

ETHICAL CODE OF CONDUCT

Text approved by unanimity for the board of directors on April 19, 2018

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ETHICAL CODE OF CONDUCT

Objective and scope

Article 1. Objective

1. Ercros S.A. and the companies in its consolidated group (“Ercros” or “the Company”) aspire for its conduct and the conduct of the subject persons to respect ethical principles and principles of social responsibility, as well as current legislation and its internal regulations.
2. The objective of the Ercros ethical code of conduct (the “ethical code” or “the code”) is to establish the ethical principles and rules for ethical, responsible conduct that will be observed by the persons subject to the code¹ in their professional activity at Ercros.
3. Although the scope of the code is restricted to the professional field, it would be positive if the subject persons also applied its principles and rules of conduct in their private lives.
4. This version of the ethical code incorporates: changes introduced by current legislation, especially by the Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*), the Spanish Securities Market Act (*Ley del Mercado de Valores*), and the Spanish Criminal Code (*Código Penal*); the Code of Good Governance for Listed Companies; Ercros internal regulations; and voluntary agreements signed by Ercros, especially the Responsible Care programme².

Article 2. Scope

1. The scope of this code includes both Ercros, as a legal entity, and the following groups:
 - a) Members of the Company’s board of directors; the secretary of the board of directors, if the secretary is not a member of the board; the deputy secretary of the board, if any, if the deputy secretary is not a member of the board; the secretaries of the committees of the board of directors; and members of any committees that report to the board of directors or its committees.
 - b) Any directors who perform their duties under direct supervision of the managing director or the general managers.
 - c) The rest of the Ercros staff.

- d) Any individual or legal entity that is directly or indirectly contracted by Ercros, during their provision of services to the Company. This particularly includes those acting on behalf of the Company.
 - e) Any other person as determined by the board of directors.
2. All individuals and legal entities falling within the scope of this ethical code (hereinafter “the subject persons”) are required to be familiar with the code and to comply with it.

Mission and Principles

Article 3. Mission

Ercros’s general corporate purpose is to consolidate a stable, long-lasting industrial project that contributes to the wealth and well-being of society, fulfils the trust placed in it by its shareholders, and enables the individuals comprising it to fully develop their personal and professional abilities.

Article 4. General principles

1. The following ethical principles will guide the subject persons’ actions:
 - a) Compliance with the law.
 - b) Protection of human rights, civil liberties, equal opportunities, non-discrimination, and each culture’s values.
 - c) Loyalty to the Company and integrity in safeguarding its interests.
 - d) Responsibility for sustainable development and the future of society.
2. These ethical principles are the foundation for the rules of ethical conduct that must be followed by the subject persons in performing their duties or providing their services for the Company.
3. The code does not cover all possible situations, but rather establishes criteria guiding the subject persons’ behaviour.

Rules of Conduct

Relating to legality and fundamental rights

Article 5. Legislation, internal regulations and voluntary agreements

1. The subject persons will comply with the law, regardless of the country where they are located, especially laws involving accounting, tax, fiscal, labour, and criminal matters; equality and non-discrimination; human health and safety and the health and safety of facilities; and environmental protection.
2. In addition, they will comply with Ercros internal regulations and any policies, codes, and procedures arising from these regulations. They will also comply with any voluntary agreements signed by the Company, especially the Responsible Care programme, and any commitments made by Ercros in its contractual relations with third parties.
3. They will be familiar with any laws and Ercros internal regulations that may affect their job position. In any event, ignorance of these laws and internal regulations may not be used to justify their non-compliance.
4. No subject person is required to obey orders from a supervisor that violate the law and/or applicable internal regulations.
5. The subject persons will take the required training courses provided by Ercros that are related to the duties and activities they perform in Ercros.

Article 6. Cooperation with administrative and judicial authorities

1. The subject persons will cooperate with the administrative and judicial authorities and with regulatory bodies in any audits and investigations related to the Company, and will provide any evidence that may be requested of them.
2. Likewise, they will comply with any rulings that are not subject to appeal issued by administrative, judicial, and regulatory bodies, especially with regard to reparation for or the reduction of harm caused by Ercros's activity.
3. The subject persons will cooperate with the authorities responsible for fighting fraud, money laundering, the financing of unlawful activities, and the diversion of substances that could be used in the manufacture of chemical weapons and drugs. They will provide any information requested of them, in accordance with existing legal provisions.

