y C J	Total Contracts	% Contracts/ Total JT Contracts	Total Contracts	% Contracts/ Total Contract SyRY SE	Total Contracts	% Contracts/ Total Staff Contracts
Indef. comp. time	173	93,5%	262	94,9%	408	91,3%	23	17,6%	41	78,8%	84	93,3%
Indef. part-time	12	6,5%	11	4,0%	11	2,5%	5	3,8%	10	19,2%	5	5,6%
Comp. weather temp.	0	0%	3	1,1%	26	5,8%	75	57,3%	1	1,9%	1	1,1%
Part-time temp.	0	0%	0	0%	2	0,4%	28	21,4%	0	0%	0	0%
Subtotal / % vs total contracts	185	15,7%	276	23,4%	447	37,8%	131	11,1%	52	4,4%	90	7,6%
Total	1.181											

BREAKDOWN BY TYPE OF CONTRACT AND CATEGORY AS OF 12/31/2022

Type of Contract/Category	Senior Managers Directors		Managers/ Senior Consultants		Junior Cons Consultants		Young Talents		Secretariat Reception General Services		Finance and HR Department.	
	Total Contracts	% Contracts/ Total Contract D & DS	Total Contracts	% Contracts/ Total Contract S G & CS	Total Contracts	Contracts/Total Contracts C Y C J	Total Contracts	% Contracts/ Total JT Contracts	Total Contracts	% Contracts/ Total Contract SyRY SE	Total Contracts	% Contracts/ Total Staff Contracts
Indef. time comp	163	90,6%	208	89,7%	413	93,2%	20	14,0%	37	80,4%	76	91,6%
Indef. part-time	16	8,9%	16	6,9%	16	3,6%	1	0,7%	7	15,2%	5	6,0%
Comp. weather temp.	1	0,6%	7	3,0%	13	2,9%	85	59,4%	1	2,2%	2	2,4%
Temp. part-time	0	0,0%	1	0,4%	1	0,2%	37	25,9%	1	2,2%	0	0,0%
Subtotal/ % vs total contracts	180	16,0%	232	20,6%	443	39,3%	143	12,7%	46	4,1%	83	7,4%
Total	1.127											

AVERAGE ANNUAL NUMBER OF PERMANENT CONTRACTS, TEMPORARY CONTRACTS AND PART-TIME CONTRACTS BY GENDER, AGE AND OCCUPATIONAL CLASSIFICATION

AVERAGE HEADCOUNT BY TYPE OF CONTRACT AND GENDER 2023

Type of Contract/ Gender	Man		Woman		Another	
	Average Contracts	% Contracts/Average Contracts Man contracts	Average Contracts	Contracts % Contracts/ Average Contracts for women	Average Contracts	Contracts/average Contracts others
Indefinite full time	371,58	86,8%	603,75	81,3%	0,5	1
Indefinite part-time	15,5	3,6%	43	5,8%		0
Full-time temporary	30,42	7,1%	73,75	9,9%		0
Temporary part-time	10,5	2,5%	22,25	3,0%		0
Subtotal // % vs Average contracts	428	36,54%	742,75	63,42%	0,5	0,04%
Total	1.171,25					

AVERAGE WORKFORCE BY TYPE OF CONTRACT AND GENDER 2022

Type of Contract/ Gender	Man		Woman		Another	
	Average Contracts	% Contracts/ Average Contracts Man contracts	Average Contracts	Contracts % Contracts/ Average Contracts for women	Average Contracts	Contracts/ average Contracts others
Indefinite full time	355,83	84,3%	539,83	78,3%	0,92	100,0%
Indefinite part-time	17	4,0%	47,5	6,9%		
Full-time temporary	29,75	7,0%	78,83	11,4%		
Temporary part-time	19,67	4,7%	23,42	3,4%		
Subtotal // % vs. average contracts	422,25	37,9%	689,58	62,0%	0,92	0,1%
Total	1.112,75					

AVERAGE WORKFORCE BY TYPE OF CONTRACT AND AGE 2023

Contract Type/ Age	20-29		30-45		46-60		61-more	
	Average Contracts	% Contracts/ Average Contract 20-29	Average Contracts	% Contracts/ Average Contracts 30-45	Average Contracts	% Contracts/ Average Contracts 46-60	Average Contracts	% Contracts/ Average Contracts 61-plus
Indefinite full time	333,83	72,01%	526	91,5%	104,58	88,07%	11,17	80,7%
Indefinite part-time	11,92	2,57%	30,75	5,35%	13,33	11,23%	2,50	18,06%
Full-time temporary	87,25	18,82%	16,92	2,94%	0	0%	0	0%
Temporary part-time	30,58	6,6%	1,17	0,2%	0,83	0,7%	0,17	1,23%
Subtotal // % vs Average contracts	463,58	39,59%	574,84	49,09%	118,74	10,14%	13,84	1,18%
Total	1.171							

AVERAGE WORKFORCE BY TYPE OF CONTRACT AND AGE 2022

Contract Type/ Age	20-29		30-45		46-60		61-more	
	Average Contracts	% Contracts/ Average Contract 20-29	Average Contracts	% Contracts/ Average Contracts 30-45	Average Contracts	% Contracts/ Average Contracts 46-60	Average Contracts	% Contracts/ Average Contracts 61-plus
Indefinite full time	301,75	67,0%	487,67	90,6%	95,67	85,7%	11,17	91,8%
Indefinite part-time	13,5	3,0%	37,25	6,9%	12,75	11,4%	1	8,2%
Full-time temporary	95,17	21,1%	12,33	2,3%	1,08	1,0%	0	0,0%
Temporary part-time	40	8,9%	1	0,2%	2,08	1,9%	0	0,0%
Subtotal // % vs Average contracts	450,42	40,5%	538,25	48,4%	111,58	10,0%	12,17	1,1%
Total	1.112,75							

AVERAGE HEADCOUNT BY TYPE OF CONTRACT AND CATEGORY 2023

Contract Type/Cate gory	Senior Managers Directors		Managers Senior Consultants		Junior Cons Consultants		Young Talents		Secretariat Reception General Services		Finance, HR and Legal Department	
	Average Contracts	% Contracts/ Average Contract D and SD	Average Contracts	% Contracts/ Average Contract G and CS	Average Contracts	% Contracts/ Average Contract C and CJ	Average Contracts	% Contracts/ Average JT Contract	Average Contracts	% Contracts/ Average Contract SyR and SE	Average Contracts	% Contracts/ Average Staff Contract
Indef. comp. time	175,5	92,82%	249,08	92,71%	412,17	92,97%	22	16,06%	40	80,27%	77,08	92,50%
Indef. part-time	13,33	7,05%	14,58	5,43%	13,42	3,03%	3,83	2,80%	8,58	17,22%	4,75	5,70%
Comp. weather temp.	0,25	0,13%	4,83	1,80%	16	3,61%	80,75	58,94%	1	2,01%	1,33	1,60%
Temp. part-time	0	0,00%	0,17	0,06%	1,75	0,39%	30,42	22,20%	0,25	0,50%	0,17	0,20%
Subtotal / % vs Average contracts	189,08	16,14%	268,66	22,94%	443,34	37,85%	137	11,70%	49,83	4,25%	83,33	7,11%
Total	1.171,24											

AVERAGE HEADCOUNT BY TYPE OF CONTRACT AND CATEGORY 2022

Contract Type/Category	Senior Managers Directors		Managers Senior Consultants		Junior Cons Consultants		Young Talents		Secretariat Reception General Services		Finance and HR Department.	
	Average Contracts	% Contracts/Average Contract D and SD	Average Contracts	% Contracts/Average Contract G and CS	Average Contracts	% Contracts/Average Contract C and CJ	Average Contracts	% Contracts / Average JT Contract	Average Contracts	% Contracts/Average Contract SyR and SE	Average Contracts	% Contracts / Average Staff Contract
Indef. comp. time	161,75	90,32%	208,25	89,99%	405,25	91,34%	20,08	14,00%	35,17	79,34%	66,08	93,29%
Part-time Indef.	16,58	9,26%	16	6,91%	18,58	4,19%	3,92	2,73%	5,83	13,15%	3,58	5,05%
Temp. time comp	0,75	0,42%	6,17	2,67%	16,67	3,76%	81,58	56,88%	2,25	5,08%	1,17	1,65%
Temp. part-time		0,00%	1	0,43%	3,17	0,71%	37,83	26,38%	1,08	2,44%		0,00%
Subtotal // % vs Average contracts	179,08	16,09%	231,42	20,80%	443,67	39,87%	143,42	12,89%	44,33	3,98%	70,83	6,37%
Total	1112,75											

AVERAGE WORKFORCE BY COUNTRY AND GENDER 2023

Country / Gender	Man	Woman	Another	Total
Mexico	137,67	143,67		281,33
Panama	5	19,75		24,75
Dominican Republic	6,75	10,08		16,83
USA	12,58	38,33		50,92
Ecuador	3,17	11,25		14,42
Colombia	22,33	45,33		67,67
Peru	24,67	58,58		83,25
Brazil	27,75	57,33	0,5	85,58
Argentina	11,67	28,50		40,17
Chile	9,33	8,75		18,08
Spain	156,67	296,50		453,17
Portugal	10,42	24,67		35,08
Total	428	742,75	0,50	1.171,25

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

AVERAGE WORKFORCE BY COUNTRY AND GENDER 2022

Country / Gender	Man	Woman	Another	Total
Mexico	141,50	129,25		270,75
Panama	6,75	17,58		24,33
Dominican Republic	7,00	16,00		23,00
USA	8,33	13,42		21,75
Ecuador	4,5	13,08		17,58
Colombia	19,58	48,83		68,42
Peru	27,5	54,58		82,08
Brazil	27,83	55,83	0,92	84,58
Argentina	11,92	35,75		47,67
Chile	8,33	8,5		16,83
Spain	148,83	275,5		424,33
Portugal	10,17	21,25		31,42
Total	422,25	689,58	0,92	1.112,75

(Mexico includes Beso and Spain includes Apache and CHINA)

AVERAGE WORKFORCE BY COUNTRY AND AGE 2023

Country / age	20-29	30-45	46-60	61-more	Total
Mexico	76,17	183,33	20,33	1,50	281,33
Panama	9,17	12,50	3,08	0	24,75
Dominican Republic	7,58	7,25	2,00	0	16,83
USA	20,50	23,33	6,83	0,25	50,92
Ecuador	4,25	9,17	1,00	0	14,42
Colombia	32,33	31,25	3,50	0,58	67,67
Peru	41,83	33,08	7,25	1,08	83,25
Brazil	37,00	38,83	7,58	2,17	85,58
Argentina	19,33	17,58	3,25	0	40,17
Chile	7,42	9,25	1,42	0	18,08
Spain	192,17	196,67	56,33	8,00	453,17
Portugal	16,08	12,58	6,17	0,25	35,08
Total	463,83	574,83	118,75	13,83	1.171,25

