

sando

**SUPPLIER CODE OF ETHICS AND
CONDUCT**

Table of Contents

1. Purpose.....	3
2. Scope of application	4
3. Patterns of conduct	4
Transparency and Ethics	4
Human Rights.....	5
Health and Safety.....	6
Quality and Environment.....	6
4. Ethical channel.....	7
5. Acceptance	7

1. PURPOSE

SANDO's [Sustainability Policy](#) sets out the ethical principles and the basis for the company to continue developing responsible practices that contribute to social progress, environmental balance and economic growth.

In line with this purpose, GRUPO EMPRESARIAL SANDO, S.A. adhered to the United Nations **Global Compact**, an adhesion by which all its subsidiaries took on the challenge of gradually implementing the "Ten Principles" of this initiative and the 2030 Agenda in their operations, as well as communicating to their stakeholders the progress made during the process.

In this context, SANDO's objective is to extend its commitment to sustainability to suppliers, contractors and collaborators, encouraging them to carry out their activity in accordance with the highest international standards in terms of Transparency and Business Ethics, Human Rights, Health and Safety, Quality and the Environment.

SANDO selects its suppliers, contractors and collaborators in accordance with the procedure established in the company's **Purchasing Manual**, which establishes criteria of objectivity, impartiality and free competition, avoiding any conflict of interest to be a benchmark in regulatory compliance and ethical performance.

This Manual includes the **integration of ESG** (Environmental, Social and Economic) criteria in the selection evaluations of a potential supplier; as well as in the *Continuous Evaluation Report* to be carried out by the head of the Production Center on the suitability of the supplier/subcontractor for future supplies/subcontracts of the same material and/or activity.

In this sense, SANDO is committed to making a positive impact on society through its activities and expects its suppliers, contractors and collaborators to participate in its value creation process by applying sustainability principles in its own activities, to its parent companies, subsidiaries and affiliates; as well as all its employees and the rest of the groups with which it maintains commercial relations, subcontractors and third parties.

Suppliers, contractors and collaborators must comply with all applicable national and international regulations on criminal, labour, tax, environmental, data protection, occupational risk prevention, competition, anti-corruption and human rights

2. SCOPE OF APPLICATION

This Code is addressed to all suppliers, contractors and external collaborators involved in business relations with any of the companies in which SANDO has management control. Among which are, but are not exclusive, the following: Grupo Empresarial Sando S.A., Sando Servicios Corporativos S.L., Construcciones Sánchez Domínguez, S.A.U.; Conservation, Asphalt and Construction, S.A.U; Althenia, S.L.U; Andaluza de Morteros, S.A.U.; Áridos y Reforestación, S.A.U.; and Áridos La Ventilla, S.L.

Compliance is independent of where in the world such suppliers, contractors and collaborating companies operate, without prejudice to compliance with the existing institutional and legal framework of each region and/or country.

3. GUIDELINES OF CONDUCT

SANDO requires its suppliers, contractors and collaborators to have their own policies, codes of conduct and management systems that promote behavior in accordance with the principles established in the company's [Sustainable Procurement Policy](#).

Below are some guidelines of conduct on which suppliers, contractors and collaborators must guide their conduct during the performance of their professional activity.

Transparency and Ethics

- Respect the laws, rules and regulations of the regions and countries in which they operate.
- Comply with the international standards on ethics and transparency mentioned above.
- Do not carry out practices or conduct that, even if they do not violate the law, may damage the reputation of the company.
- Act in a transparent and honest manner in relation to all financial, commercial and business information that they issue.
- Respect the principles of confidentiality and trade secrecy, not using or sharing information they have received as confidential during their business relationship, unless they have been authorized by SANDO; for reasons of legal obligation or in compliance with judicial or administrative resolutions.
- Have the necessary means to guarantee the privacy of the personal data to which they have access in the exercise of their activity. Comply with Regulation (EU) 2016/679 (GDPR) and Organic Law 3/2018 on the Protection of Personal Data and

guarantee of digital rights, guaranteeing the confidentiality, integrity and security of the personal data processed.

- Refrain from engaging in practices involving corruption in all its forms, including extortion and bribery, by not offering, directly or indirectly, any payment in cash or in kind to SANDO, or any member of its staff, public representatives or other entities, with the intention of illicitly obtaining or maintaining business or other advantages.

