

## 1 PURPOSE

The purpose of this Standard is to establish the guidelines and operation of InterCement's Ethics Line.

This standard applies to all InterCement employees, as well as business partners, suppliers and other related parties. It should be widely disseminated both internally and externally in the scope of InterCement.

InterCement expressly prohibits attempts or acts of retaliation or persecution against submitting parties, witnesses, etc.

## 2 DEFINITIONS AND ACRONYMS

- **Service Exception Tree:** Document that defines the handling and elimination of conflicts of interest in open announcements, aiming to give the process the independence, impartiality and confidentiality required. Applies only to direct and indirect members of Audit, Risks and Compliance, Legal Affairs and Compliance Management Loma Negra, InterCement Board of Directors, Corporate CEO, Chief Executive of Business Units, members of the Executive Committee, Ethics Committee and Compliance InterCement and Loma Negra, Audit, Risk and Compliance Committee and Loma Negra Audit Committee.
- **Ethics Line:** Independent communication channel, managed by a third party, available to InterCement's internal and external audiences, through which any company or person, in Brazil or abroad, may make complaints or consultations related to the Code of Conduct.
- **Announcement:** Detailed description of the consultation or complaint registered in the Ethics Line.
- **Submitting party:** Person who makes the announcement to the Ethics Line.
- **Involved Party:** Individual or legal entity mentioned by the Submitting party as the person who committed an illegal act or violated the guidelines of the Code of Conduct.
- **Professionals** – For InterCement, professionals are those who establish any

working relationship with the company, regardless of their position, function, activity or length of time.

### **3 RESPONSIBILITIES AND ASSIGNMENTS**

#### **3.1 Compliance Department**

- Prepare and update this Standard.
- Manage the Ethics Line, including, among others, the definition of third-party companies responsible for intermediation of announcements, budgeting, relationship with the Ethics and Compliance Committee and Audit, Risks and Compliance Committee.
- Ensure the confidentiality of information, confidentiality, impartiality in handling and developments of the communicate and the privacy of data.
- Receive occurrences forwarded by third parties hired to mediate the announcements and start their treatment. General rule, treatment begins with review of the announcement, making it available to the members of the Ethics and Compliance Committee and / or the responsible area (provided that after the investigation has progressed, it is assured that it is not involved in the event denounced), with knowledge of the UN VP. However, there are some exception situations that will be dealt with as per Attachment "Service Exception Tree". The Compliance area performs a first analysis and depending on the nature, available information and severity of the announcement, defines the scope of the work, whether or not an audit is required, among other hypotheses. For cases of fraud, harassment and security, a proposal for analysis or closure is communicated to the Ethics and Compliance Committee, and in case of closure it is only made after approval by this Committee.

**NOTE** - 100% of the announcements will be analyzed by the Compliance area.

- When analyzing the outcome of the announcement investigation, assess whether the information is sufficient, if necessary, request or ask for further information, suggest action plans, draw up the investigation's conclusion and the submitting

party's response, include the results of the analysis in the system. of Ethics Line and categorize announcements

- **Valid:** When the findings indicate that the announcement is true, and some action will be taken.
- **Unfounded:** When the findings indicate that the announcement is unfounded and will then be closed without the need for any negotiations.
- **Partially valid:** When the findings indicate that only part of what is reported in the announcement is well valid.
- **Lack of information:** When there is no evidence to allow further analysis and investigation (if applicable).
- **Inconclusive:** When existing evidence does not allow a conclusion to be drawn from analysis and investigation.
- **In Progress:** When the announcement is still under review.
- Inform, in a timely manner, to the Ethics and Compliance Committee and, when necessary, to the Board of Directors, of the manifestations registered in the Ethics Lines as well as the internal administrative investigations, applied penalties, consequences, etc.

**NOTE** - Although not all announcements are sent to the Ethics and Compliance Committee at the beginning of the process, all announcements and their analysis and results are reported to the Ethics and Compliance Committee.

- Forward to the Ethics and Compliance Committee and the Audit, Risks and Compliance Committee quarterly reports on the announcements and their results, as well as performance indicators of the Ethics Line.
- Disseminate the Ethics Line and encourage its use by professionals, third parties, clients, etc.
- Support the areas responsible for internal administrative investigations.
- Promote the communication plan, training and dissemination of the Ethics Line.
- Send to the Chairman of the Board of Directors, the Audit, Risks and Compliance Committee and the Ethics and Compliance Committee an annual report on the announcements and the performance (indicators) of the Ethics Lines.

- Periodically update the “Service Exception Tree” document.

### **3.2 Submitting party**

- Report potential misconduct that violates the values and guidelines contained in the Code of Conduct, InterCement or its partners' activities.

**NOTE** - Observing and reporting deviations from the provisions of the code of conduct is essential to maintaining a healthy and correct work environment. Failure to do so could cause incalculable damage to the reputation, image and finances of InterCement, its employees and business partners.

- Address questions and consult regarding the Code of Conduct.
- Make reports in good faith.
- Inform the Ethics Line clerk by phone or email if you would like to make an "Anonymous", "Anonymous Company" or "Identified" announcement. Whether by internet, select the option "Anonymous", "Anonymous Company" or "Identified".
  1. “Anonymous”: Submitting party does not identify himself/herself.
  2. “Anonymous Company”: The Submitting party identifies himself/herself, but must ask that the attendant of the company that manages the channel does not pass his/her data to InterCement, that is, the attendant will only have the contacts of the submitting party for a possible need for more information. This company has a confidentiality agreement that ensures that this is possible, i.e., the submitting party will be anonymous to InterCement and will only identify himself/herself to the company responsible for intermediation of the Announcements.
  3. “Identified”: Submitting party identifies himself/herself, including to InterCement.
- Provide accurate and clear information to facilitate internal administrative investigations. Examples:
  - Names and positions of persons involved, names of companies or persons harmed, dates and places of occurrences, names of other witnesses, description of irregularities and facts in as much detail as possible,

supporting documents, as you became aware of the irregularity or because you suspect it happened or is happening, etc.

