

**IBERITAL DE RECAMBIOS, S.A.****CODE OF ETHICS****Contents**

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## 1.- Purpose

The Company Code of Ethics is the formal expression of the values and principles that should govern its conduct and that of the persons subject to it in their activities and functions as well as in their working, commercial and professional relations, with the aim of achieving universally accepted business ethics.

The Code of Ethics represent a reference framework, an example of professionalism which the company strives towards in its activities and which it also expects from its employees and partners. The company places the greatest importance on dealing fairly with employees, customers and suppliers, authorities and the general public.

There are regulations that must be obeyed, which may include, wholly or in part, some of the ethical principles in this code; however, with the approval of the code, the company's intention is to go beyond the stipulations established in such regulations, respecting and requiring compliance regardless of the law at any given time.

## 2.- Values

The Code of Ethics is based on the following values:

- Support and respect for internationally recognised human rights.
- Ethical and legal behaviour.
- Fair, respectful treatment for employees and among colleagues.
- Respect for the environment.

- Respect for the interests of other persons related to the company, including customers, suppliers, authorities, shareholders and the general public.
- Professionalism and proper conduct in doing business.
- Prudence in conducting activity, in accepting risks and in relations with customers and suppliers.

### **3.- Subjective scope of application**

The code is aimed at and is binding to the following persons ('affected persons'):

- a) Members of the Board of Directors.
- b) Employees and managers of the company whatever their type of contract, hierarchical position or place of work.

### **4.- Obligation of compliance**

Persons within the code's scope of application are required to comply with the values and principles contained therein and to follow the guidelines of behaviour it establishes.

Failure to comply with the code's stipulations could give rise to breaches of corresponding criminal, company or labour law.

The company will provide the necessary resources for compliance and ensure compliance with the code for the persons to whom it is aimed.

## **5.- Communication and dissemination**

The company will communicate and disseminate the Code of Ethics among the persons to whom it is aimed by delivering copies, posting it on the so-called 'employee portal,' making it available on the company website and any other established means.

## **6.- Rules of conduct**

This code establishes rules of conduct that must be observed by the affected persons in relation to the areas of action referred to in the following sections.

This Code of Ethics will be applicable to all company operations and supplements its applicable general regulations, directives and rules.

The spirit of this code determines the interpretation of any other regulation, directive or rule established by the company.

### **6.1. Respect for human rights and public freedoms**

The company is committed to applying the United Nations Global Compact, respecting international standards for protecting the fundamental rights and freedoms of persons affected by its activities.

### **6.2. Respect for the law and ethical principles**

Compliance with the law is an absolute requirement for the company, its directors and its employees. The affected persons will respect the law in the

country where they work, observing its spirit and purpose, and will avoid conducts that, without breaking the law, contravene the values, principles and ethical behaviours established in this code.

All affected persons must be familiar with the laws and regulations that apply to their work, and management will provide the necessary instructions and advice.

In particular, the company is committed to applying fair, non-discriminatory working conditions, protecting the environment, ensuring the health and safety of its employees and partners, and using proper business practices. In addition, employees must be familiar with the proper business practices with regard to their work and must put them in practice.

The company expects its partners to comply with all work health and safety and environmental protection regulations, obtain the necessary licences and use its facilities in strict observance of the law.

Affected persons should use their good judgement and common sense in all situations where legal requirements or proper business practices might not be clear. They should also request advice and indications from their superiors when such situations arise.

### **6.3. Health and safety in the workplace**

The company will promote an adequate work health and safety policy and the adoption of preventative measures, guaranteeing compliance with current regulations.

Affected persons should know and comply with work health and safety regulations and ensure, in the scope of their functions, their own safety, that of other employees, customers, suppliers, partners and, in general, everyone who could be affected by the company's activities.

#### **6.4. Non-discrimination**

All affected persons have the right to fair, courteous and respectful treatment from their superiors, subordinates and peers.

The company will not tolerate discrimination or harassment due to ethnic origin, religion, nationality, gender, disability, age or any other reason.

#### **6.5. Right to privacy**

The company guarantees the right to privacy and intimacy of affected persons in the terms stipulated by law, protecting their personal information and agreeing not to disseminate it except when required by law or in compliance with court or administrative rulings, or with the consent of the interested party.

The company will also comply with current legislation on the protection of data provided by its customers, suppliers, shareholders, job candidates and other persons.