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

AVERAGE WORKFORCE BY COUNTRY AND AGE 2022

Country / age	20-29	30-45	46-60	61-more	TOTAL
Mexico	83,08	165,50	20,17	2,00	270,75
Panama	8,33	12,25	3,75	0,00	24,33
Dominican Republic	9,83	11,17	2,00	0,00	23
USA	8,58	8,00	5,17	0,00	21,75
Ecuador	6,58	10,50	0,50	0,00	17,58
Colombia	37,42	26,00	4,00	1,00	68,42
Peru	41,50	35,17	4,42	1,00	82,08
Brazil	38,75	35,75	7,42	2,67	84,58
Argentina	21,00	22,33	4,33	0,00	47,67
Chile	7,08	7,50	2,25	0,00	16,83
Spain	177,33	188,33	53,25	5,42	424,33
Portugal	11,25	15,75	4,33	0,08	31,42
Total	450,75	538,25	111,58	12,17	1.112,75

(Mexico includes Beso and Spain includes Apache and CHINA)

AVERAGE HEADCOUNT BY COUNTRY AND CATEGORY 2023

Country / age	Senior Managers Directors	Managers Senior Consultants	Consultants Junior Cons.	Young Talents	Secretariat Reception General Services	Financial Dept. Dept. HR and Legal	Total
Mexico	30,83	53,83	138,17	21,33	14,5	22,67	281,33
Panama	5,33	5,08	7,08	4,25	1	2	24,74
Dominican Republic	2,5	2,5	5,67	1,83	2	2,33	16,83
USA	19,92	17,92	8,83	1,25	2	1	50,92
Ecuador	2,5	1	5,83	2,08	1	2	14,42
Colombia	11,33	17,33	22,58	9,42	2	5	67,67
Peru	14,5	15,25	26,92	19,58	1	6	83,25
Brazil	14,08	17,33	28,42	16,5	3	6,25	85,58
Argentina	5,17	12,33	14,67	4,58	1	2,42	40,17
Chile	3	6,25	5,25	1,58	1	1	18,08
Spain	75,75	110,5	164,83	52,08	20,33	29,67	453,17
Portugal	4,17	9,33	15,08	2,5	1	3	35,08
Total	189,08	268,65	443,33	136,98	49,83	83,37	1.171,25

(Mexico includes Beso, Spain includes Apache and CHINA, and the USA includes BAM).

AVERAGE HEADCOUNT BY COUNTRY AND CATEGORY 2022

Country / age	Senior Managers Directors	Managers Senior Consultants	Consultants Junior Cons.	Young Talents	Secretariat Reception General Services	Finance and HR Dept. Finance and HR	Total
Mexico	33,5	49,17	131,92	24	13,33	18,83	270,75
Panama	3,92	4,67	8,17	4,67	0,92	2	24,33
Dominican Republic	2,75	3,42	8,67	4,83	2	1,33	23
USA	8	4	6,75	1	0,83	1,17	21,75
Ecuador	3	1,67	6	3,92	1	2	17,58
Colombia	13,17	13,58	25	10,75	2	3,92	68,42
Peru	14,08	15,33	27,5	18,83	1	5,33	82,08
Brazil	13,58	17,25	29,08	15,42	1,67	7,58	84,58
Argentina	8	14,75	15,33	5,08	1,17	3,33	47,67
Chile	2,25	5,25	6,42	0,92	1	1	16,83
Spain	74,08	92,5	165,75	50,75	18,42	22,83	424,33
Portugal	2,75	9,83	13,08	3,25	1	1,5	31,42
Total	179,08	231,42	443,67	143,42	44,33	70,83	1.112,75

(Mexico includes Beso and Spain includes Apache and CHINA)

Classification categories

Category detail

Senior Managers/Directors	Include CEO, DG, and DS and D of Staff
Senior Managers/Consultants	No financial, talent or legal department
Junior Consultants /Cons.	No financial, talent or legal department
Young Talents	All scholarships, including Staff
Secretarial/Reception/General Services	Secretarial, reception and systems
Finance and HR Department.	G, CS, C and CJ of financial, talent and legal. The DS and D of financial, talent and legal are in "Senior Managers/Directors" and the JT in "Young Talents".

Promotions

LLYC firmly believes in the professional development of our professionals. It is committed to internal talent and career development, creating the conditions and offering opportunities to grow within the Firm.

This year has broken the record number of promotions, with 169 promotions in 2023 (167 in 2022), of which more than 66% are women (4 percentage points more than the previous year).

NUMBER OF REDUNDANCIES BY GENDER, AGE AND PROFESSIONAL CATEGORY

The number of layoffs in 2023 in the LLYC Group is as follows:

Category/ Age/ Gender	Man				Woman				Total
	20-29	30-45	46-60	61-more	20-29	30-45	46-60	61-more	
Senior Managers/Directors		9	10	2		4	2	0	27
Senior Managers/Consultants	1	6	2		1	11	2		23
Junior Consultants/Cons.	9	13			21	9	1	1	54
Secretaries						1			1
Staff	1		1				1	1	4
Total	11	28	13	2	22	25	6	2	109

The number of layoffs in 2022 in the LLYC Group is as follows:

Category/ Age/ Gender	Man				Woman				Total
	20-29	30-45	46-60	61-mor e	20-29	30-45	46-60	61-mor e	
Senior Managers/Directors	-	6	3	-	0	2	2	-	13
Senior Managers/Consultants	1	6	1	-	1	12	3	-	24
Junior Consultants/Cons.	6	9	1	-	17	8	0	-	41
Secretaries	-	1	-	-	1	2	0	-	4
Staff	-	2	1	-	1	2	2	-	8
Total	7	24	6	-	20	26	7	-	90

AVERAGE REMUNERATIONS BROKEN DOWN BY GENDER AND PROFESSIONAL CATEGORY

Equality and diversity have been core values of LLYC since the firm's origin in 1995. Our contribution to a more equitable society and the effort to advance along the same lines within LLYC has been explicitly included in our latest strategic plans, with clear metrics regarding, in particular, a greater balance in the composition of our management team.

Along these lines, LLYC's compensation policy is based on the principle of meritocracy, and takes into account the individual contributions of each employee, ensuring internal equity and external competitiveness.

With it, we guarantee the principles of equal opportunity and non-discrimination based on sex, race, origin, age, ideology, sexual orientation, gender identity or expression or any other cause.

LLYC has pay bands that allow for salary progression within the professional category.

The following tables show the average compensation (*) by category (**) and gender of LLYC employees in 2023 segmented by country.

This metric is defined as salary variation and is calculated as follows:

Salary variation = (Average remuneration for men - average remuneration for women) / average remuneration for men

(*) The calculation includes:

- Active employees as of 12/31/2023 (excluding young talent). Includes corporate positions and regional general management in the country in which they are registered.
- Does not include the Board of Directors because it is included in the specific section on average compensation of directors.
- Compensation is calculated in Euros using the full-time adjusted fixed salary as of 12/31/2023, including the incentive plan received in 2023 (accrued in 2022), extraordinary bonuses and commissions received in 2023 and allowance 2023. Compensation in kind and compensation for telecommuting expenses are not included.
- We do not publish for confidentiality reasons those data where there is only one employee in that country with that gender and category), which does not imply that there is no pay gap calculation.

(**) Applying the following category relationship:

LLYC Category	Category added
D General /DG Regional /DG Global Management / Senior Management	General Management Top Management
Management / Senior Consultant	Middle Management
Consultant / Junior Consultant	Consultant / Junior Consultant
Secretarial / Reception	Secretarial / Reception

YEAR 2023

Global salary variation: 23%.

Ratio of first executive compensation vs. average of other employees: 13

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Argentina	General Management			
	Top Management	18.609		33%
	Middle Management	9.105	9.423	3%
	Consultant / Junior Consultant	5.879	6.134	4%
	Secretarial / Reception			

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Brazil	General Management		165.325	0%
	Top Management	52.659	64.472	18%
	Middle Management	25.409	28.999	12%
	Consultant / Junior Consultant	14.547	13.848	-5%
	Secretarial / Reception	19.647		0%

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Chile	General Management			
	Top Management			6%
	Middle Management(*)		35.912	31%
	Consultant / Junior Consultant	17.036	17.667	4%
	Secretarial / Reception			

(*) is explained by the fact that there are more male Managers

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Colombia	General Management	127.237		0%
	Top Management	56.831	48.073	-18%
	Middle Management	26.602	25.695	-4%
	Consultant / Junior Consultant	13.105	12.210	-7%
	Secretarial / Reception	9.059		0%

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Peru	General Management			
	Top Management	65.097	68.464	5%
	Middle Management	31.593	28.946	-9%
	Consultant / Junior Consultant	16.003	15.985	0%
	Secretarial / Reception			

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Ecuador	General Management			
	Top Management			
	Middle Management	33.912		0%
	Consultant / Junior Consultant	17.039	16.930	-1%
	Secretarial / Reception			

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Spain	General Management	144.162	139.087	-4%
	Top Management	82.010	95.888	14%
	Middle Management	41.451	41.435	0%
	Consultant / Junior Consultant	24.060	23.938	-1%
	Secretarial / Reception	28.013	19.703	-42%

Secretarial / Reception: the men in this category are really assistant.

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Portugal	General Management			40%
	Top Management	59.333		0%
	Middle Management	32.663	38.196	14%
	Consultant / Junior Consultant	18.656	19.801	6%
	Secretarial / Reception	22.071		0%

General Management: is affected by corporate positions that provide services from Portugal for the entire company.

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Mexico	General Management		229.510	48%
	Top Management	74.292	94.486	21%
	Middle Management	38.080	37.081	-3%
	Consultant / Junior Consultant	18.557	18.824	1%
	Secretarial / Reception	17.950	12.688	-41%

General Managements: affected by being made up of a female general manager and men with regional general manager category

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Panama	General Management			0%
	Top Management	76.154		0%
	Middle Management	34.148	30.402	-12%
	Consultant / Junior Consultant	18.555		-3%
	Secretarial / Reception			0%

Country	Categories	Average compensation		Variation Salary
		F	M	
Dominican Republic	General Management			0%
	Top Management			0%
	Middle Management	19.605	32.998	41%
	Consultant / Junior Consultant	12.416	13.559	8%
	Secretarial / Reception			-73%

Middle Management: affected by being made up of female Senior Consultants and male Managers.

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Miami	General Management			22%
	Top Management	129.778	172.348	25%
	Middle Management	77.130	70.668	-9%
	Consultant / Junior Consultant	55.803		0%
	Secretarial / Reception			49%

YEAR 2022:

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Argentina	General Management		97.856	47%
	Top Management	21.885	23.987	9%
	Middle Management	12.235	14.755	17%
	Consultant / Junior Consultant	6.530	11.705	44%
	Secretarial / Reception			

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Brazil	General Management		129.848	-
	Top Management	41.113	52.107	21%
	Middle Management	19.897	22.704	12%
	Consultant / Junior Consultant	12.356	11.634	-6%
	Secretarial / Reception			

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Chile	General Management			0%
	Top Management			-28% (*)
	Middle Management	31.887	24.088	-32%
	Consultant / Junior Consultant	17.117	18.563	8%
	Secretarial / Reception			0%

(*) We only have one person per category and sex in this country and the woman received an extraordinary bonus that generates this %.

