

CRIMINAL RISK MANAGEMENT SYSTEM

CODE OF CONDUCT

The logo for Salcar, featuring a stylized white 'S' followed by the word 'alcar' in a bold, sans-serif font, all set against a dark blue background.

1. INTRODUCTION

This **Code of Conduct** forms the basic pillar on which the framework of integrity and prevention is based, aimed at promoting the improvement of the ethical culture and good governance of the organisation and all the different levels within it.

This self-regulation mechanism is used so that each of the subjects included in the scope of application of the COMERCIAL SALGAR S.L. Code of Conduct internalise the principles, values and ethical behaviour that should govern their actions, both internally and in their relations with the different stakeholders, (personnel, suppliers, customers, agents, distributors, consumers, public administrations, institutions and society as a whole).

Our Code is inspired by the values and ethical principles that have made COMERCIAL SALGAR, S.L. the benchmark company that it is today; these values and principles represent the best letter of presentation we have to society and form the basis of our success and reputation.

The rules of ethics and conduct established in this Code are considered minimum standards and may be completed in their levels of requirement by the specific policies and protocols of action approved by COMERCIAL SALGAR S.L.

The Code is established as a living, flexible instrument, whose content will be immediately adapted to the provisions established by the applicable legislation in this area, as well as the recommendations and proposals issued for this purpose by the COMERCIAL SALGAR S.L. Compliance Body.

2. OBJECT

The purpose of this Code is to establish a general framework of action that serves to promote, drive and guarantee the integrity and ethics of COMERCIAL SALGAR S.L., as well as preventing and condemning, where appropriate, any anomalous conduct that does not comply with the values, principles and rules established in this document.

The rules of ethics and conduct contained in this Code aim to achieve the following **strategic goals**:

- I. To develop the organisation's commitment to the principles of good governance, business ethics and transparency, constituting the framework within which the Corporate Policies of COMERCIAL SALGAR S.L. will be developed.
- II. To establish the mechanisms for regulating the conduct of all the people linked to the activity of COMERCIAL SALGAR S.L., consolidating the company's organisational ethics and creating a culture of continuous improvement and integrity in all its areas of activity that helps to minimise any reputational risks.
- III. To lay the foundations for establishing a management model for regulatory compliance and the prevention of criminal offences, which results in the implementation of the corresponding due diligence processes.



IV. To establish the rules for dealing with the most sensitive dilemmas or issues that may arise in the management of the company, serving as a reference and guide for the professionals that form part of the organisation.

3. SCOPE OF APPLICATION

This Code of Conduct applies to all professionals linked to the organisation's activity, regardless of their hierarchical level, geographical or functional location.

3

Therefore, the members of the Governing Body, managers, technical, administrative and operational personnel, sales representatives, as well as other personnel, whether self-employed or employed by the company, who provide their services on behalf of COMERCIAL SALGAR S.L., regardless of the type or duration of their contract, are obliged to comply with this Code of Conduct.

Similarly, it shall promote the application of the provisions of this Manual to its partners, suppliers and other third parties with whom it is related in the exercise of its activities.

COMERCIAL SALGAR S.L. shall have the appropriate dissemination and information mechanisms in place to provide information about the content and scope of this Code, for all those who carry out activities on behalf of the organisation, so that they are also aware of the principles and values that govern their actions, and thus guarantee ethical and responsible behaviour in line with the Code.

People who have responsibility over others must set an example of the conduct and application of the rules established in this Code, especially management personnel, who must ensure that the workers under their responsibility receive adequate information and training, which enables them to understand and comply with the legal and regulatory obligations applicable to the functions of their role, including those arising from the internal regulations and protocol approved by COMERCIAL SALGAR S.L.

4. CORPORATE MISSION AND VALUES.

4.1. MISSION

The ambition of COMERCIAL SALGAR, S.L. is to achieve **sustained and sustainable growth in the international market** in order to be the European leader in **bathroom furnishings** solutions.

In order to achieve this, we strive to offer maximum **satisfaction** to our **customers**, providing them with a value proposition based on a product with an **excellent price/quality** ratio and level of **service**, built on business **processes** in which our **values and principles** of corporate social responsibility are integrated in a transversal manner,

4.2. CORPORATE VALUES

The **values** that govern the actions of all the professionals linked to the different levels of the COMERCIAL SALGAR S.L. organisation are as follows:



a) Research and innovation, through the permanent development of products based on our knowledge and research of market trends.

b) Service to our customers, through the availability of a wide range of products and maximum efficiency in the distribution process.





c) Quality in service and products, through a design, manufacturing and transport process designed to meet the highest quality standards.



d) Human Team, professional, flexible and committed to customer satisfaction, managed with a perspective of equality and diversity.



e) Sustainability, considering and integrating the economic, social and environmental dimensions in our strategy, in our business processes and in the management of our resources, in line with our principles of Corporate Social Responsibility (CSR).

