

# **Ethical Channel Management Procedure Cosentino, S.A.**

Version	Date	Ammendments	Drafted by	Revised by	Approved by
v0	10/01/2021	Launching	Compliance Body	Board of Directors	Board of Directors
V1	01/06/2023	Adaptation to Spanish law 2/2023 of 20 February.	Compliance Body	Board of Directors	Board of Directors

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## **1. Scope**

This procedure shall apply to all information or communications received by the Cosentino 's Compliance Body (hereinafter "the Company") in any of the channels established for this purpose in the "Regulation of the Operation of the Compliance Body in Relation to the Ethics Channel" (hereinafter "the Regulations").

## **2. Purpose**

The purpose of this procedure is to regulate the procedure for the communication, processing, investigation, resolution, and response of communications within the scope of the Cosentino submitted to the Compliance Body by any reporting person.

For the purposes of this procedure, any directors, managers, departmental units of the Company, employees, collaborators or third parties dependent on or professionally related to the Company (the "Interested Parties") shall be considered as reporting persons.

Specifically, the Compliance Body shall manage the communications received by the Interested Parties that involve an event or conduct related to:

- (i) an act or omission suspected of being a criminal offence or of creating a risk of criminal investigation for or in the Company;
- (ii) an act or omission allegedly giving rise to a non-criminal offence within the Company;
- (iii) any incident or breach of the Company's Code of Ethics, Conduct and Regulatory Compliance or other internal rules of an ethical nature of the Company.

This document shall be duly updated when the applicable regulations so require or when, at the request of the Compliance Body, it is necessary to do so in response to a specific need. Subsequently, it shall in all cases be ratified by the Board of Directors.

## **3. Submission of Communications.**

The means established for receiving the information or communications set out in greater detail in the Regulations are as follows:

- (i) the Ethics Channel which can be accessed from the corporate intranet (employees);
- (ii) or from the Company's corporate website;
- (iii) at the request of the informant, verbally or in person before a member of the Compliance Committee, within a maximum period of 7 days.

The Compliance Body shall:

- i. Acknowledge receipt of the communication to the reporting person

within no more than 7 calendar days of its receipt, unless this could jeopardize the confidentiality of the communication.

ii. In the event that the information included in the communication is inaccurate or insufficient, the Compliance Body may request any additional information and evidence that may be necessary from the informant.

iii. Register the communication received in the Ethics Channel, assigning an identification code, which will be provided to the informant. This registration shall be carried out in accordance with the terms set out in the Regulations.

iv. The Compliance Body will analyze the information and documentation in order to determine whether the facts or conduct reported fall within the scope of its competences, in accordance with the provisions of the section. 2. Based on this analysis, the Compliance Body may:

a. The communication shall be inadmissible if:

- the facts stated are not at all plausible;
- they do not constitute a breach of an internal rule or law falling within the scope of this procedure; when the communication is manifestly unfounded or there are reasonable grounds to believe that it was obtained through the commission of an offence, in which case the communication shall be referred to the competent authorities in addition to being inadmissible;
- where the communication does not contain significant new information on previously reported offences on which the investigation procedure has been concluded unless there are new circumstances justifying a different follow-up. or

b. Admit the communication as admissible, proceeding to open an investigation to investigate further.

c. Immediately forward the information to the competent authorities when the facts could be indicative of a criminal offence.

Any of the above circumstances, and as appropriate, shall be notified to the reporting person within a period not exceeding 10 days.

#### **4. Investigation.**

Once a communication has been admitted for processing, the Compliance Body will carry out those actions aimed at verifying the verisimilitude of the facts reported.

It shall ensure that the person affected by the communication is informed of the same, as well as of the facts reported in a succinct manner and shall be informed

of his or her right to submit written allegations and of the processing of his or her personal data. However, this information may be submitted at the hearing if it is considered that its prior provision could facilitate the concealment, destruction or alteration of evidence.

In no case shall the subjects concerned be informed of the identity of the informant or be given access to the communication. During the investigation, where appropriate, the person under investigation shall be given a brief account of the facts.

Whenever possible, and in observance of the presumption of innocence, an interview shall be held with the person concerned in which he/she shall be invited to explain his/her version of the facts and to provide such evidence as may be deemed appropriate.

All those involved in the investigation of a communication are obliged to maintain secrecy and confidentiality and to conduct the investigation activities in accordance with high standards of objectivity and integrity, under penalty of disciplinary action by the Company.

The investigation of communications may involve some or all of the following actions:

- Conducting interviews with all those persons who may be involved in or have knowledge of the facts reported and/or have been witnesses.
- Requesting all evidence that may be necessary to contrast and accredit the facts reported.
- Analysis of information and records, both physical and computerised.
- Consultation of official records.
- Request for support from external professionals (external auditors, advisors, experts, etc.).
- Any others that the Compliance Body deems appropriate to clarify the facts reported.

The Compliance Body will ensure that the documentation contained in the file of each communication guarantees compliance with the applicable data protection and confidentiality regulations.

## **5. Decision- making.**

Once all the proceedings have been concluded, the Compliance Body will adopt one of the following decisions:

- File the file, which will be notified to the informant and the affected person.
- Adoption of an agreement to initiate disciplinary proceedings, which will be transferred to People and the Legal Department, in order to impose any disciplinary measures that may be appropriate in view of the seriousness of the facts investigated in accordance with the applicable labour regulations, which could include, in the most serious cases, the dismissal of the employee.
- Referral to the Legal Department so that the competent authorities may

be informed in the event that there are indications that could constitute a criminal offence.

Likewise, in view of the duty entrusted to the Compliance Body to prevent, mitigate and manage Compliance risks and to ensure the proper functioning of the system, it may propose improvements to the Company in order to prevent the occurrence of the sanctioned conduct.

The period for completing the proceedings and responding to the informant may not exceed 3 months from the acknowledgement of receipt or the expiry of the 7-day period following the submission of the report. This period may be extended for an additional period of 3 months depending on the complexity and specific circumstances of the case.