



PROSEGUR
CASH

Prosegur Cash ESG Additional Information

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1. LABOUR CONTROVERSIES RECORD

In the following table, we intend to provide Prosegur Cash's (the "Company" or "Prosegur") vision and position regarding allegations against the Company existing to its knowledge from 2013 up to December 2020.

In an exercise of transparency, the table includes all allegations:

- Regardless of their severity.
- Whether echoed in the reports of Proxy Advisors or not.
- Without eliminating those which may be inaccurate, unfounded, redundant, or closed by public authorities.

Unfortunately, these superficial publications do not reflect the reality of the situation in each country. Virtually all matters are referred to the regular course of relations between employees, unions and employer (i.e. collective bargaining, salary increase negotiations, strikes, etc.) many of which have been reviewed by the relevant authorities in compliance with the regulations practiced in each country.

Prosegur has a solid model in place to manage its labour relations:

- Establishes effective working relationships between country management and local union representatives.
- Addresses local particularities since labour relations are handled by local experts with extensive knowledge of the country's social environment, sector positioning and the company's reality.
- Operates in accordance with the specific legal provisions prevailing in each country.
- Regular monitoring of compliance with local labour legislation by Corporate HR department.
- Established mechanisms at local and global level against any kind of harassment to employees.

In this context, and being certain of the effectiveness of the internal procedures and decision making process, we are open to engage and further address and disclose as many details as needed regarding any controversy raised.

1	08/08/2015	<p>80 armoured Prosegur vehicles take letter to Presidential Palace in Chile (UNI Global Union).</p> <p>Unionised workers at Prosegur Chile drove 80 armored vehicles to the office of the country's president, to forward a letter complaining of the constant assaults and violence against security guards in cash-in transit vehicles between January and October 2014. The union called for a tripartite discussion with the government and security companies to address security issues and safety concerns in the industry.</p>	<p>The demonstration was carried out by security guards of the company and other companies of the industry in Santiago, due to the death of an employee in a shooting the previous week. The crime rate in Chile had increased from 23% to 27%, private security transport companies being an attractive target.</p> <p>It is vital to note that this protest was primarily a show of respect from the company and its workers.</p> <p>While having the lowest casualty ratio of the industry in this geography, Prosegur is aware of its operational risks and addresses them by providing employees with specific training, action protocols and all relevant protections. In this regard, we have continuously increase the specific training on health and safety, (from the 49.000 hours of training provided in 2018, we have raised to 135.000 hours in 2019 and 151.000 hours in 2020) and moreover technological innovations have been implemented to address external threats.</p> <p>Unfortunately, we must consider that this is a risk that is difficult to avoid entirely on the part of the company, given that it depends on an external human factor, but Prosegur doesn't cease to procure resources to avoid them in the first place, and to protect its employees if these situations ever happen again. Despite all these efforts the end of these attacks is a reflection of the violence on the streets, and ending it requires not only individual actions by the companies but the support of governmental actions too hence why we understood the demonstration.</p>
2	13/08/2015	<p>UNI Global Union demands official probe into causes of Prosegur security guard deaths (UNI Global Union).</p> <p>UNI called for an investigation into the death of a Prosegur security guard in Chile while on cash-in transit duty. The guard was reportedly a victim of an armed robbery. According to UNI, the company continues to refuse improvement and adoption of existing safety procedures in the industry to prevent such incidents. The union representing the security guards attributed the incident to the company's cost-cutting strategy, which required the guards to continue making stops in the town for about seven hours despite already picking-up a million worth of transaction in Banco de Chile.</p>	<p>Please refer to controversy 1, as it refers to the same circumstances.</p> <p>It is of the outmost importance for Prosegur to set the record straight on the wellbeing of its employees being the priority.</p> <p>As already mentioned, being aware of its operational risks the investment in providing employees with specific training, action protocols and all relevant protections is never questioned, we actually strive to continuously increase it. In this regard, we have continuously increased the specific training on health and safety, (from the 49.000 hours of training provided in 2018, we have raised to 135.000 hours in 2019 and 151.000 hours in 2020) and moreover technological innovations have been implemented to address external threats.</p>