#### **6.6. Respect for the environment**

Protecting the environment is one of the fundamental concerns of the company, which strives to minimise the environmental impact of its

activities and as a result of the use of its available facilities, equipment and work resources while ensuring their efficient use.

### **6.7. Bribes, commissions, complements, gifts**

The company opposes influencing the will of persons outside the company to obtain any form of benefit through the use of unethical practices. Nor will it permit other persons or organisations to use such practices with the affected persons.

The affected persons will not make payments or bribes or offer financial advantages, directly or through intermediaries, to civil servants or public employees or government bodies, or to private persons or companies, with the aim of attempting to influence their commercial, professional or administrative relations inappropriately or of obtaining more advantageous conditions.

### **6.8. Representation and other expenses**

The expenses incurred by persons who work for the company (travel, food, accommodation, communications, etc.) must be strictly related to work activity and justified by documentation.

Use of assets and incurring costs at the company's expense must meet the principles of necessity and austerity.

## 6.9. Conflict of interests

All situations that could represent a conflict between an affected person's personal interests and the interests of the company must be avoided, and the affected persons must refrain from influencing or becoming involved in decision-making in situations in which they have a direct or indirect personal interest.

However, if occasionally conflicts of interests or similar situations arise, communication between the company and the affected person is of great importance and both parties should attempt to resolve the issue as quickly as possible. In all cases, in the event of any potential conflict of interests, the affected persons should report it to the company through their superior, who will report it to the Compliance Officer.

## 6.10. Use and protection of company assets

Affected persons will oversee the prudent use and protection of company assets, using them appropriately and efficiently. These obligations cover both tangible and intangible assets, including trademarks, know-how, confidential or privileged information and computer systems.

Affected persons must never participate in fraudulent actions or other dishonest behaviour involving the goods, assets, financial records or accounts of the company. This could give rise not only to the application of disciplinary sanctions but also, more seriously, the formulation of criminal charges.

### **6.11. Use of computer equipment and materials**

When using computer equipment and materials, the affected persons will act in accordance with the principles of diligence and propriety and will comply with internal rules and security procedures.

In particular, the following guidelines for action should be observed in the use of computer equipment made available to affected persons:

- Observe computer security and access measures.
- The use of private email for company matters and correspondence and the use of company email for private matters are not permitted.
- Installation of software on company computers not authorised by the company is not permitted.
- Programmes used in professional activities may not be reproduced or transferred for purposes unrelated to the company unless the latter provides authorisation.

### **6.12. Information processing**

The company considers information and knowledge to be among its main and essential assets for business management, hence they are the object of special protection.

Information provided by or entrusted to the company will, in general terms, be considered secret and confidential. The company and affected persons will adopt the necessary security measures to protect secret and confidential information.

The company considers accuracy of information to be a basic principle in its actions, for which reason affected persons should accurately report the information given to them, both internally and externally, and under no circumstances will they knowingly provide incorrect or inaccurate information that could cause errors or confusion.

Economic and financial information will faithfully reflect the economic, financial and equity reality of the company, in accordance with generally accepted applicable accounting principles and financial regulations.

### **6.13. Improper use of privileged information**

Affected persons who are in possession of privileged information about the company or other companies for which the possibility of entering a strategic alliance or acquisition, disinvestment or merger is being studied must not sell, buy or trade shares or other securities or products derived from them or other companies, or reveal said information to third parties.

All specific information that directly or indirectly refers to shares or other tradable securities or to the companies issuing them which has not been made public and which, if it were made public, could notably influence the market price or value is considered privileged information.

Affected persons must refrain from revealing privileged information to third parties, including family and friends.

Improper use of privileged information could lead to administrative, labour or criminal sanctions.

#### 6.14. Defence of free and fair competition

- The company and its employees must respect the principles and rules of fair competition and must not act in any way that violates the laws or defence of fair competition.
- Verification of agreements. Due to the complexity of competition law, all agreements with competitors or third parties that could have a negative impact on competition must be verified by legal consultants.
- Prohibited agreements. All agreements between competitors whose purpose is to coordinate market behaviour are prohibited. These include: a) price-fixing agreements; b) service agreements that limit the types of services that can be offered; c) agreements on dividing the territory, types of customers or production quotas; d) agreements to boycott specific services. All such agreements are illegal.
- The abuse of a dominant market position is illegal. Such abuse refers to situations in which the dominant market power is exerted in detriment to suppliers or customers.
- Acquisitions and mergers. The laws on free competition normally require authorisation for acquisitions and mergers that produce a dominant market position and which could negatively affect competition. In most countries, certain acquisitions must be reported to the competent authorities before they can take place. For this reason, legal consultants will take part in acquisition negotiations that could lead to a dominant market position right from the initial stage of the project.

