



ANTI-CORRUPTION AND BUSINESS ETHICS POLICY OF GRUPO FRINSA

Version 1. September 2021

FINALITY

Grupo Frinsa (Frinsa del Noroeste, S.A. and its Subsidiaries, as it is specified further down) commits, firstly, to **observe the law** and to operate in conformance with the **principles of legitimacy, honour, integrity, honesty** and **whichever other rule is applicable** in each of the countries where it operates.

Grupo Frinsa specifically prohibits any act of bribery and traffic of influences (influence peddling), as well as any other act contrary to business ethics, and, to prevent them, abides by the applicable laws in each and every one of the countries where it operates.

In consequence, Grupo Frinsa has designed this Anti-corruption and Business Ethics Policy (the “**Policy**”) that, along with the related protocols, establishes the norms that must be respected by the employees, directors and Administrators or Officers of the Grupo, as well as by any other person that acts in the name or representation of Grupo Frinsa, to guarantee a business ethic and to prevent and avoid any non-ethical business practices.

SCOPE OF APPLICATION

This policy concerns the following persons (the “**Persons of Interest**”):

- a) The employees, directors and Administrators or Officers of Grupo Frinsa, irrespective of their hierarchical level; and
- b) Any person or entity associated with the Grupo or that acts in name or representation of Grupo Frinsa, in any part of the world, including, among others, agents, distributors, intermediaries, representatives, external consultants, suppliers of services, subcontractors, suppliers of goods, strategic alliance partners or third parties susceptible of participating in an activity in the name of Grupo Frinsa.

The Policy, included in the program of lawful compliance of Grupo Frinsa, and of which it is an integral part, concerns all the locations in which Grupo Frinsa is present (taking into account, where necessary, the local legal dispositions).

This Policy also concerns:

- Any employee, salaried or not, full- or part-time, of a national, regional or municipal government, of a company owned or controlled in its totality or in part by a State, a government agency or a Ministry;
- Any person that has an executive, legislative, administrative or judicial post of any type;
- Any representative or leader of a political party, or candidate to a political post or its representative;

- Any member of the judiciary that may perform judicial duties (magistrates, secretaries, judicial agents, justices of the peace, etc.);
- Anyone that may be a public servant, employee or agent of an international public organism (such as, for example, UN, World Bank) or of an international Court;
- Anyone that is employed or hired, agent, representative, salaried full-time or part-time, of a company controlled directly or indirectly by a State (or a legal person under a state control).

This Policy is valid since the 15th of September of 2021.

APPLICABLE LAWS AND RULES

- Law 19/2013, of 9 December, of transparency, access to public information and good governance.
- Directive (EU) 2019/1937 of the European Parliament and Council, of 23 October 2019, relative to the protection of persons that report on law breakages of Union Law. Protection of whistleblowers.
- Law 31/2014, of 20 July, of Capital Entities for the improvement of Corporate Governance.
- Law 22/2015, of 3 December, of Accounts Auditing.
- GRECO: recommendations 2016. Processing of corruption in the private sector.

Besides, the signatory countries of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business transactions (the “**OECD Convention**”) establish similar principles to punish acts of corruption of foreign public officials.

DEFINITIONS

In this Policy, the terms defined as follows will have the meaning that is assigned to them in this clause:

- Public Official or Civil Servant** refers to any person that holds public authority, who has been charged with a public function or who is in charge of an elected public post, as well as any person that performs public judicial functions or that belongs to a judicial body in Spain or abroad.
- Corruption**, following the definition of “*Transparency International*”, consists of the abuse of power for one’s own benefit. It may be classified as large scale, minor scale or political corruption, depending on the amount of funds lost and of the sector in which it takes place.

Grupo Frinsa understands the conducts associated with corruption as those mentioned in the present document: bribery, traffic of influences (influence peddling) and conflict of interest. In the Anti-corruption and Business Ethics Policy, concrete measures are established to prevent the risks of incurring in them by members of the Grupo.

- Affiliate or Subsidiary** refers to any company or another legal entity, be it Spanish or foreign, that, directly or indirectly, through one or more intermediaries, is under control of Frinsa del Noroeste, S.A.; to the effects of this definition, the term “control” means owning directly or indirectly the majority of the voting rights or of the effective administration of the company;
- Frinsa del Noroeste, S.A.** refers to the company constituted under Spanish law with residence in Avenida Ramiro Carregal Rey, Polígono Industrial de Xarás, parcela 29, Ribeira, A Coruña, with VAT number A-15.010.564.