3	08/09/2015	<p>Prosegur due diligence - failing on safety procedures? (UNI Global Union).</p> <p>UNI has expressed profound concerns at the effectiveness of health and safety procedures at Prosegur, the Spanish multinational security giant, after a series of attacks on Prosegur Cash-in-Transit vehicles in South America. The latest incident occurred at an airport in Peru.</p>	<p>It is important to highlight that since January 2019 no employee of Prosegur has been injured in any attack.</p> <p>Regarding attacks occurred in the past, please, bear in mind that the company considers this type of risks as one of its priorities and addresses them by providing employees with specific training, action protocols and all relevant protections. In this regard, from the 49.000 hours of training provided in 2018, we have raised to 135.000 hours in 2019 and 151.000 hours in 2020 on specific health and safety training, and moreover technological innovations have been implemented to address external threats especially in risks related to attacks on armored vehicle crews and cash custody bases.</p> <p>Unfortunately, we must consider that this is a risk that is difficult to avoid entirely on the part of the company, given that it depends on an external human factor, but Prosegur doesn't cease to procure resources to avoid them in the first place, and to protect its employees if these situations ever happen again.</p>
4	20/04/2016	<p>UNI mourns Prosegur union member killed in Columbia. (UNI Global Union)</p> <p>A security guard of Prosegur in Columbia was killed in the city of Santa Marta during preparations for restocking of a Bancolumbia ATM.</p>	<p>The loss of this employee was a hard blow for Prosegur as every other fatality.</p> <p>Prosegur is deeply sorry about his decease. In this sense, the company always stands in solidarity with the families of the deceased employees, to whom we provided support and accompaniment beyond the legally required.</p> <p>Please bear in mind that the employee received the Merit Medal of Honor, and in such difficult moments Prosegur accompanied the family, as they received additional economic aid (6x times what legally established) and costs were covered they were helped in the arrangements needed to request pensions.</p>
5	26/04/2017	<p>Paraguay robbery: Huge Brazilian gang mounts multi-million dollar raid on armoured car firm, four dead (ABC News).</p> <p>Dozens of attackers used explosives to blast their way into the vault of an armoured car company in a volatile Paraguayan border town, with the aim of escaping with nearly \$US50 million in cash. The audacious raid sparked a gunfight, which left a street littered with burning vehicles, 3 suspects dead, 10 more in custody, and Prosegur, counting its losses.</p>	<p>The effectiveness of Prosegur's protective equipment, measures, and procedures in case of attack, was evidenced during the tragic event, since, among the casualties which sadly occurred in the attack, there were no Prosegur employees.</p> <p>Please bear in mind that Prosegur is a cash management company, and therefore, its sensitive activities have risks associated with their operational own nature. Attempted robbery in cash-in-transit operations is one of them.</p> <p>The company focuses on this type of risks and addresses them by continuously improving its means of protection, action protocols and specific training of its employees to minimize risks of this type as far as possible.</p>

6	31/05/2018	<p>Bungling armed robbers leave cash strewn across motorway in Brazil. (Daily Mail Online)</p> <p>Bungling armed robbers left thousands of banknotes strewn across a motorway after using too much explosive to blow up an armoured truck.</p> <p>The incompetent gang of 10 bandits got away with just a few bags of money after panicking and fleeing the scene in Brazil on Monday.</p>	<p>Please consider that despite the shocking nature of the event (including a shoot-out and a explosion), no one was reported hurt in the event. In this sense, it is important to highlight that since January 2019 no employee of Prosegur has been injured in any attack.</p> <p>Prosegur Cash is a cash management company, and therefore, some of its operational risks are those arising from its sensitive activities. Attempted robbery in cash-in-transit operations is one of them.</p> <p>The company considers this type of risks as one of its priorities and addresses them by providing employees with specific training, action protocols and all relevant protections. In this regard, from the 49.000 hours of training provided in 2018, we have raised to 135.000 hours in 2019 and 151.000 hours in 2020 on specific health and safety training, and moreover technological innovations have been implemented to address external threats especially in risks related to attacks on armored vehicle crews and cash custody bases.</p> <p>Unfortunately, we must consider that this is a risk that is difficult to avoid entirely on the part of the company, given that it depends on an external human factor, but Prosegur doesn't cease to procure resources to avoid them in the first place, and to protect its employees if these situations ever happen again.</p>
7	25/02/2021	<p>Allegations of poor safety procedures following a series of attacks on cash-in-transit vehicles in Latin America</p> <p>Prosegur's unions in Peru, Colombia, Chile, and Brazil have raised serious health and safety concerns following a series of attacks on its cash-in-transit vehicles. UNI Global Union General Secretary claimed that the company failed to comply with relevant labor laws and standards with respect to health and safety of its security staff. In April 2019, Prosegur cited in its consolidated annual accounts for the year ended December 2018 its efforts for the prevention of occupational risks. These efforts included the provision of a total of 469,115 hours on health and safety training specifically on access courses for new recruits and in countries with the highest accident rates such as Brazil and Colombia, implementation of internal and external protocols for the monitoring of workplace accidents and assessment of health and safety conditions at various levels, and the use of technological innovations to address external threats especially in risks related to attacks on armored vehicle crews and cash custody bases.</p>	<p>It is important to highlight that since January 2019 no employee of Prosegur has been injured in any attack. Regarding the attacks suffered in the past, we deeply regret this events and Prosegur has stand and will continue to stand in solidarity with the employees affected, and the families of the deceased employees, to whom we provided support and accompaniment beyond the legally required.</p> <p>However, please, bear in mind that Prosegur Cash is a cash management company, and therefore, some of its operational risks are those arising from its sensitive activities. Attempted robbery in cash-in-transit operations is one of them.</p> <p>The company considers this type of risks as one of its priorities and, as mentioned in the controversy itself, Prosegur addresses them by providing employees with specific training, action protocols and all relevant protections. In this regard, from the 49.000 hours of training provided in 2018, we have raised to 135.000 hours in 2019 and 151.000 hours in 2020 on specific health and safety training, and moreover technological innovations have been implemented to address external threats especially in risks related to attacks on armored vehicle crews and cash custody bases.</p> <p>Unfortunately, we must consider that this is a risk that is difficult to avoid entirely on the part of the company, given that it depends on an external human factor, but Prosegur doesn't cease to procure resources to avoid them in the first place, and to protect its employees if these situations ever happen again.</p>

