



ANTI-FRAUD AND ETHICAL POLICY

At Electroless Hard Coat S.A., we are committed to integrity, business ethics, and transparency in all our operations. The following anti-fraud and ethical policy aims to establish clear guidelines for preventing, detecting, and addressing fraudulent activities, ensuring an environment of honesty and responsibility. This policy is applicable to all employees, managers, suppliers, and any other parties engaged in business relations with our company.

Definition of Fraud: Fraud is defined as any deliberate and illegal action intended to gain an unfair advantage or cause harm to the company, its employees, or third parties. This may include, but is not limited to: embezzlement, bribery, corruption, document forgery, theft of intellectual property, accounting fraud, among others.

Consequences of Fraud: Non-compliance with this policy may result in disciplinary actions, including termination of employment and potential legal actions. Furthermore, fraud can have serious consequences for the company, such as damage to reputation, legal sanctions, and financial harm. Individuals involved in fraudulent activities may also face criminal charges.

Employee Obligations:

- 1. Integrity and Ethics:** All employees must act with integrity and ethics in all their business activities and represent the company honestly and truthfully.
- 2. Reporting Fraudulent Activities:** Employees have a responsibility to promptly report any activities they believe to be fraudulent or unethical, whether within the company or related to suppliers and clients.
- 3. Cooperation in Investigations:** All employees must fully cooperate in any internal or external investigations related to suspected fraudulent activities.
- 4. Protection of Whistleblowers:** The company will ensure that whistleblowers of fraudulent activities are protected from retaliation and will maintain the confidentiality of their reports to the extent permitted by law.

Actions When Discovering Fraudulent Activities:

- 1. Internal Reporting:** If an employee suspects or discovers fraudulent activity, they should immediately report it to the company's compliance and ethics department or a supervisor, using established reporting channels.
- 2. Internal Investigation:** The company will conduct an impartial and thorough internal investigation of all fraud reports. Appropriate measures will be taken to address the situation.
- 3. External Cooperation:** If necessary, the company will fully cooperate with legal authorities and other external agencies in the investigation and prosecution of fraudulent activities.

Procurement Policy:

- 1. Supplier Selection:** The company will select suppliers based on ethical and sound business criteria, avoiding any form of favoritism or conflicts of interest.
- 2. Transparent Contracts and Transactions:** All business transactions and contracts will be conducted transparently and with appropriate documentation, complying with applicable regulations and laws.
- 3. Auditing and Monitoring:** The company will conduct regular audits and/or supplier monitoring to prevent fraudulent activities in procurement.

Compliance and Policy Review: This policy will be periodically reviewed and updated to ensure its relevance and effectiveness. Non-compliance with this policy may result in disciplinary sanctions, including termination of employment and legal actions.

At Electroless Hard Coat S.A., integrity and ethics are fundamental to our ongoing success. We expect all employees to adhere to this policy and commit to maintaining a truthful and ethical working environment in all our business operations.



Management

January 2023