PROHIBITED CONDUCTS: BRIBERY AND TRAFFIC OF INFLUENCES (INFLUENCE PEDDLING)

Grupo Frinsa does not tolerate under any concept any type of bribery or traffic of influences (influence peddling).

The Persons of Interest will abstain from incurring in acts of bribery and traffic of influences in the performance of their duties. The terms “bribery” and “traffic of influences” may appear under different affectations, but the essential principles are of universal application.

a) Bribery

All Persons of Interest are prohibited from:

- Offering, illicitly, promises, gifts or any type of advantage to Public Officials or any private person, directly or indirectly, as a means for them to perform or abstain from performing an act that officially is part of the obligations of their post, or an act benefited by the obligations of their post (active bribery);
- Giving in to the pretensions of a person that requests, in an illicit manner, the mentioned gifts, promises and advantages of any type (active bribery);
- Requesting or accepting for themselves, directly or indirectly, any offer, promise, gift or advantage to perform or abstain from performing an act that is part of the obligations of their post or an act benefited by the obligations of their post (pasive bribery).

b) Traffic of Influences (Influence Peddling)

The Persons of Interest are prohibited from:

- Offering, illicitly, promises, gifts or any type of advantage to Public Officials or any private person, directly or indirectly, to use in a tortious manner their influence, real or supposed, with the finality of obtaining advantages, employment, markets or any favorable decision from an administration or public authority (active influence peddling);
- Giving in to the pretensions of any person that requests, in an illicit manner, the mentioned promises, gifts and advantages of any type previously indicated (active influence peddling);
- Requesting or accepting for themselves or for others, directly or indirectly, any offer, promise, gift or advantage, to use their influence, real or supposed, with the finality of obtaining advantages, employment, markets or any favorable decision from an administration or public authority (passive influence peddling).

The person bribed or the person that peddles its influences may be:

- (i) a Public Official or
- (ii) any person that performs or abstains from performing an act that violates their legal, contractual or professional obligations.

➤ [Payments for “Accelerating” services and paperwork](#)

All Persons of Interest are prohibited from making or accepting payment for the accelerating of services and paperwork.

The “Payments for accelerating services and paperwork” are a specific form of bribery, they refer to non-authorized payments of lesser value that are made to obtain or speed-up paperwork and services,

usually to a Public Official (without involving the proper discretionary faculties of the Public Official).

For example, the payment of an amount to obtain an activities licence, or to obtain a visa or file, or to speed-up an importation in customs (assuming that all other legal prerequisites associated with these types of services are complied with), are all examples of “payments for the accelerating of services and paperwork”.

➤ [Examples of prohibited conducts](#)

Following are several examples of prohibited conducts. These examples are merely of an illustrative nature.

- a. Offering a payment to a foreign Customs Official in exchange for a reduction in the tariff duties on imported goods by Grupo Frinsa, or to a foreign Revenue Inspector to obtain favorable fiscal treatment in the region it may be or to avoid the imposition of a fine;
- b. Giving any type of benefit to a representative, or director, of a commercial associate for Grupo Frinsa to obtain a contract;
- c. Paying a monetary amount to a client so as to buy the products of Grupo Frinsa instead of those of a competitor;
- d. Paying a monetary amount to an employee of an equipment supplier so as to obtain a preferential treatment when their equipment is scarce in the market.

OTHER UNETHICAL BUSINESS CONDUCTS: CONFLICT OF INTEREST

It is prohibited for any employee or director of Grupo Frinsa to participate in any decision or situation in which there may exist a Conflict of Interest. Said situation must be reported at every step to the company or to the hierarchical superior.

Grupo Frinsa considers that a **Conflict of Interest exists** in those situations where the personal interests of any of the employees or directors enter into collision with the interests of the company or the Grupo.

- The employees will act with integrity and loyalty in the carrying out of their professional activities, attending to the defense of the interests of Grupo Frinsa.
- Whenever there may exist the possibility or doubt regarding a conflict of interest, the employees will communicate it to the company or their superior so that pertinent measures are adopted and the impartiality is assured.
- In no case will the company persons that have any personal, family or economic links to the third parties implicated in the relationship participate in or influence the processes and commercial or professional decisions to be made.