CORPORATE GOVERNANCE

In order to fulfill the twofold objective of 1) completing and clarifying any potential doubts regarding the information provided within the Annual Corporate Governance Report of Prosegur; 2) performing an exercise of transparency and best practice as a response to specific misinformation published by ESG proxy institutions in terms of corporate governance; Prosegur would like to state and evidence the following:

1. Related Party Transactions

Prosegur's related-party transactions are those included in the Annual Corporate Governance Report and the Annual Accounts, being both documents available on the CNMV's website (<https://www.cnmv.es/portal/Consultas/DatosEntidad.aspx?nif=A87498564>) and the corporate website of the Company (<https://www.prosegurcash.com/en/investors-shareholders/financial-information/annual-reports>). Furthermore, it should be noted that these related party transactions are considered as non-material and non-significant with regards to the turnover of the Company on a regular basis and, in the event of a material transaction, these are assessed by independent third parties/experts. All of it according to procedures provided by Spanish Corporate Law.

2. Capital Structure

Regarding the shareholders' structure of the Company, Prosegur Compañía de Seguridad, S.A. holds the majority of the shares of the Company. In this connection, the following should be considered:

- (i) The Company went public in 2017 by means of an IPO, being Prosegur Compañía de Seguridad, S.A. its major underwriter.
- (ii) The Company has carried out several programs to reinvest dividends, where the majority shareholder has participated in full as a consequence of which its stake has increased.

3. Annual re-election of Directors

Please note that Spanish Law fixes in 4 years the term for the appointment of Directors in listed companies. Prosegur, for the sake of the best standards on corporate governance, has reduced said term and our by-laws provide a term for re-election of 3 years, whilst the vast majority of the Ibex-35 index companies provide a re-election term of 4-3 years.

4. Industry Experts-Risk Management

Prosegur would like to highlight that although some ESG proxy analysts may consider that our Board does not include risk management experts according to their metrics, we would like to highlight that all members of Prosegur's Board have been members of the board of many of the top listed and non-listed companies in Spain, offering a wide number of profiles with experience in risk management.

5. Remuneration of the Board

Regarding the remuneration of the Board and Senior Management, please take into account that the equity policy is linked to sustainability, as it can be observed in the metrics in which both the Short and Long Term remunerations schemes are based. Furthermore, an individual breakdown of the senior management retribution is included in the Annual Corporate Governance Report,

as well as an individual breakdown of the Board in the Annual Remunerations Report, both of which are public and can be found in the CNMV and Prosegur website.

6. Non-independent CEO

The CEO position is occupied by an executive director. According to Spanish legislation, directors can be distinguished in two types: executives or non-executives.

Executive directors are those who perform management functions within the company or its group, whatever the legal relationship they maintain with it. All of the other directors of the company are non-executive directors, which may be nominee, independent, or other non-executive directors.

Therefore, Mr. Jose Antonio Lasanta cannot be considered as an independent director since the position of independent director is a type of non-executive director.