



**SPECIFICATION No. 5.1.3.1  
CODE OF ETHICS AND GOOD PRACTICES**

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Revised by:

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Compliance Officer

Date revised: 06/06/2017

Approved by:

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Executive President

Date approved: 06/06/2017



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## **1 LETTER FROM THE PRESIDENT**

Among the different companies that make up the **METALQUIMIA GROUP**, our goal is not just to supply world-leading products, services and technology to the global meat industry. Our conduct must be absolutely irreproachable, generating positive value at all times ... which means ethical, irreproachable behaviour towards all our colleagues, customers, suppliers, shareholders, associates, government bodies, competitors and society in general, because only an ethical, irreproachable organisation can produce behaviours and results of lasting excellence.

The ***Code of Ethics and Good Practices*** that follows this letter is grounded on values that the Lagares family and the Organisation itself have believed in and nurtured since the company was formed in 1971, and also on current International Regulations. We have written a Code that sets forth the basic guidelines that must be followed, suggesting specific standards of behaviour that are aligned with these principles. With this Code of Ethics, our intention is to provide guidelines that can be followed even in the most complicated situations, while also raising our people's level of awareness and alertness to possible risks of problematic behaviours.

With the publication of this Code of Ethics, the Organisation has endowed itself with the necessary independent tools to guarantee committed, mandatory compliance, in the conviction that good conduct and good practices by each and every one of us have a very significant impact on our present and future achievements.

Consequently, we expect each individual to act with commitment, responsibility and in accordance with this Code of Ethics and Good Practices... our future depends on it!

JOSEP LAGARES  
Executive President, METALQUIMIA



## 2 PREAMBLE

**METALQUIMIA** is a family business based in Catalonia, founded in Girona in 1971 and owned by the Lagares family. It is a global leader in technology and manufacture of machinery and complete lines for the production of meat products, offering total solutions to the world's leading meat processing companies. **METALQUIMIA** offers solutions for each stage of the meat product production process, which has led it to become the only supplier specialised in these production lines.

Today, **METALQUIMIA** and its founding family are widely acknowledged for their contribution to the innovation, growth and internationalisation of Catalan and Spanish industry, and have received a number of awards and recognitions.

## 3 METALQUIMIA'S CODE OF ETHICS AND GOOD PRACTICES

**METALQUIMIA**<sup>1</sup> (hereinafter, also "the **Organisation**") presents this Code of Ethics and Good Practices (hereinafter, also called interchangeably "Code" or "Code of Ethics") with the goal of strengthening our corporate values, ensuring regulatory compliance and attaining the highest standards in business ethics and good business practice. The principles and values contained in this Code are also reflected in **METALQUIMIA's** internal regulations, which develop and complement the Code with the aim of effectively implementing it in all of the Organisation's areas and activities.

This Code and the regulations implementing it must be observed by all members of **METALQUIMIA**, including the Governing Bodies, Managers, legal representatives, employees (hereinafter, also "Personnel"), irrespective of where the activity is performed, while also complying at all times with the laws, customs and norms of the countries in which they operate. In addition, **METALQUIMIA** actively fosters endorsement and observance of this Code by its Stakeholders.

In the event of any doubt or conflict, any member of the Personnel, or of the Stakeholders, should consult his or her hierarchical superior or the Compliance Body before making a decision, so that it can be adequately resolved and any infringement of the principles and values set forth in this Code can be avoided.

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<sup>1</sup> Hereinafter, the name **METALQUIMIA** refers interchangeably to Labein XXI, S.L. and its subsidiaries **METALQUIMIA, S.A.U.** and Tecnox, S.A., and any other Company that may become a direct or indirect subsidiary at any time in the future.



#### 4 ETHICAL PRINCIPLES THAT GOVERN METALQUIMIA'S ACTIVITY

This Code of Ethics and Good Practices constitutes an instrument for developing the Organisation's fundamental principles, which have been applied for many years in the performance of its activities and which, among others, include the following:

