

COSENTINO®

COMPLIANCE POLICY

GRUPO COSENTINO, SL

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1. Introduction

Inappropriate behaviour by any employee, manager, director, third party or collaborator who may be related (directly or indirectly) to **Grupo Cosentino, S.L. or any of the companies in its group, whatever the business scope or geographical location of these companies and their activities** (hereinafter, "**Cosentino**" or the "**Company**", indistinctly) may potentially damage its image and reputation in a very short space of time. In this regard, Cosentino must actively prevent and avoid this possibility by establishing a robust culture of compliance in its organisation.

Thus, with the firm commitment to ensure compliance with ethical principles, good corporate governance and transparency, quality and excellence, Cosentino's priority objective is to implement, in an increasingly global and changing environment, a solid corporate culture of integrity and transparency, in which ethical values are a central element of our business and decision-making model.

This requires that all employees, officers, directors, managers, third parties and partners conduct our activities with a firm commitment to comply with applicable laws and regulations, the values and ethical principles set out in our policies and all applicable procedures and internal controls.

Likewise, following the reform of the Spanish Criminal Code by Spanish Organic Law 5/2010, of 22 June, and, especially, following the amendment carried out by Spanish Organic Law 1/2015, of 30 March, the possibility for companies to have criminal risk prevention models arises; in other words, control systems that serve to prevent, detect and react to the commission of crimes within companies. This need is also accentuated by the latest doctrinal, jurisprudential and legislative procedures, which include the publication of the Circular of the Spanish State Attorney General's Office 1/2016, on the criminal liability of legal persons, the recent rulings of the Supreme Court on the need for criminal organisation and management models within legal persons, the latest amendment of the Criminal Code carried out by Spanish Organic Law 1/2019 of 20 February, which, broadly speaking, extends the criminal liability of legal persons to embezzlement and terrorism offences, or the publication of the Guide of the " Spanish National Markets and Competition Commission" ("CNMC"), in June 2020, on compliance programmes.

As a result of these latest legislative changes in criminal and administrative matters, in line with its culture of compliance, integrity and transparency, Cosentino has revised and updated its **Compliance Model or Crime Prevention Plan**.

2. General principles of conduct

The purpose of this Regulatory Compliance Policy (hereinafter, the "**Policy**") is to establish criteria and guidelines for professional conduct, acting diligently, responsibly, efficiently and with a focus on excellence and integrity, i.e. acting honestly, loyally and in accordance with the principles set out in the ethical-business regulations, in particular in Cosentino's Code of Ethics, Conduct and Regulatory Compliance.

In this regard, Cosentino, as well as third parties that have dealings with the Company, are informed of a clear message of opposition to the commission of any unlawful act, criminal or otherwise. Likewise, Cosentino is prepared to combat these acts and to prevent any possible deterioration of the Company's image and reputational value.

This Policy is binding and is applicable to all members of the Board of Directors, to the heads of the various departments and services and, in general, to the companies and professionals to whom the Company may subcontract, provided that the subcontracted activity is sensitive or relevant to Cosentino's activities, and therefore it shall be ensured, in the respective contracts, that they confirm the adoption of the appropriate preventive measures in relation to those risks that are especially significant for the Company.

Without prejudice to the provisions of the aforementioned ethical-business regulations, the fundamental principles that must govern all the people who make up Cosentino in the performance of their professional activity are as follows:

- **Compliance with the law and internal regulations:** Respect for the law and zero tolerance towards the commission of unlawful acts is one of Cosentino's fundamental principles, and therefore the Company's priority and inexcusable duty is to comply with both current legislation and the internal regulations applicable to it in the exercise of its professional duties and responsibilities (including applicable labour and environmental legislation).

- **Independence and transparency, as well as subjection as far as possible to the principles of publicity and competition, in relations with third parties:** Independence and transparency are inalienable values of Cosentino, which is why all personnel will always act with impartiality, maintaining an independent criterion that is alien to any external pressure or particular interest.
- **Respect for Cosentino's image and reputation:** Cosentino considers respect for its image and reputation as one of its most valuable assets, which contributes to generating a perception of a company with integrity and respect for the market and its stakeholders.

Staff must exercise the utmost care and due diligence in preserving Cosentino's image and reputation in all their professional activities, including, where appropriate, public interventions.

- **Appropriate policies and procedures:** Cosentino must have procedures and protocols appropriate to its activity and structure in order to reasonably prevent the different risks arising from its activity.
- **Human and financial resources:** Cosentino will ensure through the Compliance Body, as the body responsible for the supervision and control of the Model, that it has sufficient resources, including technological resources, if necessary, to be able to provide itself with true autonomy.
- **Continuous supervision and monitoring:** Cosentino must promote and participate in the processes established for self-monitoring and verification of the Company's policies, procedures and protocols.
- **Obligation to report possible unlawful conduct:** In order to prevent or, where appropriate, detect any irregular conduct that may occur within Cosentino, all personnel subject to compliance with Cosentino's internal policies are obliged to inform and report possible breaches of the Company's ethical-business regulations, its internal regulations and/or any action that may be considered unlawful or criminal of which they are aware or suspect, through the Company's whistleblowing channel.

In the event of such misconduct, Cosentino shall apply, in a proportionate and appropriate manner, the corresponding disciplinary measures.

3. The bases of Cosentino's Compliance or Crime Prevention Model

Cosentino's Compliance Model is the compilation of the procedures and controls in place in the Company that mitigate or prevent the commission of criminal risks. It basically has the following elements:

- Cosentino has a **Code of Ethics, Conduct and Regulatory Compliance** which sets out the values, principles and guidelines for conduct that must govern the Company's professional behaviour, including with regard to third parties. In this regard, employment contracts include a clause stating that the employee acknowledges that he/she has been informed of the Code of Ethics that he/she will have to abide by in the exercise of his/her professional activity and undertakes to take the necessary measures to prevent any conduct that has, or may have, the nature of a crime.
- Cosentino has this **Regulatory Compliance Policy**, which establishes the commitment of the Company and its Governing Body to comply with the applicable law, sending a clear message of opposition to the commission of any illegal act, criminal or otherwise, even when such action could generate a benefit of any kind, present or future.
- Cosentino has an **Ethics Channel** (formerly known internally as "Whistleblowing Channel") that allows both employees and groups outside the organisation to report any potentially significant irregularity that, in their opinion, involves a breach of the principles set out in the Compliance Model.
- Cosentino conducts **regular compliance training** to ensure that all employees are aware of compliance.
- Cosentino has a **criminal risk assessment (risk matrices)** within its Compliance Model to ensure the correct prioritization of risks and the identification of controls or mitigating measures for each of the risks identified and prioritized.

4. Review, approval, and dissemination of the Criminal Compliance Policy

Cosentino's Board of Directors is responsible for ensuring that Cosentino complies with the applicable regulations, respects good practices and observes the principles

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of corporate social responsibility assumed, promoting the monitoring by Cosentino of the principles and good practices of regulatory compliance, disseminating a preventive culture based on the principle of "zero tolerance" towards illegal acts and fraud. This is without prejudice to the fact that the **Compliance Body**, which is responsible for the day-to-day management and specific application of corporate policies and strategies, is also responsible for ensuring day-to-day compliance with this Policy.

This Policy will be subject to continuous improvement when regulatory, social, business or any other circumstances so require.