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation
		F	M	
Colombia	General Management	110.653		-
	Top Management	43.709	34.334	-27%
	Middle Management	22.200	21.744	-2%
	Consultant / Junior Consultant	11.730	11.970	2%
	Secretarial / Reception	7.128		0%

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation % Wage Variation %
		F	M	
Ecuador	General Management			0%
	Top Management			29%
	Middle Management	32.811		0%
	Consultant / Junior Consultant	16.632		20%
	Secretarial / Reception			0%

We only have two men in Ecuador, a Top Management and a Consultant (data cannot be shown for confidentiality reasons).

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation % Wage Variation %
		F	M	
Spain	General Management	111.788	126.673	12%
	Top Management	81.879	91.766	10%
	Middle Management	39.359	39.899	1%
	Consultant / Junior Consultant	23.564	24.064	2%
	Secretarial / Reception	25.474	20.137	-26%

Secretarial / Reception: the men in this category are really assistant.

Country	Categories	Average compensation		Wage Variation % Wage Variation % Wage Variation % Wage Variation %
		F	M	
Portugal	General Management			0%
	Top Management			16%
	Middle Management	33.989	36.720	7%
	Consultant / Junior Consultant	18.760	18.889	1%
	Secretarial / Reception			0%

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Mexico	General Management		212.628	52%
	Top Management	64.336	76.611	16%
	Middle Management	34.044	31.291	-9%
	Consultant / Junior Consultant	16.094	17.039	6%
	Secretarial / Reception	15.655	11.663	-34%

General Managements: affected by being made up of a female general manager and men with regional general manager category

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Miami	General Management			0%
	Top Management	111.101	109.280	-2%
	Middle Management	48.571		20%
	Consultant / Junior Consultant	36.580	35.955	-2%
	Secretarial / Reception			0%

In Miami we do not report the salary of the Executive Director as it is a specific position in this operation and is a single employee.

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Panama	General Management			0%
	Top Management	92.800		-16%
	Middle Management	41.616		-12%
	Consultant / Junior Consultant	18.879	18.503	-2%
	Secretarial / Reception			0%

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Peru	General Management		165.975	0%
	Top Management	65.170	61.452	-6%
	Middle Management	29.770	29.958	1%
	Consultant / Junior Consultant	15.803	15.504	-2%
	Secretarial / Reception			0%

Country	Categories	Average compensation		Wage Variation
		F	M	% Wage Variation
Dominican Republic	General Management			0%
	Top Management			33%
	Middle Management	26.342	32.270	18%
	Consultant / Junior Consultant	15.018	14.586	-3%
	Secretarial / Reception			0%

AVERAGE REMUNERATIONS BROKEN DOWN BY AGE

The table below shows the average compensation by age of LLYC employees in 2023 by country:

(We apply the same calculation criteria as in the previous point).

Country	Age	Average Compensation
Argentina	20-29	6.322
	30-45	11.447
	46-60	19.647
	61-more	
Brazil	20-29	15.840
	30-45	34.774
	46-60	88.187
	61-more	

Chile	20-29	18.290
	30-45	42.166
	46-60	
	61-more	
Colombia	20-29	14.143
	30-45	35.734
	46-60	36.300
	61-more	
Ecuador	20-29	15.946
	30-45	26.422
	46-60	
	61-more	
Spain	20-29	24.812
	30-45	47.758
	46-60	80.684
	61-more	97.433
Lisbon	20-29	19.345
	30-45	35.556
	46-60	71.364
	61-more	
Mexico	20-29	18.105
	30-45	34.178
	46-60	83.074
	61-more	

Miami	20-29	73.057
	30-45	110.794
	46-60	175.100
	61-more	
Panama	20-29	17.773
	30-45	36.319
	46-60	102.442
	61-more	
Peru	20-29	15.585
	30-45	33.345
	46-60	70.525
	61-more	71.025
Dominican Republic	20-29	12.906
	30-45	27.492
	46-60	55.589
	61-more	

The table below shows the average compensation by age of LLYC employees in 2022 by country:

Country	Age	Average Compensation
Argentina	20-29	7.267
	30-45	23.351
	46-60	25.949
	61-more	
Brazil	20-29	9.019
	30-45	25.457
	46-60	50.326
	61-more	18.145*
Chile	20-29	16.258
	30-45	36.373
	46-60	
	61-more	

Colombia	20-29	10.694
	30-45	32.309
	46-60	43.801
	61-more	
Ecuador	20-29	12.642
	30-45	40.276
	46-60	
	61-more	
Spain	20-29	20.310
	30-45	45.817
	46-60	77.078
	61-more	88.580*
Lisbon	20-29	15.015
	30-45	32.016
	46-60	90.352
	61-more	
Mexico	20-29	14.016
	30-45	29.958
	46-60	82.983
	61-more	57.781*
Miami	20-29	37.602
	30-45	68.094
	46-60	185.554
	61-more	
Panama	20-29	15.290
	30-45	38.266
	46-60	87.089
	61-more	
Peru	20-29	11.375
	30-45	41.523
	46-60	105.023
	61-more	
Dominican Republic	20-29	12.416
	30-45	30.571
	46-60	64.536
	61-more	

TOTAL COMPENSATION OF THE BOARD OF DIRECTORS

Total compensation of directors by gender, including variable compensation, allowance and indemnities.

Our Board of Directors is composed of 4 executive directors (1 woman and 3 men) and 5 independent directors (4 women and 1 man). In other words, 55% of LLYC's board of directors is made up of *women*.

The members of the Board of Directors (both executive directors and independent directors) have accrued the following amounts in remuneration for the year 2023:

Year 2023

	F	M
Total Remuneration Board of directors	502.913	1.414.477

Year 2022

	F	M
Total Remuneration Board of directors	426.232	1.297.340

We include the full gross annual salary of the executive directors, not only the salary received for their status as executive directors. It should be noted that it consists of 1 woman (COO) and 3 men whose positions in the firm are: President of the company, Global CEO and CEO of Deep Digital Business. In addition, the latter two are expatriates in Miami, receiving a specific allowance for this condition (allowance).

As for the independent directors, their remuneration is only for their function as directors, so their salary is lower than that of the executive directors. It is made up of 4 women and 1 man and we include their gross salary accrued since January 2023.

The Board of Directors met 11 times in 2023, with an average attendance of 92.92%. At its meetings, all relevant topics related to the Company's activity are discussed: strategic, business, etc. These topics are communicated with the corresponding advance notice on the agenda.

The attendance of directors at meetings of the Board of Directors is as follows:

	2023		2022		2021	
	Assistance	Media	Assistance	Media	Assistance	Media
José Antonio Llorente Herrero	10	90,9%	11	100%	4	100%
Alejandro Romero Paniagua	11	100%	11	100%	4	100%
Luisa García Navarrete	11	100%	11	100%	4	100%
Adolfo Corujo Pérez	10	90,9%	11	100%	4	100%
Mónica Vidal Sanz	10	90,9%	11	100%	4	100%
Elena González-Blanco García	11	100%	11	100%	4	100%
Ana Busto Cano	11	100%	11	100%	4	100%
Barrie Berg	10	90,9%	11	100%	4	100%
Francisco Sánchez Rivas	11	100%	11	100%	4	100%
Global Board of Directors	95	92,9%	99	100%	36	100%

Average annualized remuneration of the Board of Directors' remuneration

For this calculation, we have annualized the compensation of independent directors so that the compensation data for all members of the Board of Directors are comparable. The difference between the average of men and women is explained by the composition of the Board of Directors between executive directors (higher salary and one woman vs. 3 men with the casuistry explained in the previous point) and independent directors (lower salary and 4 women vs. one man).

Year 2023

	F	M
Average Board of Directors	100.583	353.619

Year 2022

	F	M
Average Board of Directors	85.246	324.335

As of December 31, 2023, there are no commitments for pension supplements, guarantees or sureties granted to former or current members of the Board of Directors.

There are no advances to members of the Administrative Body in either of the two fiscal years.

Payment to long-term savings pension systems

LLYC in the United States has a private 401(k) pension plan for all professionals in the different categories, from the first day of employment. LLYC's contribution is 100% up to 4% of the professional's gross salary. In the other operations, the Group did not make any contributions to long-term benefit systems during the reporting period.

New partners

During the year 2023, two professionals with long experience in LLYC, Luis Guericagoitia and Diego Olavarría, joined the firm as partners. In addition, with the acquisition of the company BAM to the firm, Rebecca Bamberger, CEO and founder of the company, also joined as a partner.

4.2 WORK ORGANIZATION

THE FORMULA

During the year 2023, after conducting several focus groups with employees of different categories, ages, countries and departments, LLYC's flexibility, organization and productivity were reviewed, and the result was the relaunch of "The Formula": a way of working adapted to the needs of each individual that makes possible the union between work-life balance and excellence at work. The main objective of the relaunch is that the different measures we have at LLYC are really known and applied.

WHAT EXACTLY DOES THE FORMULA CONSIST OF?

It is a way of working in which adaptation to each person is the most important thing: flexibility, work models and digital disconnection go hand in hand with a customer-centric, innovative and avant-garde vision.



The Formula is our way of understanding work, which allows us to organize ourselves to achieve our goals and maximize our time by combining office and remote work. Through the efficient use of technology we can set up our workspace anywhere, and stay connected with our colleagues and clients.

Maintain spaces and moments for collaboration, learning and collaboration, learning and interaction with the LLYC team.

The main aspects of The Formula are: the 3 working models, the flexibility/WLB and the disconnection guidelines.

WORKING MODELS

- HYBRID MODEL: Combines face-to-face and remote work, with flexibility to choose the days of teleworking, by prior agreement with the area manager.
- 100% OFFICE MODEL: For people who perform functions that, by their nature, require presence in the office. Also available for those who prefer to work exclusively from the office.
- 100% REMOTE MODEL: This is a pilot model available for people who perform functions that do not require a high level of interaction with customers and colleagues, and requires prior authorization from the area manager.

FLEXIBILITY /WLB

- Birthday Day Off: At LLYC, your birthday is a day off to enjoy on your birthday, or the day closest to it if it is a holiday or falls on the weekend.
- Telecommuting during vacation periods: During the vacation periods indicated in each operation, you are allowed to work from home under the defined conditions.
- Flexible working hours: At LLYC, there are flexible start and end times to be agreed with your manager.
- Telework days: The weekly telework days are fixed days and will be agreed with the manager at the time of requesting the hybrid formula. There will be flexibility to change telework days for specific needs, either at the request of the individual (to fulfill a personal commitment, to work from home on a project that requires special concentration, etc.), or at the request of the company (to participate in a team meeting, attend a training, attend a meeting with a client, etc.).
- Anniversaries: At LLYC, we celebrate your time with us. We grant employees who have been with the company for 5, 10 and 15 years several days off to enjoy throughout the year following their anniversary.

DISCONNECTION GUIDELINES

- Training during working hours: Courses organized by the company must take place during working hours at each operation.
- Avoid sending chats/emails after 19:00: At LLYC, we encourage all professionals to avoid sending chats or emails after 19:00 local time. Scheduling emails to be sent the following morning is a good practice.
- Avoid working weekends, vacations or vacations: Promote work/life balance and avoid working during these periods of time.
- Avoid scheduling meetings on Fridays: If possible, it is recommended to leave Friday as a working day without meetings.

