

Mergers & Acquisitions Policy



CONNECTING THE WORLD OF TOMORROW

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PURPOSE

The purpose of this Mergers & Acquisitions Policy (the “**Policy**”) is to describe the processes by which Constructel seeks to identify and mitigate compliance risk in the context of mergers and acquisitions and incorporating new companies into Constructel’s existing compliance framework.

This Policy should be read in conjunction with Constructel’s Code of Ethics and Business Conduct and the specific compliance policies and procedures referenced within the Code of Ethics and Business Conduct.

Application

This Policy was approved by the Board of Directors of Constructel Visabeira, S.A on 2022, October 27. Its adoption and enforcement is mandatory for Constructel and its subsidiaries and covers all activities conducted by Constructel worldwide. It applies to all Group companies, their directors, officers, employees, contractors and anyone else acting on Constructel’s behalf of the Constructel in any jurisdiction. Where local customs, standards, laws, or other policies apply that are stricter than the provisions of this Policy, the stricter requirements must be complied with. However, if this Policy stipulates stricter requirements than local customs, standards, laws or other local policies, the stricter provisions of Policy shall apply.

GLOSSARY

Acquisition	A scenario where Constructel acquires a company, business, or other corporate assets.
Due Diligence	An investigation of potential investments to confirm all the facts relating to the transaction and to ensure that the purchase satisfies the buyer’s needs. The diligence process is critical in identifying potential compliance-related risks and focus areas for post-acquisition compliance improvements.
Target	This is the company subject to the acquisition.
Third Party	Any individual or legal entity with whom Constructel interacts and that is not a Constructel group legal entity or an officer, director or employee of Constructel. It includes but is not limited to consultants, agents, representatives, contractors, and suppliers.

Introduction

Constructel has a global business with a strategy that includes fostering growth through, among other things, identifying and acquiring businesses to augment Constructel’s global capabilities and offering. While strategic acquisitions are a critical part of our business’s strategy, they do give rise to certain compliance-related challenges.

This policy is designed to highlight to Constructel's personnel and third parties acting on Constructel's behalf the compliance-related risks present in acquiring target organizations and the steps Constructel has identified to reduce those risks.

Identifying Target Organizations / Working with Third Parties

Constructel has historically identified potential acquisition targets based on its knowledge and experience in the relevant market and industry. In some instances, however, there may be a need to enter a market or jurisdiction where Constructel and its personnel are less familiar with the market, participants, or local business customs. Constructel may require the assistance of local agents, industry experts, consultants, or other third parties to assist in the identification of acquisition targets, facilitating commercial discussions with their teams, complying with local legal requirements, or obtaining regulatory approval to proceed with the transaction.

These activities, and particularly the use of third parties in less familiar countries or markets, give rise to significant compliance risks for Constructel. Accordingly, strict adherence to Constructel's Code of Ethics and Business Conduct and all associated compliance policies is critical throughout this process. In particular, every Constructel employee or third party acting on Constructel's behalf in the M&A context must understand and comply with Constructel's:

- Code of Ethics and Business Conduct;
- Anti-Bribery and Corruption Policy;
- Good Competition Practices Policy; and
- Sanctions Policy.

These policies apply in the context of business acquisition just as they would to Constructel's core services to clients. So, for example, just like Constructel personnel would never pay a bribe to obtain a government contract, neither should inducements be paid to obtain regulatory approval for an acquisition. Similarly, Constructel's policies on gifts and entertainment apply to interactions with the sellers of a company just as they would apply to dealings with a telecommunications client and Constructel will screen the sellers of a target company against sanctions lists just as they would screen an ordinary-course commercial counterparty.

Diligence

When any target company is identified for potential acquisition, it is important that Constructel conduct detailed diligence on the target company to reasonably understand the risks inherent

in both the transaction and Constructel's ownership of that company after completion. These risks include not only the target's historical compliance or non-compliance with laws, but also the target company's current approach to compliance, corporate culture and tone at the top, and risks in the target's business model, geographic footprint, and clientele. Finally, in many instances, depending on the place a target company is organized or operating, the acquisition of that target company by Constructel could mean new laws apply to the target company by virtue of Constructel's ownership. Constructel's role in a given market could also give rise to competition law considerations.

In each transaction, Constructel will instruct outside counsel to conduct appropriate compliance-related diligence that should be risk adjusted, depending on the size of the transaction and target company's general risk profile. The precise questions asked and information sought from a target company or its sellers must be tailored to the unique transaction, but should be designed, at a minimum, to assess the following control area risks:

- Data Protection and Cyber Security;
- Economic Sanctions and Anti-Money Laundering;
- Anti-Bribery and Corruption;
- Competition;
- Corporate culture / tone at the top / whistleblowing;
- Governance and compliance resourcing; and
- Modern Slavery and Human Trafficking

For smaller acquisition targets, one or more of these control areas may be less relevant.

Where risk factors are identified during diligence, Constructel and its counsel will identify mitigating factors, as relevant, and take steps to reduce those risks. In some cases, this may result in a decision by Constructel not to proceed with the transaction.

Contractual Protections

Transaction documents with any target company or its sellers must include detailed contractual representations and undertakings designed to confirm the compliance-related information learned during diligence and provide reasonable assurances with respect to the target company's compliance both prior to and after completion.

Post-Acquisition Integration

Integrating new companies into the Constructel Group is a critical step in mitigating compliance risks. Integration includes:

- working with the target company to enable it to adopt Constructel’s compliance policies and procedures;
- providing training to target company management on Constructel’s culture, way of working and approach to compliance; and
- remediating any known issues identified in the diligence phase.

Following each acquisition, each target company’s management team will participate in in-person integration meetings with Constructel management. This is a critical step in fostering a relationship with a new part of the Constructel Group, and a personal meeting better facilitates the sharing of Constructel’s culture with the newly acquired target.

Constructel will provide compliance training, as necessary, and work with the target company to implement Constructel’s compliance-related policies and procedures at the target company. There may be a need to modify Constructel’s existing policies or procedures to adequately address the target company’s unique risk profile. This will be informed by the pre-acquisition diligence, which may be supplemented by post-acquisition diligence and auditing.

It is the policy of Constructel, during the period between signing and completion (or, if there is no such period, as quickly as possible following completion), to create a written integration plan that records the key risks identified in diligence and steps Constructel intends to take to mitigate those risks. The integration plan will inform Constructel’s ongoing integration efforts and serve as a reference for the target company and Constructel to confirm each identified risk has been addressed.

Raising a Concern

You have a duty to report concerns about any instance or suspicion of misconduct. Concerns should be reported in accordance with Constructel’s policy on Reporting Potential Violations. If you have questions about this Policy or any other compliance policy, please consult the Group Compliance Officer (compliance@constructel.com) for further guidance.

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