5. PRINCIPLES OF CORPORATE SOCIAL RESPONSIBILITY.

The values listed above and the principles of Corporate Social Responsibility set out in this section establish the cornerstones on which the rules of conduct defined in this Code are based.

COMERCIAL SALGAR S.L. is committed to transversally integrating the following **principles of Corporate Social Responsibility** in its business management:

1. Maximum transparency in management.
2. Focus on the sustainability of the company and society.
3. Respect for employees.
4. Applying principles of excellence in management and customer focus.
5. To have an ethical and responsible relationship with suppliers.
6. To minimise the impact of the company on its direct surroundings and on the environment.

6. RULES OF CONDUCT:

Given that all of us who are governed by this Code act as representatives of COMERCIAL SALGAR, S.L., and with the aim of complying with the corporate values and principles of CSR, it is necessary to establish some general rules of conduct that apply to the activity carried out by all the members of COMERCIAL SALGAR, S.L. and which are basically defined below:

6.1. Integrity and respect for the legislation in force.

All COMERCIAL SALGAR, S.L. employees must comply not only with current legislation, but also with the internally established rules and procedures, as well as those that may be developed in the future. Under no circumstances may these internal regulations imply non-compliance with the legal provisions in force.

COMERCIAL SALGAR, S.L. is firmly committed to complying with the laws and regulations applicable to its activity in Spain, as well as those applicable to the other countries where it carries out its activity,

We cooperate with both internal and external authorities observing the legislation in force and professional obligations.



No activity shall be undertaken that breaches any legal standards, and no services shall be provided that assist customers or other parties to breach the legislation in force, avoiding conduct that, while not breaching the law, contravenes the values, principles and ethical behaviour established in this Code.

Contracts with our customers, suppliers and other parties will be negotiated and entered into in good faith. Contractual obligations and agreed conditions must be fulfilled and respected.

- **Bribery, facilitation payments and any other corrupt practices** such as grease payments are strictly prohibited. This includes the solicitation, acceptance, offer, promise or payment, whether directly or through third parties.
- We pay particular attention to the prevention of conduct that may be related to **money laundering and the financing of terrorism**. To this end, we apply measures of due diligence- knowing the identity of our customers and other parties with whom we do business- information and internal controls, established for this purpose.
- We respect **free competition**, and are prohibited from entering into agreements with our competitors, whether formally or informally, to unlawfully limit competition, fix prices or allocate customers, markets, people or services, and we have internal controls in place to prevent anti-competitive practices.
- In order to comply with the applicable legislation and regulations on **data protection and information security**, all the COMERCIAL SALGAR, S.L. personnel are obliged to incorporate into the corresponding computer systems and records all the personal or commercial information that we handle in the course of our business so that it remains protected and reserved. We comply with all the legislation in force on the protection of personal data entrusted to us by our customers, suppliers, candidates in recruitment processes or any other people.
- It is forbidden to communicate, disclose or use for our own benefit or for the benefit of others any data or information obtained in the course of our professional activity that may involve the disclosure of confidential information.
The obligation to **protect the confidential information** of COMERCIAL SALGAR, S.L. continues even after leaving the Company, if the information is still considered confidential and is not available in the public domain.
- We respect **copyrights, patents, trademarks, domains, software or designs both our own and those of others**. The use of any content that could be subject to protection is prohibited without prior confirmation that the corresponding authorisation, right or licence for use is available. The **intellectual and industrial property** resulting from our operations during our time at COMERCIAL SALGAR, S.L., shall remain the property of the Group unless the applicable legal regulations determine otherwise.
- We respect and support **internationally recognised human rights**. We strive to prevent complicity in breaches of human rights.
- We ensure **scrupulous compliance with applicable tax and fiscal legislation**. This includes the payment of all applicable taxes, which we will settle in accordance with the regulations in order to avoid any disputes with the national tax and fiscal authorities in the case of discrepancies.
- With regard to **commercial and accounting** matters, we shall comply with all the applicable laws and regulations and shall ensure that all the information provided to auditors and other inspection bodies accurately and fairly reflects the financial and non-financial position of our Group.



6.2. Impartiality, independence and objectivity.

In the decision-making process and, in particular, in the actions taken while carrying out their duties, all the professionals involved in the organisation's activities shall always act in accordance with the **principles of impartiality, independence and objectivity**.

These principles will be projected, in particular, in the relations with suppliers and contractors, in the selection and appraisal of the performance of the personnel at the service of COMERCIAL SALGAR S.L., in the application of rules and in the use of financial resources or those of any other nature.