- Schedule meetings during working hours: If possible, it is recommended that meetings be scheduled during working hours.

Employees have carried out, in some of our offices, different proposals to increase team engagement.

In Madrid, we have BEYOND LLYC, a group of employees who work voluntarily and anonymously in order to generate a culture of unity among all. This team came up with the idea of holding a paddle tennis tournament among employees, pilates classes or after-work meetings that take place on the first Thursday of every month.

In the Andean Region, they have a motivational group for sports through whatsapp groups that keeps employees active, and in Colombia they have a soccer team formed by some employees of the office that in 2023 has been proclaimed champion of its League.

In BESO's offices, they have another soccer team and sporadically receive classes in some sports that allow them to gather a large number of employees.

NUMBER OF ABSENCE HOURS

In 2023, we had 2,339 days (18,712 hours) of absenteeism due to temporary disability or accidents, and 2,156 days (17,248 hours) of absenteeism due to maternity, paternity and breastfeeding leave.

Regarding the number of occupational diseases or any disease caused by continuous exposure to conditions inherent to their occupation at LLYC, no cases have been reported during the year 2023.

In 2022, we had 6,437 days (51,496 hours) of absenteeism due to temporary disability, accidents, maternity and paternity.

4.3 HEALTH AND SAFETY

OCCUPATIONAL RISK PREVENTION PLAN

LLYC has an Occupational Risk Prevention Plan in the European region (Spain and Portugal), based on the following principles:

- Definition by the company's management of a Prevention Policy with which the entire organization feels identified.
- Designation of the company's organizational structure in Prevention, structuring of the company's own preventive resources and coordination with external technical resources.
- Assignment of responsibilities and functions to the entire chain of command of the company.
- Allocation of resources for preventive activities.
- Establishment of prevention management procedures in the company.

The prevention plan is continuously developed and reviewed together with the external prevention service through scheduled meetings. The prevention plan was initiated at the time of the company's incorporation and is kept up to date as the company evolves.

In Spain it is channeled through the following actions:

- Risk assessment and preventive measures: reviewed at least once a year or when job characteristics change. Last update June 2023.
- Emergency plan: quarterly monitoring.
- Planning of preventive activities: Quarterly monitoring together with the external prevention service.
- Training to all new incorporations in risk prevention in the workplace (Prevention in offices).
- Providing information on risk prevention in the workplace to all new hires.
- Offering company medical check-ups to all new employees.

In Lisbon we have:

- Specific risk assessment performed by a specialized third party company.

- Offering every 2 years of the company medical examination.
- Providing information on risk prevention to new hires.

OCCUPATIONAL ACCIDENTS

During 2023 there have been 2 occupational accidents involving two female employees and of a minor nature (one in Colombia and the other in Portugal). There is no evidence of occupational diseases.

During the year 2022, there was 1 occupational accident (in itinere) of a minor nature.

4.4 SOCIAL RELATIONS

PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS BY COUNTRY

100% of LLYC's employees in Spain are covered by the advertising collective bargaining agreement, which came into force on February 3, 2016. In terms of health and safety, the provisions of this collective bargaining agreement are complied with.

Group companies in Spain do not have legal employee representation. Social dialogue is fluid, and employees' opinions are taken into account in the preparation of the company's talent policies. There is also a Diversity and Equality Committee made up of company and employee representatives who have worked together to draw up new policies and a list of measures to promote equality.

In Argentina, there is an agreement No. 130/75 for commercial employees.

In Brazil there is a collective bargaining agreement for employees of Independent Commercial Agents and Consulting, Expertise, Information and Research Firms. This agreement covers employees from the category of Junior Consultant to Manager. Young Talent have an apprenticeship contract and Directors are partners, for whom the conditions of this agreement do not apply.

In Portugal, the collective bargaining agreement with APAP (Associação Portuguesa de Agências de Publicidade Comunicação e Marketing) covers 100% of employees.

Not applicable for Mexico, Colombia, Peru, Ecuador, Chile, USA, Panama and Dominican Republic.

Country	Agreement	% of employees covered
Argentina	Nº 130/75 of Commercial Employees - São Paulo: Sindicato dos Empregados de Agentes Autônomos do Comércio e em Empresas de Assessoramento, Perícias, informações e pesquisas e de Empresas de Serviços Contábeis no Estado de São Paulo.	40,50%
Brazil	- Rio de Janeiro: Sindicato dos Empregados dos Agentes Autônomos no Comércio e Empresas de Assessoramento, Perícias, Informações e Pesquisa do Município do Rio de Janeiro (Union of Employees of Self-Employed Agents in Commerce and Consultancy, Expertise, Information and Research Companies of the Municipality of Rio de Janeiro).	60,3%
Spain	Advertising Agreement	100%
Portugal	Collective bargaining agreement with APAP (Associação Portuguesa de Agências de Publicidade Comunicação e Marketing).	100%

4.5 TRAINING

Being leaders in communication consulting requires having the best professionals. People capable of providing the best service to our clients, of generating ideas and turning them into value for our firm.

LLYC's training plan was created with the following objectives:

- Focus on LLYC's sales strategy, as well as the importance of being creative.
- Further education/training to ensure that our employees have the most advanced knowledge to subsequently offer the best solutions to our customers.
- Encourage the professional growth of our employees through learning and development.

The detection of training needs is based on:

- Assess the global needs already demanded by the company in 2022 in order to define the main training needs for 2023.
- Define specific local needs with the General Managers of each operation.
- Build a training calendar taking into account all training initiatives and other Brand activities.

- Manage the plan in an integrated manner to maximize the impact on employees.
- To measure satisfaction with the training courses in order to evaluate future improvements.

There are several types of programs:

- Global technical training
- Soft skills training
- Individual programs
- Certifications

By blocks of content, this year's training focused on sales skills, creativity and, with the advent of Artificial Intelligence, on the digitization of employees. Internal and external training was also provided on the following topics:

- Sales skills
- Creativity
- Artificial Intelligence
- GPT Chat
- LLYC Culture
- Diversity and equality
- Digital
- Health and Safety
- Diversity, Equity and Equality

In addition, in 2023, the LLYC Dictionary of Competencies was drawn up, which will be one of the starting points for planning the 2024 training plan.

TOTAL NUMBER OF TRAINING HOURS 2023

During 2023, a total of 313 courses were held, comprising a total of 8,607.75 hours.

The average hours of training per employee at LLYC (1,181 employees) is 7.20 hours. The average number of hours per unique employees who have received training (1,059 employees) is 8.03 hours.

The average cost of training per employee is €228.

The detail of these hours by type of training, gender and professional category is shown below:

2023

		Courses	Assistants	Training hours
Corporate Training	F. Interna	73	1799	2.258,25
	F. External	5	38	67,00
Training region	F. Interna	91	2403	2.969,00
	F. External	144	724	3.313,50
Total		313	4.964	8.607,75

2022

		Courses	Assistants	Training hours
Corporate Training	F. Interna	20	520	629
	F. External	74	697	1.868
Training region	F. Interna	59	1.188	1.463
	F. External	91	1.128	3.819
Total		244	3.533	7.779

TRAINING HOURS BY PROFESSIONAL CATEGORY 2023

Category	Training hours
General Management	256,3
Senior Management	429,0
Address	664,3
Management	1148,0
Senior Consulting	1238,8

Consulting	2146,0
Junior Consulting	1456,5
Young Talent	1094,0
Secretariat/Reception	175,0
Total	8607,75

TRAINING HOURS BY PROFESSIONAL CATEGORY 2022

Category	Training hours
General Management	183,5
Senior Management	647,5
Address	977,5
Management	928,5
Senior Consulting	1.135,5
Consulting	1.659
Junior Consulting	1.556
Young Talent	564
Secretariat/Reception	127
Total	7.779

TRAINING HOURS BY GENDER 2023

Genre	Training hours
Woman	5.560
Man	3.048
Total	8.607,75

TRAINING HOURS BY GENDER 2022

Genre	Training hours
Woman	5.169
Man	2.610
Total	7.779

4.6 UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

The Group's main buildings in Spain, Portugal, Brazil, USA, Mexico, Panama and Santo Domingo have access ramps, elevators and adapted entrances for employees with mobility disabilities.

In Colombia, Peru and Ecuador the buildings have access for people with limited mobility from the garage or from the pedestrian entrance to the offices.

Employees with disabilities

There are 9 people with disabilities in our workforce during the year 2023:

- 7 people in Europe (5 in Madrid and 2 in Barcelona)
- 1 person in Mexico
- 1 person in Brazil.

There were 8 employees with disabilities globally during 2022, 6 in Europe, 1 in Brazil and 1 in Mexico.

4.7 EQUALITY

DIVERSITY MANAGEMENT: EQUAL OPPORTUNITIES, HEALTHY ENVIRONMENT AND NONDISCRIMINATION

LLYC is committed to providing a work environment with equal employment opportunities in terms of hiring, salary, benefits or promotions. There can be no discrimination based on gender, race or ethnic origin, nationality, religion or beliefs, age, disability, sexual orientation, or any other personal or social condition or circumstance.

All the Group's professionals must act in the same way, subject to this principle of equality and non-discrimination. Therefore, professionals will be treated with respect and dignity, and in no case will be subject to any type of physical, sexual, psychological, verbal or any other type of harassment or abuse.

All professionals are committed to maintaining a work environment free of any conduct that could be considered harassment or bullying at work. They must also promote a healthy environment within their offices or facilities. It is strictly forbidden to consume substances considered toxic, such as narcotics or alcohol, which could affect the proper performance of professional duties during working hours or to go to the workplace under the influence of such substances.

All Group members are responsible for collaborating and ensuring that the workplace is free from abusive practices of any kind.

During 2023, the Anti-Harassment Protocol was approved and published, which, among other measures, includes the possibility of sending a complaint or report anonymously to a mailbox created for this purpose and regulated by the company's anti-harassment committee. No complaints or denunciations have been received this year in this regard.

EQUALITY PROTOCOL: PROMOTION ACTIONS

Common guidelines have been established to make LLYC's commitment to gender equality visible at events and promotional activities (<https://llyc.global/nosotros/inversores/gobierno-corporativo/>).

Events

A. **Organized by LLYC.** The following gender equality criteria shall be taken into account in the events organized by the Group:

- Regarding speakers: At least 40% of the speakers (both external and internal) will be women.
- Regarding support staff (internal or external): Whenever possible, event support staff will also be gender balanced with a minimum 60-40 representation.
- Regarding the guests: In order to guarantee a correct balance between men and women also in the attendees, whenever possible, the guest lists should include at least 50% women. In order to facilitate and in parallel, we have implemented a plan aimed at nurturing a greater number of women in our guest lists.

B. **In which LLYC professionals participate.** In the participation of the Company's professionals in external forums, roundtables or panels, in addition to technical convenience, priority will be given to those whose design has a balanced presence of women and men.

In those events where there is not a balanced presence, LLYC professionals will communicate to the organizers that they would feel more comfortable at an event with balanced gender representation. Ideally, it is recommended, in these cases, to decline participation.