➤ [Procedure in the case of Conflict of Interest](#)

In the case that any employee or Director of Grupo Frinsa has knowledge of the existence of a Conflict of Interest, be it personally theirs or of any other employee or Director, or if a Department Head may have been communicated a Conflict of Interest by any employee under their charge, this person will proceed to report either (i) to the Ethical and CSR Committee regarding the Conflict of Interest, or (ii) to the one ultimately responsible for the decision on the act affected by the Conflict of Interest, so that they may decide if the person can participate in the decision or activity or abstain from doing so.

If the person finally responsible of the decision or act may have doubts about the situation generated, or

if it was this same person the one affected by the Conflict of Interest, these must be elevated to the Ethical and CSR Committee for analysis and evaluation.

If the decision or act affected by the Conflict of Interest turns out to be of special relevance to the business interests of Grupo Frinsa and the person affected by the Conflict of Interest is a Director or the one responsible for said decision, the Management of Grupo Frinsa (CEO) will be informed and will make, in last instance, the decision.

GIFTS, MEALS, TRIPS AND OTHER GESTURES OF HOSPITALITY

The employees of Grupo Frinsa cannot be influenced by the reception of favors, nor will they try to influence others in an inadequate way by means of providing favors.

Without prejudice toward the above, when it is permitted by both the local legislation as well as the internal regulations of the receiver, the employees, directors or members of the management of Grupo Frinsa may, in an occasional instance, offer gifts, meals, trips and their derivative costs, within some reasonable limits determined by the norms and customs of the business activity, and in the course of legitimate business dealings. Said gifts will never consist of monetary deliveries.

In consequence, conforming to the rules and procedures of Grupo Frinsa, only favors or benefits to third parties may be given if:

- The benefit is NOT *quid pro quo*;
- The value of the benefit is limited and reasonable according to the customs of the country;
- The concession of the benefit adjusts to the anti-corruption regulation applicable to the different parts of the transaction, and;
- The benefit is given in a transparent manner without hiding it from Grupo Frinsa, or from the direct superior of the beneficiary.

The Frinsa employees will never lie regarding the value of a benefit.

Further, the Grupo Frinsa employees will not accept directly or indirectly, gifts or attentions from clients, suppliers or third parties in general, for a value superior to EUR 150.

When the gifts exceed this value, the employees will inform their hierarchical superior, or the Director of Human Resources so that a decision may be taken regarding the return of the gift or the use that may be given to it; further, the Department of Human Resources will inform the giver of the gift about this present Policy to avoid its repetition.

In any case, Grupo Frinsa prohibits the giving of gifts, entertainment and relaxation activities to any Public Official. As an exception, gifts, entertainment and relaxation activities and their associated costs may be offered to Public Officials always with a prior authorization from the Ethical and CSR Committee, specifying the reason for said request.

CONTRIBUTIONS OF A POLITICAL NATURE AND CHARITABLE DONATIONS

No person included in the list of Persons of Interest may contribute to political parties, directly or indirectly, in the name of Grupo Frinsa, or with any other intention related to the business activities of the Grupo.

The **donations** with charitable character and other monetary apportionments (including patronage) with charitable ends ("**Charitable Donations**") are donations and other pecuniary contributions of a charitable nature carried out within the framework of corporate social responsibility, whose objective is to collaborate with the populations in the territories where Frinsa operates, or with charitable causes of any other type, and that include the patronage of events whose revenues are destined for charitable causes.

Grupo Frinsa will make Charitable Donations solely and exclusively under the following **conditions**: that the Charitable Donations (i) are not related to any commercial transaction nor are they made as a means to obtain or retain, (ii) they are made in a manner that is absolutely transparent, (iii) they are permitted by the applicable legislation, and (iv) they do not contravene the ethical code of the receiving entity. In every case the Ethical and CSR Committee will be consulted and informed.

RELATIONS WITH THIRD PARTIES

In general, the relationships with Third Parties are a risk factor in the fight against fraud and the traffic of influences.

The term “Third Parties” encompasses agents, distributors, suppliers, external consultants, suppliers of services, subcontractors, intermediaries or representatives of third parties, temporary associates, clients or any other third party susceptible of carrying out an activity in the name of Grupo Frinsa.