Human Rights

- Respect the applicable human rights regulations and the United Nations Guiding Principles on Business and Human Rights within their sphere of influence, ensuring that they are not complicit in any form of abuse or violation of these.
- Prohibition of forced labour: prohibit the use of forced or compulsory labour in all its forms; coercive treatment or the manifestation of physical, psychological, moral, sexual harassment or abuse of authority, or any other conduct that intimidates or offends the rights of individuals; human trafficking; and modern slavery; adopting employment practices compatible with ILO conventions in this area.
- Prohibition of child labour: the minimum age for admission to employment shall not be lower than that established in the legislation in force in each country, as well as the age of completion of compulsory schooling according to national legislation. SANDO will limit access to its centres, projects, works or services to minors under 18 years of age unless they act through training contracts or regulated work placements.
- Respect for freedom of association, unionization and collective bargaining: support freedom of association, unionization and the effective recognition of the right to collective bargaining and fair defense. In situations where national legislation or regulation may restrict these rights, they shall provide means to facilitate freedom of association and collective bargaining.
- Fair employment practices: Implement ethical, legal and voluntary recruitment practices, without accepting any form of discrimination. Promote regular, permanent and direct employment; thus minimizing the use of third-party or temporary employment or other forms of contracting that may discourage the generation of stable employment.
- Fair working conditions: Offer fair and equitable pay and terms of employment that are clearly set out in a written contract in a language that they understand and is available to their workers. Comply with laws and regulations and international standards on wages, without gender discrimination for work of equal value (ensuring minimum and living wage); comply with laws and regulations and international standards on working hours (working and overtime, rest periods and holidays), respecting the rights of workers set out in the applicable rules and conventions.

- Inclusion and Diversity: promote a culture of respect and maintain an environment in which all workers are treated with equality, dignity, in which no discrimination is used on the basis of age, race, ethnicity, colour, national descent, gender, sexual orientation, marital status, disability, social origin, religion, political opinion, training, baggage or any other condition. As well as compliance with the legal reservation of social contracting of people with disabilities, and/or minority groups and indigenous peoples in accordance with the legislation of each country.

Health and Safety

- Provide your workforce with a safe and healthy workplace, committing to compliance with international safety standards.
- Ensure, at a minimum, access to drinking water and sanitation facilities, fire safety, industrial hygiene, sufficient lighting and ventilation, and adequate protection for each activity.
- Have preventive measures to avoid risks at work and responses to emergency situations in the event of accidents during the performance of the work activity.
- Train the people in your workforce so that they are aware of these measures and apply them, so that they ensure their own safety, that of other employees, customers, suppliers, contractors and collaborators and, in general, of all the people who could be affected by the development of their activities.

Quality and Environment

- Have an effective environmental policy and comply with current legislation and regulations on environmental protection.
- Maintain a preventive approach and encourage initiatives that promote greater environmental responsibility, seeking greater efficiency in their activities, facilities, equipment and means of work.
- Design production processes that involve an efficient use of available resources and that prevent or minimise environmental impact.
- Promote the development and dissemination of environmentally friendly technologies.
- Provide effective systems for the identification, control and treatment of the main environmental impacts generated by their activities in terms of consumption of natural resources, management of emissions, waste, hazardous substances and discharges.
- And, in the event of environmental damage, use all necessary means to restore the situation prior to the event that has caused the impact.

4. ETHICAL CHANNEL

SANDO is hereby informing that SANDO makes available to any person (suppliers, customers, citizens, employees, etc.) regulating the protection of whistleblowers, possible violations of ethics, human rights or breaches of this Code of Ethics and Conduct for Suppliers.

Communications may be sent to canal.etico@sando.com, ensuring that they are treated in strict confidentiality, without retaliation and in accordance with data protection regulations.

5. ACCEPTANCE

By accepting this Code of Ethics for Suppliers, the supplier, contractor or collaborator undertakes to:

- Respect this code, while maintaining their status as a subcontractor of a SANDO company.
- Participate in the verification activities of this code that SANDO may establish.
- Implement corrective actions, if necessary, as a result of any verification activity that SANDO has carried out in your organization.
- Communicate to SANDO any information that they consider relevant in relation to the requirements established in this code.

SANDO will ensure the continued application of these principles by suppliers, and may request audits to verify their degree of compliance.

Failure by the supplier to comply with the contents of this code may have different consequences on the contractual relationship with SANDO.

Depending on the severity of the breach, these can range from a mere warning, to a possible disqualification as a SANDO supplier and justified termination of the contract; without prejudice to other legal or administrative actions that may be applicable.

Communication and good faith are encouraged in the relationships between SANDO and suppliers, contractors and collaborators.