C. **Sponsored by LLYC or held at the Company's offices.** The following gender equality criteria will be taken into account at LLYC-sponsored events or those at which the brand appears:

- Regarding speakers: At least 40% of the speakers (both external and internal) will be women.
- Regarding support staff (internal or external): The event support staff will also be gender balanced with a minimum representation of 60-40.
- Regarding guests: To ensure a proper balance between men and women also in the attendees, the guest lists should include at least 50% women.

D. **Events that LLYC organizes for its clients.** As with in-house events, LLYC professionals will recommend best practices in terms of gender equality to their clients in the organization of events. The recommendations will be the same as those that apply to in-house or sponsored events.

E. **IDEAS publications.** As a general rule, IDEAS articles will be signed by the persons who have written the document and the following considerations will be taken into account:

- In order to make talent visible, it will not be necessary for the area leader's signature to be required, so directors and managers will be able to head a publication and send it to the database.
- In publications with more than two authors, gender diversity criteria will be taken into account and at least 30% of the authors must be women.

F. **Participation of LLYC professionals in forums, conferences or the media.** In managing the participation of Group professionals in forums, congresses or the media, gender diversity criteria will also be followed. In order to make female talent visible, when a direct request arrives at the office, at least 50% of the time, the participation of one of the company's female managers will be recommended, even if she is not the leader of the area of specialty. To achieve this, a diversity objective (and KPI) will be included in the promotion team to ensure balanced participation of talent.

Aware that gender equality is only one element of diversity, LLYC in 2020 has designed, under the following parameters, a Diversity and Inclusion Plan approved by the Global Executive Committee and the support of all professional partners.

Our Commitment to Diversity, Equality and Inclusion

At LLYC, we have very present in our DNA the relevance of Diversity, Equality and Inclusion as they are some of the fundamental bases that allow us to have the best talent and to provide the best solutions to the client, always generating an environment of respect and teamwork. In this sense, LLYC has done a great job in 2023 and put in writing both its Commitments and the Anti-Harassment Policy.

First of all, we can highlight that the LLYC Group companies have drawn up the Commitments to Diversity, Equality and Inclusion as a basic document for all our operations. The main objective is to set out in writing several of LLYC's pillars in terms of DEI, which have been present in the company since its creation.

The main pillars are as follows:

- We value the diversity of perspectives to offer a differential proposal to our clients through our transformative projects.
- We promote an inclusive culture, where the individual and collective growth of our teams is our priority.
- We work to eliminate barriers and ensure equal opportunities for all.
- We foster a diverse, fair and respectful environment, where integration and recognition of merit are key.

It includes 11 commitments to ensure gender equality in the company: recruitment, communication and awareness, culture and leadership, promotion, visibility of female talent, equal pay, training, work-life balance and co-responsibility, and prevention of sexual and gender-based harassment.

The document containing the Commitments to Diversity, Equality and Inclusion was published in June 2023. (<https://llyc.global/nosotros/inversores/gobierno-corporativo/>)

In addition, in March 2023, the Equality Plan was published in Spain, which includes the commitments, the current diagnosis on Equality and defines the following objectives to guarantee equal opportunities:

- Ensure equal access to employment.
- Guarantee the absence of discrimination on the basis of sex.
- Facilitate the access of women and men to all categories and departments of the company.
- Encourage internal promotion and selection in order to achieve a balanced representation of women in the workforce.
- Training and information on equal treatment and opportunities.
- Guarantee the principle of equal pay.
- Facilitate co-responsibility and the reconciliation of personal, work and family life.
- Ensure the use of inclusive language in internal and external communications.
- Promote equal opportunities at all organizational levels through communication and training activities.
- Prevent sexual and gender-based harassment in the workplace.

This document also establishes a monitoring and evaluation plan to ensure compliance.

4.8 DIVERSITY MANAGEMENT

AT THE STRATEGIC LEVEL

LLYC, as a socially responsible company, assumes the achievement of those Sustainable Development Goals (agreed by the UN in September 2015) that are more directly related to our activity and that connect with the policies of our Strategic Plan 23-25, which define the areas of action in which we want to advance and how we want to be as a company.

In this context, LLYC has set a new strategy to address the various challenges posed by our commitments to Diversity and Inclusion.

AT THE TACTICAL LEVEL

Three fundamental actions:

- Broaden the focus of the concept of "diversity". Broaden our commitment to diversity beyond the gender perspective by addressing other sensitivities such as race or ethnicity, sexual orientation, age and/or disability. Talent is not distinguished by any of the above attributes. The individuality and uniqueness of each person is important.
- Move forward accompanied by experts. Identifying and counting on whom (advisors, associations, etc.) can help us to be effective and move forward quickly in each operation.
- GLOCAL Plan. Global plan led by Talent that combines local actions and advances that lead the regions and can be extrapolated to other geographies (prioritizing doing).

AT THE OPERATIONAL LEVEL

The most relevant global actions that we have agreed to implement are:

- Employee Survey: LLYC Experience to be held in May 2024.
- Identification of experts/partners/networks/associations or affinity groups for each of the identified groups (e.g. REDi, HRC, Fundación Diversidad and others).

4.9 CONCRETE ACTIONS AND RESULTS 2023

The following are some of the actions carried out during the year 2023:

LLYC's unwavering commitment to diversity

We are a company committed to LGTBIQ+ diversity and its visibility, both inside and outside the workplace. Proof of this are the alliances we have established with diversity partners such as REDI in Europe, Pride Connection in the Northern and Andean Region and INCLUI CIEE in the Southern Region. As a result of working with these partners, the opportunity arose to collaborate through the LLYC Foundation with REDI in the "Transparent" project for the Foundation and December 26th.

In addition, LLYC promotes inclusion not only through training but also through the creation of diversity committees and plans.

Alliances:

- Europe: REDI, for the creation of a plan that focuses on awareness and specific training on biases. This Association gave a talk at the Madrid offices on November 6, 2023. Project "Transparentes" of Fundación LLYC in collaboration with REDI and Fundación 26 de Diciembre for the social and labor insertion of the Trans collective. Measurement of the level of diversity and innovation in the Innodiversity Index 2022 of Fundación Diversidad and Fundación IE, obtaining an average score above the market.
- Northern Region: Pride Connection in Mexico and Panama. Participation in the Building Inclusive and Diverse Companies Forum in Panama. Support for the Mexican LGBT Foundation and ADIL. Trans recruitment fairs. A Diversity Awareness Talk by César Casas Ferrer (speaker for the Mexican LGTBIQ+ Federation) took place in June, which had a global audience but was coordinated from there.
- Andean Region: Pride Connection Collaboration in Peru
- Southern Region: In Brazil there is a Diversity Committee which holds conferences on different topics. During the year 2023, 5 conferences were held on different topics: women, LGTBIQ+, harassment, people with disabilities and ethnic diversity.

Boosting creativity

LLYC, through its Creativity Project, focuses on boosting Creativity as a competitive advantage for the company. Creativity plays an important role in the company's day-to-day business and wants it to play an increasingly important role.

The project, focused on the creative transformation of the company, has promoted different actions in four areas: leadership, talent, space and impact.

Likewise, through this project, different training experiences have been promoted outside the daily environment of the company's employees, so that they become transformational opportunities to share with their teams and with the company.

During this year, the first "Creativity Week" was launched with different actions aimed at developing this competence in the company's employees. During these days, talks were given by different managers and people from outside the company on this subject. Employees were encouraged to share their creative talents outside the company's work environment, inviting their colleagues to different activities such as tasting sweets or sharing artistic creations. In addition, all employees who wanted could have an illustration of themselves (physically or virtually) made by artists who came to the different offices, which they shared on social media under the hashtag #LLYCreativity2023.

Challengers 2.0 Program

During this year, the Challengers 2.0 Program was implemented and consolidated within LLYC, a program led by the Talent area, designed by and for Young Talents (JT) and Junior Consultants (CJ).

At LLYC, we want to accelerate your career and provide you with the resources and tools you need to reach your goals and achieve your professional development. This allows LLYC to build its future consultants from the ground up and reduce turnover in these specific categories.

The program began to be implemented in the most junior categories of the offices, excluding acquisitions (BESO, CHINA and Apache) and Deep Digital staff, where it is being implemented according to the needs and budget plans of each office. In Deep Digital the measures started to be implemented as of July 2022.

During 2022, 8 focus groups were held (4 focus groups with Challengers and 4 focus groups with Managers) to test how the measures were being implemented among the categories that are part of the program and to detect possible improvements in the different actions carried out. Following this review, several key measures of **global** application were modified to provide greater flexibility for countries according to local realities, and to give young professionals more time to show what they can contribute, and their managers more time to appreciate their efforts and help them grow.

Specifically, we highlight two of the main KPIs, obtained during 2023 on the Challengers program:

- The implementation rate of the measures at a global level has been over 85%.
- The undesired turnover of this group has decreased by 3% compared to 2022, with the undesired turnover in 2023 being 18% for Challengers.

Dictionary of competencies

During this year and with the help of BOYDEN, an external consultant, a dictionary of LLYC competencies has been designed and implemented. The final document was designed with the collaboration of company employees in key positions in order to define the competencies that have been included in the dictionary.

The document defines the key competencies of our employees and the behaviors associated with each of the competency levels, so that each employee can work on specific objectives to develop them.

A distinction has been made between transversal competencies that all company employees must have and those specific to each area of expertise.

With this new tool, employee development objectives are better defined and it serves as a basis for other projects such as Performance Review, Recruitment or Training.

Performance Review (New Performance Evaluation Process and Objectives)

The performance evaluation process is key for the company and employees to work in alignment and make the most of the opportunities for feedback and professional growth. By receiving feedback from our managers, we can focus on areas of improvement and reinforce our strengths to continue growing professionally.

During 2023, the performance and objectives evaluation model has been redesigned to create a model aligned with best practices and that allows evaluating people in a user-friendly process and according to the key competencies that LLYC defined for its employees. This entire process is done digitally on our employee platform.

Modelo mixto | Competencias y objetivos

¿EN QUÉ CONSISTE? Se le evaluará tanto por competencias como por objetivos para proporcionarle una visión completa de su desempeño y progreso.



As an exception, BAM will perform the 2023 assessment according to the model they already had before the integration and will implement the new model in 2024.

This new model is based on a mixed model, which consists of evaluating by both competencies and objectives to provide you with a complete view of your performance and progress, while aligning your behavior and actions to achieve results.

In this new model, competencies have been classified into different types according to their characteristics and areas of interest:

Cross-cutting Competencies
Common to all LLYCERS

c. Specific
By area of speciality

COMPETENCIAS CONDUCTUALES: centrarse en CÓMO aplica la persona los conocimientos		COMPETENCIAS TÉCNICAS: centrarse en QUÉ conocimientos necesita la persona	
COMPORTAMIENTO	LIDERAZGO	TÉCNICA	TÉCNICA
Para todos los empleados de LLYC y pretenden reflejar los comportamientos que encarnan la cultura de LLYC y responden al posicionamiento estratégico definido .	Las competencias de liderazgo corresponden a los niveles jerárquicos con actividades de gestión . Sin embargo, en una perspectiva a largo plazo, es importante que todo el mundo las conozca.	Competencias técnicas que determinan la pericia "la forma de trabajar de LLYC" en todos los niveles jerárquicos .	Las competencias técnicas están relacionadas con las exigencias de las tareas diarias y, por tanto, están fuertemente asociadas a las características técnicas de cada área de especialidad . Se agrupan por familia funcional.
Niveles de competencia			
1 - PRINCIPIANTE	2 - INTERMEDIO	3 - AVANZADO	4 - EXPERTO

Regarding objectives, the SMART model has been applied to our objective setting process to improve clarity, focus and measurability, ultimately driving us towards greater achievement. Objectives are a formal description of what we aim to achieve during the evaluation cycle. Defining them involves planning the achievement of results that are expected to be achieved through the development of certain actions.