The Third Parties must act, in every instance, in conformance with this present Policy. Thus, it is prohibited for the Persons of Interest to make any payment destined to bribery or traffic of influences, specifically through Third Parties.

It is because of this that special attention must be paid to the selection and maintenance of Third Parties that collaborate with Grupo Frinsa. Said Third Parties must always be duly identified and their data kept up to date.

Examples of situations that should alert Grupo Frinsa about its relationships with a Third Party:

- The Third Party requests a cash payment, refuses to give an invoice or receipt for the payment made, makes the payment in a jurisdiction that is different from where the service is executed or where its legal address is, or requests the payment by means of unconventional methods;
- The Third Party refuses to meet face to face with a representative of Grupo Frinsa;
- The Third Party insists on receiving a payment or commission before signing a contract for Grupo Frinsa;
- The Third Party requests a commission superior to the usual for that type of operation or service rendered.

PREVENTION OF MONEY LAUNDERING AND FINANCING OF TERRORISM

Grupo Frinsa must maintain accounts and registries that demonstrate, in a detailed manner, the true and accurate information of its assets and operations. To guarantee compliance with its legal obligations, Grupo Frinsa has established systems of accounting supervision, both internal and external, to make sure that its ledger books, registries and accounts are not used to hide cases of bribery or influence peddling.

The Persons of Interest will avoid any type of economic transaction or commercial agreement in which there are founded suspicions that money laundering may take place, behaving in an integral manner and in accordance to the ethical principles and values established by Grupo Frinsa.

All Persons of Interest are prohibited from:

- a. Introducing erroneous, false or artificial figures in the account books and registries of Grupo Frinsa, whatever reasons there may be for this;
- b. Using the funds or assets of Grupo Frinsa for illegal, inappropriate or immoral ends;
- c. Falsifying the accounting data related to a determined transaction to hide or camouflage

- the true nature of the transaction or activity;
- d. Presenting false information or declarations, or cheating the auditors;
- e. Establishing unregistered accounts in the account books;
- f. Registering non-existing revenues, expenses, assets and liabilities;
- g. Not registering any operation that has taken place;
- h. Using false documents;
- i. Destroying accounting documents;
- j. Constituting societies or bank accounts in fiscal paradises.

TRANSPARENCY AND ACCOUNTABILITY

Grupo Frinsa is committed to responsible and ethical governance, so it contemplates as an obligation the transparency of the group's information.

The financial-economic information must accurately reflect the economic, financial and patrimonial reality, in such a way that none of the employees, directors or area responsables with knowledge of the information will hide or manipulate the data or reports.

The Grupo also commits itself to facilitate all the relevant information to its shareholders or possible investors immediately.

IMPLEMENTATION OF THE POLICY

Compliance with this policy is obligatory and crucial to safeguard the interests of Grupo Frinsa. The Ethical and CSR Committee is the one responsible for its implementation, supervision and efficacy. And resolves the doubts that arise in relation to this Policy.

All Frinsa employees must:

- Learn, understand and comply with the obligations imposed by the Policy;
- Implement the obligations established by the Policy in the exercise of their duties and professional responsibilities;
- Retain proof of compliance with the Policy, such as, for example, receipts of payments;
- Inform about any violation of the Policy through the notification procedure described in the Frinsa Code of Conduct; and
- Actively cooperate with any audit or investigation regarding potential violations or infractions of the Policy.

Every hierarchical superior or department head also has the responsibility of:

- Making sure that all subordinates know and understand the provisions of the Policy; and
- Taking the necessary measures to prevent or detect possible deficiencies.

The violation of this Policy can cause disciplinary actions, including contract termination.

This Policy is incorporated into the internal Reglament of each company of the Grupo and, as such, is subject to the information procedures of the employees' representatives.

➤ [Ethical Complaint Channel](#)

All Persons of Interest must communicate to the Ethics and CSR Committee any situation of which they

have knowledge that may affect any of the prohibited conducts collected in this present Policy, or that may affect the company's business ethics.

For that, the Persons of Interest can make use of the Ethical Complaint Channel described in the Frinsa Code of Conduct; it assures the confidentiality of the information given and of the author of the complaint, in conformance with the procedures described in said Complaint Channel.

September 2021

Jorge Carregal Varela
CEO Grupo Frinsa