- The culture of always offering **differential value** to our customer: *we transform how the world processes meat and make our customers' businesses grow.*
- Our unwavering commitment to **Creativation (CREATivity x innovATION)** and **Internationalisation** as growth factors.
- **Total Quality** as a basic, historic commitment.
- **Unity, Commitment, Trust, Generosity** and **Passion** as fundamental values of the founding family.
- **Excellence, Labour-intensive, Initiative, Simplicity** and **Austerity (ELISA)** as fundamental values of the Organisation.
- **Professionalism, Experience, Security, Empathy, Creativity** and **Moral Integrity** as basic attributes of all our people.
- **Objectiveness, transparency** and **honesty** as guiding principles of our actions.
- **Good Corporate Governance.**
- **Fair competition** with the other agents that operate in the market, supporting free competition and respect for consumers and users.
- **Ongoing creation of value** and **sustainable growth**, with total respect for the **Environment.**
- Proactive, efficient **Social Responsibility** and **Engagement.**
- **Loyalty** to this Code and other internal regulations, **professional ethics** and **good faith** in business relationships.
- Maximum protection of **Human Rights** and **Civil Liberties.**
- Abidance by **current legislation** in the territories in which the Organisation operates and its internal regulations.



## **5 METALQUIMIA'S SOCIAL COMMITMENTS TO ITS STAKEHOLDERS**

The following sections list **METALQUIMIA's** different Stakeholders and describe the commitments and essential ethical values that must be upheld in the Organisation's relations with them.

### **5.1 Employees**

Employees will be treated with dignity, upholding their rights at all times, including, among others, the rights of association, union membership or collective bargaining, and, in particular, their privacy, equal opportunity and diversity. Under no circumstances will differences in treatment or discrimination on the grounds of age, sex, ideology, race or religion be tolerated; or any expression with connotations of harassment or abuse of authority or that is intimidating, offensive, humiliating or undermines their moral integrity.

All processes for the selection of new employees or the promotion of existing employees will be governed by criteria of merit, aptitude, attitude, creativity and ability, also taking into account the candidate's ethical track record and professional repute.

Likewise, **METALQUIMIA** undertakes to encourage its employees' personal and professional development, learning and promotion, and to help them balance family and work life.

**METALQUIMIA** is firmly committed to ensuring its people's health and safety at work, abiding at all times by the legislation on the subject, and guaranteeing a healthy work atmosphere that fosters teamwork and a strong corporate identity.

### **5.2 Customers**

**METALQUIMIA** seeks maximum quality, satisfaction, safety and excellence in the products or services provided to our customers, avoiding any interference from conflicts of interest in the business relationships that are established with them. We undertake to offer customers all the information they need, transparently and objectively, with the goal of advertising and promoting products or services in a manner that is accurate and truthful, without engaging in unfair competition or using false or misleading advertising.

### **5.3 Suppliers and contracted companies**

The selection of and relationship with suppliers and contracted companies must be based solely on criteria of objectiveness, transparency and impartiality, avoiding interference from conflicts of interest or conducts considered to constitute bribery or corruption. The Organisation will give priority to relationships with suppliers and contracted companies that apply criteria of quality, sustainability and regulatory compliance, and that offer a sufficient technical, organisational and risk control capacity, together with the absence of any significant events that could mar their professional or business reputation.



For the purposes of the provisions of this Code, suppliers will be considered to be Personnel in all those aspects that are applicable to them.

#### **5.4 Shareholders / Partners, members of the Governing Bodies, legal representatives, Managers**

Shareholders, Partners, members of the Governing Bodies, legal representatives and Managers must know and abide by this Code in the performance of their duties, and must set an example of the Organisation's ethical culture, with the firm undertaking to foster its observance and dissemination. Their actions will be guided by respect for the principles of Good Corporate Governance, objectiveness, transparency and loyalty, avoiding interference from conflicts of interest in decision-making, and any other conduct that is contrary to Law and/or the Organisation's internal regulations.

#### **5.5 Agents, representatives, commission collaborators, distributors and similar sales associates**

At **METALQUIMIA**, we are fully aware that our Sales Partners play a vital role in the Organisation's development and growth.

The Organisation undertakes to establish relationships with its Sales Partners abiding by criteria of good faith and transparency, and avoiding at all times any interference from conflicts of interest in its dealings with them. Furthermore, the Organisation will not tolerate any behaviour that is anti-competitive or seeks to place constraints on the free market, or that may be considered corruption or bribery in the public or private sector.

For the purposes of this Code, agents, representatives, commission collaborators, distributors and similar sales associates will be considered to be Personnel in all those aspects that are applicable to them.

#### **5.6 The industry: competitors**

**METALQUIMIA** competes with the other market agents abiding by the principles of free competition, avoiding any conduct that may constitute an abuse or limitation of competition, complying at all times with anti-trust and other rules imposed by local, national or international regulatory authorities and which may be applicable to it. The Organisation undertakes to not disseminate misleading or illicit advertising that may have detrimental effects on other competitors, consumers and users.