The objectives will be defined in accordance with LLYC's annual business plan and will be differentiated by hierarchical levels.

- The definition of the Objectives must reflect the Organization's Objectives, broken down in cascade.
- Everyone at LLYC will work towards a common goal (global corporate objectives) in a logic of cooperation to achieve results.
- This means that as individuals set and achieve their objectives, they contribute directly to the achievement of the organization's broader objectives.
- To define the objectives we will have available a dictionary of objectives that is structured with this typology of objectives and are examples that we can choose if they correspond to the objectives of our area.
- A guide will also be available in the introduction section of the form that will have all the details of the complete process of defining objectives.

There are 6 types of objectives: leverage, sales, business, operational, finance and leadership.

New Onboarding, Offboarding and Recruitment processes

In order to ensure that all employees have the best possible and similar experience in the various operations, the Recruitment, Onboarding and Offboarding processes have been reviewed and unified globally and implemented in all Group offices.

In addition to defining the processes, the people or teams involved and the responsibility of each department in the different tasks that complete the process, the entire company has been informed so that they are aware of the new processes.

Both the reference documents and a recording of the training given have been made available on the internal intranet to publicize them.

At LLYC, it is very important to keep improving continuously, so we wanted to complement the launch of these processes with several satisfaction surveys that we send to employees who join and leave the company voluntarily.

Compensation and Benefits Projects

During the course of 2023 in the area of Compensation and Benefits, various projects have been launched with the aim of establishing the Talent team's strategy in this area.

Two new policies have been designed, Salary Review Policy and International Mobility Policy, which allow us to standardize both processes in all the group's offices. In addition to adapting our variable compensation system to the new challenges.

Together with the financial department, SAC has been implemented for the preparation, design, follow-up and control of budgets.

In Argentina, a new Remuneration Model has been created to address the challenges presented by that particular office in this area.

4.10 RESPECT FOR HUMAN RIGHTS

The Group's ethical principles, policy and corporate culture oblige it to comply with and respect the fundamental rights of people and to act meticulously in accordance with labor legislation and standards, as well as to act demonstrating responsibility with the international conventions of the International Labor Organization (ILO), the United Nations Global Compact and the Sustainable Development Goals set by the UN.

The Group is committed to complying with the laws in force in all the countries in which it operates, respecting human rights and rejecting any type of child, forced or compulsory labor.

As a means of control and prevention, the companies belonging to the Group are informed of their obligation to respect labor standards and norms with all employees.

The Group, therefore, seeks to generate an environment capable of correcting any action against human rights.

There is a whistleblower channel in case of violation of the Code of Ethics or the Anti-Corruption Policy by LLYC, its professionals, partners, managers, suppliers or employees through which any violation of the Code of Ethics or the LLYC Anti-Corruption Policy can be reported, including those related to the respect of Human Rights.

In April 2023, the group published a new policy on sexual and gender-based harassment, whose commitment is summarized in promoting practices that make the work environment a welcoming, respectful, healthy and safe space for all the people who make up the group, committing to provide workplaces free of all forms of harassment, violence and discrimination, including sexual and gender-based harassment. The policy includes six guarantees that favor the reporting of these facts, protecting the victim of the same, and a procedure is created to deal with cases that may arise, including an anonymous complaints channel managed by an anti-harassment committee created for this purpose.

(<https://llyc.global/nosotros/inversores/gobierno-corporativo/>)

In the course of the year 2023, no complaints of possible human rights violations related to the activity of the LLYC Group have been received, nor are there any reports of such violations.

5. COMPANY INFORMATION

5.1 AWARDS AND RECOGNITIONS RECEIVED

The work done with our clients has been recognized with more than 890 awards in the main international and national competitions of the communication and creativity sector throughout our trajectory. Among the most outstanding competitions are the Cannes Lions, CLIO Awards, New York Advertising Awards, Andy Awards, El Ojo de Iberoamérica, Brand Film Festival, SABRE Awards, International Business Awards, IPRA Golden Awards or the Effie Awards, among others.

During the last year, we have received a total of 71 awards as proof of the creativity and effectiveness of the projects presented. In addition, we have been recognized in different rankings and contests as the best Agency of the Year.

In terms of ESG, in 2023 LLYC was rated by two ESG rating providers: Refinitiv and Clarity Ai.

In the case of Refinitiv, the company's rating for 2022 was "B" in the ESG Score, with a score of 60.16 points out of 100. LLYC is ranked 38th in the world ranking of companies evaluated with an ESG perspective by Refinitiv in the Media & Publishing category. LLYC's ESG rating for 2023 will be prepared by Refinitiv once the annual accounts and NON-FINANCIAL INFORMATION STATEMENT 2023 are published.

On the Clarity Ai platform, LLYC ended the year 2023 with a score of 76 points out of 100, leading the Advertising category according to the comparison of the platform specialized in ESG information and benchmarking for international investors.

Rankings and awards in People and Talent

- LLYC is once again the preferred communications consultancy to work for in Spain in the BEST AGENCY TO WORK FOR 2023 ranking prepared by SCOPEN according to the sector's own professionals.
- BESO continues to be part of the ranking "Best Agency to work for in Mexico" by The Great Place To Work Institute, in the category of Professional Services in companies with 50 to 500 employees.
- In the Merco (Companies) ranking, a global evaluation that integrates the perception and assessment of 26 information sources with the reality of reputational merits, we have reached 5th place in the Consulting sector.
- It has achieved a place in Actualidad Económica's list of the 100 best companies to work for in Spain and in Forbes magazine's list of the 75 best companies to work for in Spain. Tiago Vidal has also been named as one of the best Human Resources managers by Forbes magazine.

- For the third consecutive year, BESO has been certified as a Socially Responsible Company.
- BESO has also been awarded the Bronze Workplace Wellness Award. This award will be valid for 2 years and recognizes the efforts to build a healthy organizational culture.
- In terms of rankings associated with diversity in Mexico, we have once again obtained the HRC Equidad MX ranking (best places to work LGBTQ+) and 41+1 LGBT+ Business Expansion.

	<p>LLYC obtains a rating of "B" with a score of 60.16 points in the overall computation of its ESG assessment for the information reported on 2022.</p>
	<p>In 2023, LLYC finishes with a score of 76 points out of 100, leading its peers category in Adversiting.</p>
	<p>In 2023 LLYC extends its commitment to the Global Compact and becomes a signatory from the Spanish network with coverage for the rest of its subsidiaries.</p>
	<p>In 2023 the Mexico and BESO offices have received certification from the Human Rights Campaign (HRC) - Equidad Mx Foundation as 'Best Places to Work LGBTQ+' in Mexico.</p>

5.2 LLYC FOUNDATION

Since the beginning of LLYC's activities in 1995, the Firm has been committed to the society by developing solidarity initiatives to generate a positive impact. In 2016, the Group took a step forward and materialized a project that combines solidarity and the illusion of everyone the professionals who are part of the Firm: LLYC Foundation.

LLYC Foundation is a project of LLYC and its professionals, whose mission is to contribute to generate social value through communication and transformative creativity from the expertise of our professionals.

Our corporate volunteering project allows professionals in the 12 countries where the company operates to contribute their knowledge to projects with a positive social impact in order to transform realities with their most creative ideas. Under a "1+1" model, employees give one

hour of their personal time to the Foundation for every hour the company gives of its working day.

LLYC Foundation understands that corporate responsibility is not only about generating economic value, but at the same time it must contribute to generate social value in the long term and in a sustainable way, taking the initiative and making a difference.

The Board of Trustees is the governing and representative body of the Foundation. the approval of the action plan and the annual accounts, as well as the establishment of the lines of action for

The general information on the distribution and application of the available funds.

It meets twice a year to review the progress of the Foundation and evaluate new proposals, although it has the power to call additional meetings in case it is necessary to analyze new proposals. The Foundation also has a President who represents the Foundation before all kinds of persons, authorities and public or private entities, convenes and presides over the meetings of the Board of Trustees and, if necessary, arranges for the execution of the agreements.

The Foundation focuses its action on amplifying projects of organizations that respond to social and environmental causes and support democracy to change realities by telling stories through creativity, giving them reach through technology.

In 2023, Fundación LLYC supported 38 social entities through 4 projects that benefited more than 1,370 people in the 12 countries where the firm is present. For their part, 443 LLYC professionals volunteered 1,525 hours of their personal and work time to carry out these activities.

During the year, it focused its efforts on contributing to the Sustainable Development Goals of "Quality Education" (SDG 4) through its Voces Futuras project at a global level with young people at risk of exclusion.

Voces Futuras is the Foundation's global project which, through the volunteer work of its members, aims to professionals, helps children at risk of social exclusion to reinforce their soft skills. skills linked to communication and public speaking, with the aim of providing them with useful tools. to face their personal and professional future with more confidence. In 2023, the project was carried out in the 12 countries in which the Firm operates. More than 120 volunteers put their knowledge and expertise at the service of 15 social organizations, contributing to the training of 594 young people.



We have also contributed with our expertise to create the "Doors of Hope" project, an initiative that seeks to make visible the resilience, courage and effort of people from the LGBTIQ+ community who had to flee their homes due to physical or psychological violence, leaving a door behind, to open new ones in search of authenticity. LLYC Foundation has developed this project for the Casa Frida shelter with the support of the renowned Hilario Galguera Gallery, which brings together people from the LGBTIQ+ community with various national and international artists to give a reinterpretation of their stories using the doors of the houses that were closed to them as a canvas.

The project has generated great reception in the media with more than 50 impacts. In addition, on social media the project has generated more than 3 million impressions and an estimated reach of 500 thousand people. The video of the initiative has more than 85 thousand views on Youtube.



In addition to the projects related to education and diversity, throughout 2023 the Foundation has collaborated with other entities in different campaigns of donation of toys, school supplies or food, such as Asociación Amigos en la Calle (Argentina), Lar Evangélico de Amparo (Brazil), Fundación Soñar Despierto (Barcelona), Fundación COANIL (Chile), Fundación Soñar Despierto (Colombia), Fundación Nuestros Jóvenes (Ecuador), Fundación Capacis and Soñar Despierto (Madrid), Banco de Tapitas (Mexico), Instituto Oncológico Nacional (Panama), Iglesia Esmirna Lima Sur (Peru), Comunidade Vida e Paz (Lisbon), Academia La Javilla (Dominican Republic) and Hermanos de la calle (United States).

Likewise, in line with Sustainable Development Goal number 17 "Partnerships for achieving the Millennium Development Goals

LLYC Foundation is committed to joining forces with other entities in the field of reference in the sector. Thus, in 2023 LLYC Foundation has joined the Mexican Center for Philanthropy CEMEFI, which seeks to promote corporate social responsibility in Mexico and Latin America.