6

6.3. Responsibility.

The directors and managers of the company shall be responsible for the management carried out, as well as for the decisions, actions or omissions within the scope of their competence and duties. This responsibility includes the corresponding rendering of accounts internally, and/or before the competent external authorities.

For their part, all the professionals linked to the organisation's activity must ensure strict compliance with the internal regulations, action protocols, general management procedures and work instructions approved by COMERCIAL SALGAR S.L.

6.4. Absence of conflict of interest.

The directors and managers of the company must refrain from intervening when their decision could be influenced by private interests of any kind, or could benefit the person adopting the decision, or their relatives or friends.

Decisions shall always be taken in the sole interest of the company, taking particular care to ensure that nothing could emerge that may arouse any suspicion or doubts in this respect. In this regard, the necessary steps must be taken to resolve any conflict of interest, bringing any incident, however minor, of this nature to the attention of the competent bodies.

6.5. Respect and Diversity.

All professionals linked to the organisation's activity must treat the employees of the organisation or other institutions, as well as third parties and stakeholders with whom they interact, in any forum and through any communication channel, with attention, courtesy, dignity, fairness and respect.

The diversity of our personnel is a competitive advantage that we promote and encourage. We firmly declare our commitment to the **establishment and development of policies that integrate equal treatment and opportunities**, and we make this clear in our Equality Plan, which sets out the measures we carry out to achieve real equality in the development of the company's activity.

We provide a **safe working environment**, both in terms of physical and psycho-social occupational risks. In order to do this, we must **be aware of and prevent all potential risks inherent to the performance of our activity**, and we also undertake the training established in the prevention policies, so that we can carry out our work properly.

In addition, we are obliged to look after our own safety and that of others and to inform the responsible body, through the channels established for this purpose, of any shortcomings we may observe in the compliance with the occupational risk prevention regulations of which we are aware.

Harassment, discrimination, abusive, threatening, violent or disrespectful behaviour, on the basis of race, ethnicity, colour, age, gender, gender identity or expression, sexual orientation, political or trade union



affiliations, citizenship, nationality, language, religion, disability, parental status, economic status or social class, or any other inappropriate criteria, **is not tolerated**.

Respect also implies standing up for others when we see inappropriate behaviour, whether by our personnel or by third parties. Reprisals for reporting problems in good faith are unacceptable, and anyone who retaliates will be held accountable.

We respect the customs and traditions of the countries in which we work. If these customs and traditions contradict this Code, we will consult internally to respect the Code, while continuing to respect local culture and traditions.



6.6. Professional Development and Performance Culture.

Directors and managers must create an environment where employees can develop professionally, promoting a positive culture that welcomes ideas and suggestions, responds to employees' opinions and explains the decisions adopted.

In our daily work, we aim to meet our customers' needs, whether internal or external, by focusing on service and quality.

For this purpose, the organisation will promote the establishment of a labour relations framework governed by negotiation and social dialogue, as well as effectively implementing the HR Corporate Policies.

6.7. Innovation and continuous improvement.

We work hard every day to achieve the highest levels of quality in our products and services, which is why we are working on implementing an innovation management system in internal processes that includes the establishment of goals and objectives within a process of continuous improvement managing the human and intellectual capital of the company as the real support of the whole process.

we provide channels for our customers so that they can request information, or express their disagreement with our products or services if applicable. we act quickly and diligently to resolve any genuine request. We also make an effort to discover our customers' opinions and needs, to try to anticipate them, and to assess their degree of satisfaction with our products and services.

The organisation will contribute to the development of activities that focus on efficiency aimed at the continuous optimisation of the organisation's operations, the management of the life of the installations and equipment, the reduction of operational and maintenance costs, and the reduction of the impact on the environment.

6.8. Respect for and promotion of sustainability and environmental protection.

We comply with the established management standards, minimising the environmental impact of the activities carried out, and contributing to the dissemination of best practices both internally and externally.

We recycle, using recycled and recyclable material.

We reduce consumption, using means and resources efficiently, austerely and responsibly for the development of our professional activity.

We reuse, recycling materials in our production process.

We manage our waste responsibly.



We work with sustainable wood (PEFC Certificate)..

6.9. Exemplarity and Promotion of the company's image and reputation

All professionals linked to the company's activity, especially in cases where they hold a relevant position in the organisational structure, must be ambassadors of the company's values and ethical standards and conduct, and must therefore avoid any action or omission that harms, even minimally, the prestige, dignity, reputation and image of the company, both internally and externally.

We must refrain from undertaking actions that damage the image and reputation of the company.

COMERCIAL SALGAR S.L. is neutral in terms of political positions. In particular, when expressing our opinions on social or public issues, we make it clear that these opinions are personal and do not necessarily belong to COMERCIAL SALGAR S.L.