#### **5.7 Relationship with governments, authorities and government officials**

**METALQUIMIA** guarantees in all cases political neutrality and good business practice. Accordingly, we reject any project that compromises the principles set forth in this Code, including the honesty and integrity that are part of our hallmark.

**METALQUIMIA** will avoid any type of behaviour that may legally be considered corruption, either in the form of a bribe or seeking to influence decision-making by governments, authorities or government officials, whether this be for the benefit of the Organisation or for a third party.



## **6 OBLIGATIONS OF THE MEMBERS OF THE GOVERNING BODIES, LEGAL REPRESENTATIVES, MANAGERS AND EMPLOYEES OF METALQUIMIA**

### **6.1 Endorsement of and compliance with the Code of Ethics and Good Practices**

METALQUIMIA's Personnel undertake to abide by this Code of Ethics, and the internal regulations and controls arising therefrom that are applicable to them, with the aim of creating an ethical and professional environment for the performance of their activities.

The Personnel will align their professional activity with the principles of objectiveness, loyalty and good faith. Any doubt will be consulted with their hierarchical superiors or with the Compliance Body, providing truthful, relevant information.

### **6.2 Conflicts of interest. Competition and free market**

When making any decision during performance of their duties, the Personnel will be guided solely by criteria of good faith, transparency and objectiveness, and will align their actions with this Code of Ethics and the Organisation's internal regulations that are applicable to them. Under no circumstances will any personal, business or affective interest or favouritism (and which may give rise to situations of conflict of interest) take precedence in decision-making.

If any conflict of interest should arise, it must be notified immediately and without exception to the hierarchical superiors or the Compliance Body. Conflicts of interest may be accepted if they are expressly authorised by **METALQUIMIA** for justified reasons.

### **6.3 Confidentiality and privacy of information. Intellectual and industrial property**

Personnel will implement the protective measures established by the Organisation, in accordance with current legislation concerning the protection of personal data. Likewise, Personnel will keep confidential all classified or proprietary information to which they have access in the performance of their duties, and may not use it either for their own or other people's benefit, abiding by the applicable internal regulations established for such purpose by the Organisation.

Personnel will not violate third-party Intellectual and Industrial Property rights, taking the measures that may be necessary to prevent improper use of such property.

### **6.4 Prevention of corruption in business, bribery and influence peddling**

Personnel may not offer, deliver, request, receive and/or accept, neither for their own benefit nor for that of the Organisation or a third party, promises, gifts, handouts or money, or unwarranted benefits or compensations, with the aim of bribing or influencing authorities, agents or government officials, or whose purpose is to favour unfairly another party in the acquisition or sale of goods, contracting of services or business relationships. This is applicable to both natural and corporate persons operating either in the public or private sector, except for those cases that may be considered reasonable or consonant with the usages and customs of the territory in which the Organisation is operating.



These prohibitions include anyone closely connected with government officials, agents or influential public or private authorities from whom it is intended to obtain something in return.

If any employee has any doubt as to the reasonableness or acceptability of a gift, compensation, offer or invitation, he or she should consult with his or her hierarchical superior or the Compliance Body before making a decision.

#### **6.5 Financial relations with political parties, trade union organisations and associations. Aid and sponsorships**

The Organisation undertakes to not perform prohibited activities with respect to the financing of political parties, in particular, to not make any direct or indirect donation to them.

Any donation, aid or sponsorship, irrespective of the beneficiary, must be made by Personnel transparently and objectively, in compliance with the Law, avoiding conflicts of interest, and in any case, with the prior authorisation of the corporate officer appointed for this purpose in accordance with the Organisation's internal regulations.

#### **6.6 Prevention of money laundering and terrorist financing**

Personnel actively undertake to prevent any conduct that may be classified or related with money laundering and terrorist financing, and conducts that may facilitate the performance of such acts are expressly prohibited.

Personnel will ensure that operations for significant financial sums involving **METALQUIMIA** are included in full in the Organisation's account books, records and financial statements, conveying at all times a true and fair view of its financial and accounting situation.

Personnel must align their behaviour at all times with the internal rules and checks that the Organisation has established for preventing such conducts.