The Foundation is a member of the AEF (Spanish Association of Foundations) with the aim of bringing together the foundation sector and building synergies that enhance and amplify social impact; as well as Corresponsables, a media specialized in CSR. It has maintained an alliance with the Organization of Ibero-American States (OEI) since 2021 and is a member of the "Alianza País Pobreza Infantil Cero", promoted by the Spanish government's High Commission against Child Poverty, which seeks to guarantee inclusive, quality education in safe environments for the youngest children.

Over the past seven years, Fundación LLYC has carried out a total of 78 projects that have 4,136 people directly assisted, thanks to the volunteerism of the professionals of the group. Three projects in which the company has collaborated directly have been recognized with the following awards: "Covid Robot" was chosen in 2020 as the project of the year at the Nit Robòtica de Enginyeria and that same year the project "David19" received a bronze Stevie Award in the category *Most Valuable Non-profit Reponse*. In addition, "Transparentes" has been recognized in 2022 as one of the 100 Best Ideas by Actualidad Económica of the newspaper El Mundo; awarded in the social category of the Impacte Awards of the Association of Marketing

and Communication of Catalonia; and awarded in the communication category of the AEF Awards of the Spanish Association of Foundations.

In 2023, between all the projects developed in Spain, a total of 1,415.05 professional consulting hours were contributed to society, equivalent to 182,389.95 euros.

5.3 ASSETS IN THE COMPANY

In addition to the activities of the LLYC Foundation, the Company is actively involved in initiatives and commitments in various thematic and geographic areas.

In 2023, LLYC has renewed and expanded its commitment to the United Nations Global Compact so that from the local networks in Spain and Brazil it has global coverage in all its subsidiaries (except the Dominican Republic). It reports its progress report from all subsidiaries to the local networks based on the progress of the Ten Principles and the 17 Sustainable Development Goals that make up the 2030 Agenda.

The Company also participates in different organizations aimed at promoting economic, social and environmental progress. As an example of the type of associations to which LLYC belongs, the following is a list of organizations in Spain that include the company among their members:

- European Journalists Association
- Hering Schuppener
- Fide
- Renowned Brands Association
- 100 Women Leaders
- Branded Content Marketing
- Dircom
- Brazil Chamber of Commerce
- Madrid Future
- Entrepreneurial Circle
- REDI Association
- Public Affairs Council

- Creative Club
- Institute Board of Trustees
- Ypo Young Presidents Association
- Circle of Trust
- DEC Assoc

As a member of various professional associations, LLYC has contributed a total of 170,757.13 euros in dues to these entities (in 2022 an amount of 208,502.67 euros).

Globally, we sponsored the PRWeek Global Awards 2022, global communication awards held on January 27 in London; and the Sabre EMEA 2022, one of the main PR awards on February 15 in London. In Spain, we were again at Wake Up Spain as a communication partner, from April 4 to 8, 2022.

In Latin America, the Colombia operation sponsored the following events:

- GEMA 11/2/21: Quotas in lunch, advertisement in web page, logo in call, mention in social media and spot.
- CMO IABDAY 5/25/21: 20 mins conference, mention in networks, 20 secs sopt, web note.
- CMO Tracker event 6/14/21: Conference 30 mins, logo in call, mention in networks, spot 20 sg, web note.
- Copublicitarias: content dissemination service
- Event + Cartagena 10/27/21: airfare, lodging, event, transportation (4 pax.).

The Dominican Republic operation, meanwhile, sponsored the Fiesta Nacional de España at the embassy; an annual gathering to fraternize on the occasion of the national holiday of October 12.

Finally, in Panama, we sponsored a conversation on economics and the presentation of the UNO Magazine with the client BDO (auditors) on August 25, 2022.

5.4 SUBCONTRACTING AND SUPPLIERS

In its Code of Ethics, the Group emphasizes its commitment to comply with regulatory standards and current legislation, both in our activities as a business group and in our relations with customers and suppliers. This includes respectful and non-discriminatory behavior towards any third party.

As a company, we only do business with customers or suppliers engaged in commercial activities carried out under the Law, whose funds come from legitimate sources and do not discriminate in any form on the basis of gender.

5.5 CONSUMERS

LLYC complies with current legislation in this area, but due to the activity to which it is dedicated and the type of clients, which are not individuals but legal entities, this point does not imply significant social impacts.

Between October and November 2023, LLYC launched a survey of 664 clients across its offices in Europe and the Americas to find out their level of satisfaction. The questionnaire, which allows clients to highlight points for improvement, asked for their rating on areas for service improvement, LLYC's value contribution to the client's business and reputation, how LLYC can help manage key client challenges or the usefulness of the consultancy's service offering to the client's work.

The average rating was 8.5 out of 10. The Net Promoter Score (Net Promoter Score) was 48.2%, well above the figure for the previous year (32%). Another relevant fact from the survey is that clients rate LLYC's contribution to their business with an average of 4 out of 5.

In addition to the satisfaction survey, customers have the possibility of transmitting complaints to the LLYC teams with which they interact.

5.6 TAX INFORMATION

In 2023 and 2022 LLYC complied with its enforceable tax obligations established by the tax authorities in all countries in which it operates.

The Group's earnings, taxes and subsidies are as follows:

Concept	Volume (€)	
	2023	2022
Earnings before income taxes	12.355.306,70	10.304.172,90
Taxes on profits	-3.183.819,61	-2.919.982,05
Public subsidies received	-	-
Equity	40.188.884,61	35.310.339,24
Total Assets	88.005.955,04	72.646.505,78
Total Liabilities	47.817.070,43	37.336.166,54

The benefits per country in 2023 and 2022 have been:

Country	Total (€) 2023 (*)	Total (€) 2022 (*)	Variation (*)
Spain	8.317.612,09	9.935.966,21	-1.618.354,12
Portugal	660.528,99	531.003,99	129.525,00
Argentina	-66.228,07	-55.270,93	-10.957,14
Brazil	-400.695,60	67.053,92	-467.749,52
Colombia	664.882,70	600.321,36	64.561,34
Dominican Rep.	154.920,16	136.956,02	17.964,14
Ecuador	108.606,06	100.782,15	7.823,91
Peru	-14.274,69	625.686,73	-639.961,42
Mexico	984.221,89	570.561,55	413.660,34
Panama	304.877,21	239.852,50	65.024,71
United States	2.041.104,33	488.397,41	1.552.706,92
Chile	-32.192,00	-308.373,01	276.181,01

(*) Data are aggregated

The accrued income tax expense by country in 2023 and 2022 were:

Country	Total (€) 2023 (*)	Total (€) 2022 (*)	Variation (*)
Spain	1.347.232,49	1.354.115,00	-6.882,51
Portugal	196.500,73	151.617,82	44.882,91
Argentina	-18.368,92	-61.174,42	42.805,50
Brazil	188.818,52	348.927,85	-160.109,33
Colombia	388.295,24	403.846,31	-15.551,07
Dominican Rep.	92.111,28	88.544,42	3.566,86
Ecuador	124.661,92	84.300,92	40.361,00
Peru	11.441,39	306.652,55	-295.211,16
Mexico	699.680,91	136.316,50	563.364,41
Panama	101.625,75	152.433,55	-50.807,80
United States	25.431,00	0	25.431,00
Chile	26.389,30	-45.598,45	71.987,75

(*) *Aggregate data*

5.7 INFORMATION RELATING TO REGULATION (EU) 2020/852

For LLYC, the publication of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investments is a reference that helps create certainty and transparency for investors, while supporting companies in planning a roadmap towards net-zero emissions.

In this regard, LLYC is fully committed to reporting on the application of this Regulation (Article 8 of the Taxonomy Regulation and subsequent delegated acts further specifying the content, methodology and presentation of the information to be disclosed by both non-financial and financial institutions).

The Organization has internally developed an analysis to determine the applicability of this regulation following the following steps:

Identification of eligible economic activities

2. Analysis of the alignment of eligible economic activities with the taxonomy.

The results of the above items are shown below:

1. As a result of this analysis, it is concluded that due to the type of sector and activities that LLYC currently develops (communication and public affairs consultancy, which helps its clients to make strategic decisions proactively, with the necessary creativity and experience, and to execute them while minimizing risks, taking advantage of opportunities and always considering the reputational impact), the economic activities of the consolidated group are not contemplated among the activities identified as eligible by the European Union (EU) Taxonomy as a substantial contributor to the environmental objectives specified in the Regulation and, therefore, no criteria have been developed for the same.

In addition, LLYC does not provide information and communication technology services as such, nor does it market data hosting services, computer tools or applications. LLYC provides its marketing and corporate affairs consulting services with tools acquired from external suppliers and does not have its own data centers. The consolidated group's activity as a whole falls under NACE M70.2.1 (Public relations and communication activities), which is not included as an eligible activity in the Taxonomy Regulation.

Therefore, as far as the Taxonomy Regulation has been developed to date, all of LLYC's significant activities qualify as ineligible. Specifically, the data processing activity, which LLYC performs through the Deep Learning area, qualifies as eligible. Turnover from the Deep Learning area accounted for 2.8% of LLYC's total turnover in 2023.

2. Once LLYC's significant activities have been classified as ineligible, an analysis of their alignment with the taxonomy has not had to be performed. Regarding the data processing activity developed by the Deep Learning area, although it does not represent a significant part of the turnover, its eligibility has been considered and its degree of alignment has been evaluated. The analysis has not allowed to detect whether the data centers - which are not owned by LLYC - used for the indicated activities meet the criteria of substantial contribution to the objectives set out in the regulation, as established in the Commission Delegated Regulation 2021/2139.

Therefore, it has been determined that the data processing activity that is part of LLYC's services is not aligned at year-end 2023 with the taxonomy criteria.

Although LLYC's significant activities qualify as non-eligible under the aforementioned Taxonomy Regulation and its developments at the close of 2023, the company is fully aligned with the objective of minimizing environmental impact to the best of its ability, as well as driving the alignment of eligible activities, as evidenced throughout this document.

6. INNOVATION

At LLYC we invest in innovating and putting technology at the service of business, generating advanced analytics and data for our clients, with the objective of implementing competitive advantages in their communications and marketing. We seek to create solutions and develop services that can transform our business model as a communications, marketing and public affairs consultancy. We provide our clients with knowledge and services developed both in-house and in the most innovative startups.

6.1. WE ARE COMMITTED TO EXPONENTIAL TECHNOLOGIES

In 2021, LLYC took a significant step in the digital evolution by creating Deep Digital, a division designed to drive the development of solutions in the marketing sector. This area focuses on exponential technologies to transform business models and reach new horizons in the digital era.

The Deep Digital area, which includes the Innovation area, aims for its services to account for almost half of the company's operating revenues by 2025, exceeding 60 million euros. This projection is aligned with an expected growth of the sector (a CAGR of 7.2% for 2022-2032), with a focus on Internet advertising and the sale of creative and technological services. The full integration of exponential technologies into our service offering is a key objective.