### **6.15. Relations with shareholders**

The company states its aim of creating value for its shareholders and will therefore act with the aim of conserving, protecting and increasing the assets, rights and legitimate interests of shareholders, respecting assumed commitments and combining social integration with respect for the environment.

The information given to shareholders will be true, complete and properly reflect the company's situation.

### **6.16. Relations with suppliers, contractors and partners**

A fundamental aim of the company is to maintain relations with its suppliers, contractors and partners based on trust, effectiveness and proper service provision.

The following guidelines will be observed in relations with suppliers:

- In selection processes, equality of treatment and use of objective criteria will be ensured.
- Contracting of services and acquisition of goods will be conducted with independence and based on the criteria of efficiency, regardless of any personal or family ties.
- Confidentiality of information will be observed.

### **6.17. Relations with public bodies**

Relations with public bodies will be guided by respect for the institution and compliance with the law and internal regulations.

With regard to illicit activities, maximum diligence in their detection will be observed.

Legal, administrative and supervisory authorities will receive full collaboration, and scrupulous compliance with their resolutions will be ensured at all times.

Information provided on behalf of the company will contain no deceitful, fictitious or insufficiently checked data.

### **6.18. Prevention of money laundering**

The company will comply with national and international provisions on the prevention of money laundering. In this context, no business relations will be established with persons or organisations that do not comply with the aforementioned regulations or who fail to provide adequate information on their compliance.

### **7.- Control and non-compliance**

The Compliance Officer and, in the last resort, the company Board of Directors will oversee compliance with this code and, if necessary, put into practice special verification measures.

Failure of the affected persons to comply with the Code of Ethics could lead to breaches and sanctions stipulated in company, labour and/or criminal law and will determine the adoption of pertinent measures or disciplinary actions, including severance.

The affected persons, regardless of their hierarchical position, may not request, demand or order actions or behaviours that contravene the Code of Ethics. Furthermore, no affected person may attend requests, demands or orders contrary to the Code of Ethics, or use them to justify illegal behaviour.

Affected persons must inform their superiors and the Compliance Officer of infringements of the Code of Ethics.

No disciplinary measure or any form of retaliation, whether direct or indirect, may be taken due to reporting a breach of the Code of Ethics; however, this rule does not imply immunity for offenders, nor does it limit the rights of reporting persons with regard to current legislation.

## **8.- Confidential reporting channel**

If an affected person has knowledge or reasonable evidence of actions that are illegal or contrary to this code, they may report such breaches to the company's Compliance Officer. To this end, the individual communication with affected persons on the existence of this code will indicate that reports may be addressed to the Compliance Officer using the 'suggestion boxes,' which are installed throughout the company's facilities.

The written report should contain the following minimum information:

- a) Identity of the reporting person.
- b) Identity of the reported person.
- c) Facts and reasons for the report.
- d) Place, date and signature.

The identity of the reporting person will be considered confidential information, but it may be revealed as a result of subsequent investigations or legal proceedings.

Reports will be examined by the Compliance Officer, who may compile the information required for his or her preliminary assessment, prior to a decision on whether to proceed with or close the report. If the report is not considered a breach of the Code of Ethics, this will be reported to the competent department based on the findings, and the reporting person will be informed.

If indications of a breach of the Code of Ethics are observed, the case will be processed confidentially, which may require the necessary cooperation of any affected persons, who are obliged to provide such cooperation within the terms of applicable legislation.

Notwithstanding the confidentiality of the reporters' identity, the accused person will be informed of the existence of the report, the grounds of the accusation, the departments or services in the company that could receive the information and the possibility of exercising their rights. However, providing this information may be postponed for as long as required to carry out the investigation and collect evidence.

If as a result there is considered to have been a breach of this code, the competent department will be informed whether a breach of labour law has been observed and whether the information will be sent to the administrative or legal authorities.

Personal information related to the reports will be kept during the investigations and, once concluded, the information will be eliminated within three months of the date of the report, unless judicial or other proceedings by the competent authorities require it be kept.

## **9.- Validity**

This code will come into effect on 16 November 2016.

The Code of Ethics will be communicated individually to the affected persons currently linked to the company and to affected persons joining it in the future.