#### **6.7 Inland Revenue and Social Security**

**METALQUIMIA's** Personnel may not perform or take part in conducts conducive to fraud in the performance of legally enforceable tax and Social Security obligations, or to obtaining fraudulently any benefit, assistance, incentive, rebate and/or government subsidy in tax and Social Security-related matters, irrespective of the territory in which the Organisation may operate.

**METALQUIMIA's** Personnel may not acquire, under any circumstances, goods or rights whose legitimate owner is the Organisation, nor perform any legal business with such goods or rights. However, **METALQUIMIA** may authorise such business or acquisitions provided that the current legislation on the matter, transparency and normal market conditions are upheld.



## **6.8 Training**

Personnel undertake to participate actively in the training programmes made available by **METALQUIMIA**, and must attend them, particularly those arising from this Code of Ethics, with the aim of acquiring new knowledge and skills, improving business activity and organisation, and learning about those aspects that are related with the performance of their duties for the Organisation.

## **6.9 Human Rights and Public Liberties. Equality and protection against discrimination**

Personnel undertake to protect the Human Rights and Public Liberties that are acknowledged in the Universal Declaration of Human Rights and in the main international agreements on the subject, and may never act against them. Aspects related with the protection of children's and minority groups' rights or of groups that are at risk of social exclusion or discrimination are given particular priority at **METALQUIMIA**.

**METALQUIMIA's** Personnel must treat others with dignity in the performance of their work relationships, observing at all times the rights recognised in the labour regulations that are applicable to the Organisation, particularly with respect to privacy, equality and diversity. Personnel are absolutely forbidden from making differences in treatment or discriminating on the grounds of age, sex, ideology, race or religion; or making any expression with connotations of harassment or abuse of authority or which is intimidating, offensive, humiliating or which undermines people's moral integrity or sexual freedom.

## **6.10 Environment and Public Health**

Personnel actively and responsibly commit to preserving the Environment and Public Health. Personnel will act with maximum diligence in the resolution of any risk or contingency that may damage the Environment or Public Health, undertaking to observe the measures, controls and internal rules that the Organisation has established within each sphere of action.



## **7 SUPERVISION AND EVALUATION OF COMPLIANCE WITH THE CODE OF ETHICS AND GOOD PRACTICES**

Non-compliance by Personnel with this Code or the internal rules and checks implementing it may have very detrimental effects for the Organisation. Any non-compliance may be identified and reported through different channels. However, **METALQUIMIA** makes two communication channels available to Personnel and its Stakeholders so that anyone who becomes aware of a doubtful or improper situation can report it to the Organisation. Specifically, the channels that **METALQUIMIA** provides for this purpose are:

- **Ethics Channel.** This is a channel through which Personnel, and other Stakeholders, can report, in strict confidence and without fear of reprisals, any possible real risk of non-compliance with this Code and the internal regulations implementing it, and also those improper, illicit or illegal conducts which may come to their knowledge. These reports can be made as follows:
  - Telephone: 972 214 658 (ask for the Compliance Officer)
  - E-mail: [canaletic@metalquimia.com](mailto:canaletic@metalquimia.com)
  - Postal address: Sant Ponç de la Barca, s/n  
17007 - Girona (Spain)  
(for the attention of the Compliance Officer)

Any report made to any of the above addresses will be received and handled by the Compliance Body. Any report will be processed and decided in accordance with the provisions of the corresponding internal regulations or procedure.

- **Query Channel.** This is a channel for sending questions or queries to the Compliance Body concerning interpretation or implementation of this Code and the internal regulations implementing it. These queries can be made as follows:
  - Telephone: 972 214 658 (ask for the Compliance Officer)
  - E-mail: [compliance@metalquimia.com](mailto:compliance@metalquimia.com)

## **8 DISCIPLINARY REGIME FOR THE CODE OF ETHICS AND GOOD PRACTICES**

Observance of this Code is mandatory for **METALQUIMIA's** Personnel, irrespective of the activity being performed, the position held and the type of contractual relationship with the Organisation.

Under no circumstances may Personnel ask other members of the Personnel or Stakeholders to contravene the provisions and principles set forth in this Code and neither will conducts contrary to the Code be considered justified on the grounds of compliance by an employee with an order given by a hierarchical superior.

Any non-compliance with this Code of Ethics, and the performance of any illicit, improper or illegal conduct, will be considered a very serious infringement, as a breach of contractual good faith, and will be handled and penalised in accordance with the disciplinary sanctions that are applicable within the Organisation, without prejudice to any other type of legal or contractual liability to which such conduct may give rise.