The Innovation area is an epicenter of technological advancement where data intelligence and software development are not only tools, but fundamental pillars for the transformation of marketing and communication. This cutting-edge team focuses its efforts on shaping the future of digital communications, implementing exponential technologies to revolutionize how we interact and understand the digital world. By implementing AI, we are empowering these disciplines with advanced analytical and predictive capabilities, making a significant difference in how digital interactions are understood and managed.

Through the synergistic combination of data and software development experts, we embark on a mission to radically transform the internal processes of organizations. We strive to incorporate data intelligence into analytics models, elevating decision making to the most demanding levels of accuracy and efficiency. But we don't stop there: the implementation of generative AI in the social media domain represents a revolution in content creation, user interaction and consumer behavior analysis. These advanced solutions not only reflect our expertise in exponential technologies, but also set a new standard in digital innovation, putting LLYC at the forefront of transformation in the world of digital marketing and communication.

In addition to integrating the innovative solutions and services developed by the Innovation area into LLYC's offering to its clients, the company plans to invest 3 million euros between 2023 and 2025 for research, development and innovation. These resources will be mainly focused on the development of data-driven solutions for anticipation, strategy design and performance measurement in marketing, communication and public affairs.

The use of AI is marking a revolution in our business, and the company will continue to take advantage of advances in this area to improve its effectiveness and efficiency. By the end of 2025, up to 30% of our processes are expected to be automated, thanks to innovations driven by this area.

Fourteen projects have been addressed in this area in 2023, including the following:

- **Project GEA:** first Artificial Intelligence trained by communication experts to provide reliable insight into sentiment. This breakthrough is a clear example of how our innovative approach to Deep Learning is making a real and tangible difference in the market.
- **Project AIGent:** an autonomous conversational agent that can analyze large volumes of information from various data sources, creating a virtual assistant capable of responding based on this analyzed information. This achievement not only enhances our service offering, but also sets a new industry standard.

Investments in innovation amounted to 1,296,855.71 euros in 2023.

In 2023, revenue from innovation work accounted for 11.4% of Deep Digital's total revenue.

6.2. WE ABSORB MARKET INNOVATION

Through LLYC VENTURING, we invest in disruptive projects and startups in marketing, communication and public affairs, with a planned allocation of €5 million for new investments in the period 2023-2025. LLYC Venturing envisages allocating €5 million in 15 projects until 2026, investing between €50,000 and €500,000 in each of them.

The companies in which LLYC Venturing wants to invest are distributed in a matrix: on one axis are communication, marketing and public affairs, and on the other new technologies among which today artificial intelligence, blockchain, or new business models based on software stand out.

In 2023 we have joined the Spanish startups Epinium and Vottun. Epinium is a leader in Amazon Marketplace optimization and offers brands and agencies the necessary tools and resources to increase their sales through Artificial Intelligence tools. Vottun facilitates the development of Web3 projects in a scalable way, with a multiblockchain solution that allows developers and companies to use public blockchains in a scalable way and with a simple implementation.

Together with Erudit and Digital audience, whose stake was acquired in 2022, both complete the list of companies supported by LLYC VENTURING at the end of 2023. LLYC's financial

participation in each of them - which can be consulted in the annual accounts - is completed by an alliance agreement that articulates the joint marketing of the solutions.

LLYC Venturing in figures

	2022	2023
New companies supported each year	2	2
Annual investments (€)	300.000	400.000

7 . ANNEXES

Table of Contents

Index of contents required by Law 11/2018, of December 28, amending the Commercial Code, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2, and Law 22/2015, of July 20, on Auditing of Accounts, regarding non-financial information and diversity.

Matters Law 11/2018	Location of the response	GRI reference contents
Description of the business model		
Business environment	1.1 General profile. business model	GRI 2-1 GRI 2-6 GRI 2-9
Organization and structure	Corporate Governance: Governing Bodies and Structure	GRI 3-3
Markets in which it operates	1.1 General profile. business model	
Objectives and strategies	Corporate governance: Objectives and strategies	
Factors and trends that may affect its future development.	Corporate governance: main risks and opportunities	
Description of the policies applied by the company		
Due diligence procedures applied for the identification, assessment, prevention and mitigation of risk	Corporate governance: main group policies Corporate governance: main risks and opportunities	GRI 2-23 GRI 2-24
Significant impacts and verification and control. Actions taken	Materiality SEE ALSO "Risk Management Policy Report".	GRI 2-22 GRI 2-25 GRI 3-3

Matters Law 11/2018

Location of the response

GRI reference contents

Main related risks associated with the company's activities

Commercial relationships, products or services that may have negative effects		Corporate governance: main risks and opportunities SEE ALSO "Risk Management Policy Report".	GRI 2-22 GRI 2-25 GRI 3-3
How the group manages these risks			
Procedures used to detect and evaluate them			
Information on the impacts that have been detected and their breakdown, in particular on the main risks in the short, medium and long term.		No negative effects associated with the company's services have been identified.	

Information on environmental issues

Current and foreseeable effects of the company's activities on the environment.		3.1.Sustainability objectives	GRI 2-12 GRI 3-3
Current and foreseeable effects of the company's activities on health and safety.		Health and safety	
Environmental assessment or certification procedures		At the end of 2023, LLYC had no environmental management certifications.	
Resources dedicated to environmental risk prevention		3.1.Sustainability objectives: responsible bodies.	GRI 2-12
Precautionary principle.		3.1.Sustainability objectives	GRI 3-3
Amount of provisions and guarantees for environmental risks.		See annual accounts.	GRI 3-3
Contamination	Measures to prevent, reduce or remediate carbon emissions that seriously affect the environment.	3.2. Climate change and energy: emissions of greenhouse gases	GRI 3-3

Matters Law 11/2018		Location of the response	GRI reference contents
	Any form of activity-specific air pollution, including noise and light pollution.	This is not a material issue for the company, given the nature of its business.	
Circular economy and waste prevention and management	Waste prevention, recycling, reuse, recovery and disposal measures.	3.3. Circular Economy, responsible purchasing and sustainable use of resources	306-2
	Actions to combat food waste.	Not a material issue for the company	
Sustainable use of resources	Water consumption and water supply in accordance with local limitations.	3.3. Circular Economy, responsible purchasing and sustainable use of resources	303-3
	Consumption of raw materials and measures adopted to improve the efficiency of their use.	This is not a material issue for the company, given the nature of its business.	
Climate change	Direct and indirect energy consumption.	3.2. Climate change and energy: energy consumption	
	Measures taken to improve energy efficiency.		
	Use of renewable energies.		
	Significant elements of greenhouse gas emissions generated as a result of the company's activities and the use of the goods and services it produces.	3.2. Climate change and energy: greenhouse gas emissions	302-1 305-1 305-2 305-3
Measures adopted to adapt to the consequences of climate change.			
Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to that end.			
Biodiversity protection	Measures to preserve or restore biodiversity.	LLYC's activities do not generate significant impacts on biodiversity.	
	Impacts caused by activities or operations in protected areas.	LLYC has no facilities in protected areas.	

Matters Law 11/2018	Location of the response	GRI reference contents
Information on social and personnel matters		
Employment	4.1. Employment	GRI 2-7 GRI 3-3
Total number and distribution of employees by gender, age, country, and occupational classification.		
Total number and distribution of employment contracts.		
Average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and occupational classification.		
Number of layoffs by gender, age, and occupational classification.		
Average salaries and their evolution broken down by gender, age and professional classification or equal value.		
Wage gap.		
Remuneration for equal or average jobs in the company.		
The average remuneration of directors and executives, including variable remuneration, allowances, indemnities, payments to long-term savings systems and any other payments broken down by gender.		
Implementation of work disconnection policies.	4.2. Work organization	GRI 3-2
Employees with disabilities.	4.1. Employment	GRI 3-3
Work organization	4.2. Work organization	GRI 3-2 GRI 3-3
Organization of working time.		
Number of hours of absenteeism.		

Matters Law 11/2018		Location of the response	GRI reference contents
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these rights by both parents.		
Health and safety	Occupational health and safety conditions. Occupational accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex.	Health and safety	GRI 3-2 403-1 403-9
Labor relations	Organization of social dialogue, including procedures for informing, consulting and negotiating with personnel. Percentage of employees covered by collective bargaining agreements by country. The balance of collective bargaining agreements, particularly in the field of occupational health and safety.	4.4.Social relations	GRI 3-2 GRI 3-3
Training	Policies implemented in the field of training. The total number of training hours by professional category.	4.5.Training	GRI 3-2 404-1
Universal accessibility for people with disabilities		4.6.Universal accessibility for persons with disabilities	GRI 3-2
Equality	Measures adopted to promote equal treatment and opportunities between women and men. Equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of women and men).	4.7. Equality 4.8. Diversity management 4.9.Actions and concrete results 2023	GRI 3-2

Matters Law 11/2018	Location of the response	GRI reference contents
<p>Measures adopted to promote employment.</p> <p>Protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities.</p> <p>The policy against all types of discrimination and, where appropriate, diversity management.</p>		
Information on respect for human rights		
Implementation of human rights due diligence procedures	4.10. Respect for Human Rights	GRI 2-23 GRI 2-26 GRI 3-2
Prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses committed		406-1 414-1
Complaints of human rights violations		
Promotion and enforcement of the provisions of the fundamental conventions of the International Labor Organization related to respect for freedom of association and the right to collective bargaining.		
Elimination of discrimination in respect of employment and occupation		
Elimination of forced or compulsory labor		
The effective abolition of child labor		
Compliance and Transparency		

Matters Law 11/2018		Location of the response	GRI reference contents
Measures taken to prevent corruption and bribery		2.5.Information related to the fight against Corruption	205-2
Measures to combat money laundering			
Contributions to foundations and non-profit organizations		5.6. Information tax	GRI 3-3
Company information			
Company commitments to sustainable development	<p>The impact of the company's activities on employment and local development.</p> <p>The impact of the company's activities on local populations and the territory.</p> <p>Relationships maintained with local community stakeholders and the modalities of dialogue with them.</p>	<p>5.3. Assets in the company.</p> <p>Section 5.4. LLYC Foundation reports on social action initiatives.</p>	<p>GRI 3-3</p> <p>413-1</p>
Subcontracting and suppliers	<p>Inclusion of social, gender equality and environmental issues in the procurement policy.</p> <p>Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.</p> <p>Monitoring and auditing systems and audit results.</p>	<p>5.6. Tax information</p> <p>Partnership or sponsorship actions.</p> <p>Subcontracting and suppliers</p>	<p>GRI 3-3</p> <p>308-1</p> <p>416-1</p>
Consumers	<p>Measures for the health and safety of consumers.</p> <p>Complaint systems, complaints received and their resolution.</p>	5.5.Consumers	<p>GRI 3-2</p> <p>GRI 3-3</p> <p>416-1</p>
Tax information	The benefits obtained on a country-by-country basis.	5.6. Tax information	207-4

Matters Law 11/2018		Location of the response	GRI reference contents
	Taxes on benefits paid.		
	Public subsidies received.	5.6. Tax information	201-1
Information related to Regulation (EU) 2020/852		5.6 Tax information	Not applicable
Information related to Law 7/2021		Corporate governance: main risks and opportunities	Not applicable