4. In particular, they will cooperate with the National authority for the prohibition of chemical weapons (*Autoridad nacional para la prohibición de las armas químicas, Anpaq*), the Intelligence centre against terrorism and organised crime (*Centro de inteligencia contra el terrorismo y el crimen organizado*), the Security agency, and in general, with any national or international agency with authority to control dual-use chemical substances. They will implement any control measures established for that purpose by the Company. As an example, this especially includes the prohibition against conducting sales to countries subject to embargoes on dual-use products.

Article 7. Human rights and civil liberties

1. The subject persons will respect and protect the human rights and civil liberties recognised in the Universal Declaration of Human Rights and the Global Compact³.
2. They will respect labour rights, and in particular freedom of association, the right to collective bargaining, the dignity of people, and the rights of minorities.
3. They will reject child labour, forced or compulsory labour, and work performed under duress.
4. They will ensure that any foreign citizens who are hired by Ercros have documents allowing them to legally stay in Spain. They will use the official model for any letters of invitation issued to facilitate access to our country for foreign customers, suppliers, or third parties.

Article 8. Equal opportunity and non-discrimination

1. The subject persons will treat each other with respect and will encourage teamwork.
2. They will promote equal treatment between men and women and will ensure effective equality, especially with regard to access to employment, training, career advancement, and working conditions.
3. They will refrain from any conduct that directly or indirectly involves any kind of discrimination, abuse, or insults based on sex, sexual orientation or identity, race, ethnicity, religion, nationality, social background, age, marital status, ideology, political opinion, illness, disability, or any other personal, physical, or social status, which entails or promotes an aggressive or intimidating environment, especially with regard to sexual harassment.
4. The subject persons' selection for, entry to, and access to training will be based on their abilities, their performance of their professional duties, and the integrity of their professional career.

Article 9. Right to privacy

1. The subject persons will respect the right to privacy, especially with regard to personal, medical, and financial data.
2. They will not use or disclose to a third party any personal data obtained through their work at Ercros, except with the consent of the persons in question and when legally required to do so or when complying with judicial or administrative rulings. Personal data may not be used for purposes other than those set forth under law or contracts.
3. Any subject persons who process personal data in the course of their duties are required to be familiar with applicable legislation governing personal data, and to ensure that this legislation is applied and complied with. These persons will apply any security measures that may be needed to maintain the confidentiality of these data and to ensure their effective safekeeping.

Article 10. Work-life balance

1. Ercros is committed to a proper work-life balance and implements measures to facilitate this.
2. The subject persons will respect the private life of the staff under their supervision and will facilitate their use of the work-life balance measures offered by the Company.
3. In addition, they will ensure that no reprisals or discrimination are directed at individuals choosing to take part in any work-life balance measure, especially with regard to their internal advancement and access to training.