Communication with the different stakeholders is encouraged, and we promote participation in community activities, in particular, in activities related to integration in the workplace and to sustainability and respect for the environment.

In order to reinforce the exemplary nature of their conduct, the company's directors and managers will be governed by the following leadership principles in the management of their teams and in their professional relations:

1. Create a culture of occupational health and safety, and ensure compliance with the company's regulations and policies.
2. Focus your work and that of your team on the customer (external and/or internal).
3. Make decisions that maximise the company's results.
4. Define your plan and have clear objectives.
5. Fulfil your plan and achieve your objectives.
6. Manage based on the data.
7. Be proactive and encourage continuous improvement.
8. Share relevant information and promote transversality.
9. Lead your team:
 - o Listen and communicate effectively
 - o Be honest, respectful and gain the trust of others
 - o Remove any barriers for your team
 - o Get to know your team and encourage their development
 - o Celebrate success and instil pride
10. Manage yourself.

7. MONITORING AND CONTROLLING COMPLIANCE WITH AND APPLICATION OF THE CODE OF CONDUCT

The supervisory body responsible for ensuring compliance with this code and for carrying out any necessary updates is the COMMERCIAL SALGAR, S.L. **Compliance Body**.



COMERCIAL SALGAR, S.L. is committed to the statements made in this Code and therefore we will progressively adopt the measures which, at all times, are considered necessary to bring into effect the set of values, principles and rules contained in the Code, disseminating its content among those to whom it is addressed and clearing up any queries that may arise from its application.

The Governing Body is responsible for monitoring this Code, as well as controlling its applicability. It will be assisted in performing these duties by the Compliance Body of COMERCIAL SALGAR, S.L. In this regard, the Compliance Body will be responsible for clarifying any interpretation queries that may arise from the Code.

It shall also be responsible for investigating any complaint received regarding non-compliance with this Code.

8. WHISTLEBLOWER CHANNEL

All members of COMERCIAL SALGAR, S.L. have the obligation to comply with and contribute to compliance with the Code of Conduct, internal regulations and the legislation in force at all times. Therefore, no-one may justify any conduct that breaches the established regulations or carry out any form of malpractice based on an order from a hierarchical superior or ignorance of the content of this Code, the internal regulations or legislation in force.

In this regard, any of the parties bound by this Code **are obliged**, under the guarantee of confidentiality, to report any breach of the principles set out in this Code and, in general, any action that could be considered fraudulent.

The reported complaints must always be made in good faith, based on objective reasons and evidence that demonstrate the non-compliance. Furthermore, at COMERCIAL SALGAR, S.L. we will ensure that no retaliatory action is taken, whatever the origin and subject of the complaint may be, provided that it has been reported in good faith.

It is the responsibility of all of us, whatever our position in COMERCIAL SALGAR, S.L., to ensure that the Code is respected and observed. Therefore, no person who reports suspicious, illegal activities or anything that contravenes the Code may be sanctioned for this reason.

To report knowledge or suspicion of irregular conduct, contrary to this Code of Conduct and any internal regulations of the Group, we have implemented a Whistleblower Channel that can be accessed via the following link:

Canaldenuncias@salgar.es

9. DISCIPLINARY SYSTEM FOR BREACH OF THIS CODE.

Any breach or non-compliance with the Code, as well as with other internal policies, will be sanctioned in accordance with the collective agreement or the labour regulations in force, without prejudice to any other responsibilities that may arise from such conduct.

It will be the responsibility of the COMERCIAL SALGAR, S.L. Governing Body to assess the corresponding sanction, based on the Complaints Report provided by the Compliance Body.



10. ENTRY INTO FORCE, DEVELOPMENT AND REVISION

The Governing Body of COMERCIAL SALGAR S.L. expressly approve this Code of Conduct, which shall enter into force once it is signed.

The ethical and conduct regulations established in this Code of Conduct will be developed through the specific policies and action protocols approved by COMERCIAL SALGAR S.L. for implementation in the organisation.

10

The content of this Code will be reviewed at regular intervals within the framework of the regulatory compliance management system to ensure that it adheres to the values and principles transmitted by the organisation. Similarly, it will be subject to review, whenever necessary, for the incorporation of the provisions established by the applicable legislation on the matter, whenever breaches are detected and/or when the COMERCIAL SALGAR S.L. Ethics Committee issues recommendations and proposals to this effect.

Track Changes

Revision No.	Description	Date
00	Production of documentation	15/09/2022
00	Approval	18/10/2022

Signed

Milagros Salinas Villalba

Juan José Cortés Royo

**Joint and Several Directors of COMERCIAL
SALGAR S.L.**