- Follow the progress of the announcement and provide additional information whenever requested.

### **3.3 Third Party Companies hired to broker Ethics Line announcements**

InterCement, in order to strengthen the confidentiality of the process, will use independent consulting companies specialized in operating in this type of activity. Their main responsibilities are:

- Ensure information secrecy, confidentiality and data privacy.
- Receive announcements made via email, phone, online channel, whatsapp or letter (contact options vary by Submitting party country and preference).
- Screening announcements using the “Service Exception Tree” to ensure that if the reporting person belongs to the areas involved in the complaint review process or belongs to InterCement's high-level management, they will not have access to the announcement (for details, see Annex “Service Exception Tree”).
- Forward the announcements to the local Compliance Officer of the respective UN, provided that the announcement does not involve him/her. There are some exception situations, which will be dealt with as per Annex “Service Exception Tree”.
- Maintain specialized and trained staff in the reception and feedback of announcements.
- Properly maintain records of openings of communications, whether by telephone call, email, whatsapp or website, as well as responses and feedback, if any.
- Answer local language announcements.

### **3.4 Head of the area concerned in the complaint**

- The person in charge for the area mentioned in the announcement will only be involved after the investigation has progressed and is assured that it is not involved in the reported event.

- Ensure the confidentiality of information, impartiality in handling and developments of communications of their responsibility, confidentiality and privacy of data.
- Depending on the nature of the announcement, the person in charge of the targeted area may be involved in its analysis and proposed action plan.

### **3.5 Ethics and Compliance Committee**

- Ensure the confidentiality of information, confidentiality, impartiality in handling and developments of announcements and the privacy of data.
- Follow the processes of internal administrative investigations.
- Request Compliance analysis, audit and additional investigations to clarify any doubts.
- Propose improvements to the guidelines, practices and management of the Ethics Line.
- Evaluate announcements from fraud and define applicable actions or sanctions.
- Monitor performance indicators associated with the Ethics Line.
- Approve hiring specialized / forensic auditors to conduct certain investigations when necessary (e.g. fraud, sexual harassment).
- Analyze the complainant's request for breach of confidentiality by HD reading the computers and smartphones used by him/her in InterCement and, when necessary, approve it.

## **4 CRITERIA AND RULES**

- Ethics Line contacts are available at: <http://compliance.intercement.com/index.php>
- The Ethics Line should only be used for sending and handling complaints or inquiries associated exclusively with the Code of Conduct. Here are some examples of topics that can be reported to the Ethics Line:
  - Suspicion of illicit acts

- Conflicts of interest
  - Harassment and inappropriate behavior
  - Market conduct (customers, suppliers, partner banks and competitors)
  - Deviations or questions related to the Code of Conduct
  - Discrimination of whatsoever nature
  - Relations with Public Agents (includes parties, political candidates, and politically exposed persons)
  - Occupational Safety
  - Environment
- The submitting party has three alternatives to make his/her announcement:
    - Do it **anonymously**.
    - Do it in an “**anonymous company**” way, where the submitting party must identify himself/herself, but ask that the third party company manager who manages the channel does not pass his/her data to InterCement, that is, only she/he will have the contacts of the submitting party to a possible need for further information. This company has a confidentiality agreement that ensures that this is possible, i.e., the submitting party will be anonymous to InterCement and will only identify himself/herself to the company responsible for intermediation of the Announcements.
    - Identify yourself completely, including for InterCement.
  - InterCement does not tolerate and punish any form of retaliation or harassment for those who, in good faith, seek the Ethics Line. Therefore, the submitting parties can make their announcements, using one of the three alternatives mentioned above, making sure that the confidentiality of the information registered in the system is strictly preserved and report to us if this premise is not fulfilled.
  - The submitting parties, stakeholders and other persons and companies mentioned in a statement are welcomed with respect, professionalism, impartiality and efficiency by a specialized team.
  - The participants may not be publicly exposed unless otherwise required by law.

- The submitting parties are answered in their language. For calls to the Argentina Ethics Line number, ask the attendant to speak Spanish.
- When a complaint, complaint or consultation is made, the submitting party automatically receives a protocol number and password that can be used to track the progress of the announcement. Even those who choose anonymity receive a protocol.
- This same protocol is used to get the announcement resolution response.
- Cases involving the Public Administration and its agents in Brazil and abroad must be followed by the InterCement CEO.
- The use of phones provided by the Ethics Line is free.
- Business hours of the Ethics Line:
  - Brazil, Argentina and Paraguay: Monday to Friday, from 8am to 6pm (Brasília local time).
  - South Africa, Egypt and Mozambique: 24/7 (24 hours a day, 7 days a week).
- The deadline for internal administrative investigations is 30 business days for the matters mentioned in item 5, except fraud, sexual harassment or specific topics that require further analysis and / or investigation, which may exceed this deadline.
- Periodically and at least once a year, the Audit department, together with its internal auditors, shall review the proper functioning of the Ethics Line and the full application of the provisions contained in this Standard.

## **5 RECORDS**

N/A



## **6 ANNEXES**

- Annex 1 - Ethics Line Flowchart
- Appendix 2 - Service Exception Tree (example)