Article 11. Workplace health and safety

1. Ercros conducts its activities within a framework of maximum safety for people and facilities.

2. Therefore, the subject persons will:

- a) Ensure their own safety, the safety of third parties, and the safety of facilities.
- b) Know the risks involved in their job, the measures to handle these risks and to minimise them, and the self-protection plan for their workplace; and in an emergency, act in accordance with this plan.
- c) Promote the implementation of workplace health and safety rules and policies among staff from subcontracted companies.
- d) Carry out only those jobs for which they are qualified.
- e) Refrain from working under the influence of alcohol or any substance that could alter their behaviour, and refrain from consuming these substances or alcohol at the workplace. (As an exception, solely in the context of company celebrations, alcohol may be consumed in moderation in the area of the celebration, as long as it is not consumed while a job is being performed).
- f) Notify their supervisor of the existence of any hazardous situation that they may observe in performing their workplace duties, which could endanger human health and safety and/or the health and safety of the environment. In particular, this includes any anomalous situation detected in the facilities, in other peoples' actions that affect the operation of the facilities, or in the conditions of the raw materials or products.
- g) Know the dangers involved in the products, raw materials, equipment, and facilities that they handle, especially those involving human health and environmental protection; study the risks arising from them and the measures for managing them, and communicate those risks throughout the supply chain.
- h) In particular, those individuals handling explosive, toxic, corrosive, or dangerous substances will comply, obligatorily and without any room for excuses, with the specific safety measures established for this kind of substances; they must be especially trained for handling them. Any people who have not been specifically trained for handling these substances will refrain from doing so.
- i) Make responsible use of the equipment that has been assigned to them and inform their supervisor of any possible inefficiency, poor condition, or unsuitability of the protective equipment provided to them.
- j) Attend any training activities on occupational risk prevention organised by Ercros where their attendance is required.

Article 12. Environmental protection

1. Ercros carries out its activities with complete respect for the environment. It complies with or surpasses standards established by applicable environmental regulations and minimises, as far as possible, the impact of its activities on the environment.
2. Therefore, the subject persons will:
 - a) Identify and inform their supervisor of any real or potential situation that could affect the environment.
 - b) Adequately consider the risk of harming the environment before performing any operation.
 - c) Promote the pollution reduction, seeking through their actions to decrease emissions, discharges, and the amount of waste generated.
 - d) Establish processes to facilitate the recovery of any waste that may be generated, so that this waste can be managed in the most appropriate manner.
 - e) Promote a more rational use of energy and natural resources.
 - f) Have all the licences and permits required to conduct any activity within Ercros.

Relating to the fight against fraud

Article 13. Accounting records

1. Ercros aims for its records and accounting books to clearly and accurately record all transactions made by the Company. Furthermore, it seeks to ensure that economic/financial information, especially that contained in its financial statements and its quarterly financial reports, faithfully reflects the Company's economic, financial, and equity situation, and complies with generally accepted accounting principles and applicable international financial reporting standards.

2. Therefore, the subject persons will:
 - a) Accurately record any transaction and disposal of cash by Ercros in its books, accounts, and records.
 - b) Have an internal control system capable of detecting and avoiding illicit payments.
 - c) Ensure that all transactions they perform are compliant with generally accepted accounting principles or any applicable international financial reporting standards.
 - d) Conduct periodic comparisons between recorded assets and existing assets in order to identify and address disparities.
3. In particular, they will refrain from:
 - a) Creating accounts that are not recorded on the books.
 - b) Recording transactions that are not performed.
 - c) Intentionally recording transactions incorrectly.
 - d) Recording an expense item with incorrect information about its purpose and recording non-existent expenses.
 - e) Using false documents and deliberately destroying accounting documents before the period established by law has elapsed.

Article 14. Fraud, money laundering and irregularities in payments

1. Ercros prohibits fraud, money laundering, and irregularities in payments by the Company and by the companies with which it interacts.
2. In financial and commercial transactions, the subject persons will pay special attention to cases where there are signs of a lack of integrity of the persons or entities with which they are conducting these transactions, in order to avoid fraud, money laundering from unlawful activities, and irregularities in payments.
3. Likewise, they will refrain from promoting, facilitating, participating in, or concealing any kind of money laundering transaction, and they will report any transaction of this kind of which that are aware.

4. The subject persons will inform their supervisor of the existence of any anomalous situation that they detect in the performance of their duties, especially if any of the following unlawful or irregular practices occur:
 - a) Obtaining subsidies or assistance from public agencies by falsifying the required conditions or by concealing any circumstances that would have prevented these subsidies from being granted; using subsidies for purposes other than those for which they were granted.
 - b) Knowingly defrauding the Tax Authorities, the Social Security Agency, or the general budgets of the European Union, by avoiding the payment of taxes, amounts that are withheld, amounts that are to be deposited in the tax authorities' accounts, or amounts that are to be paid to the tax authorities based on in-kind remuneration of employees; improperly obtaining tax refunds; improperly receiving tax benefits or deductions; using funds obtained for a purpose other than that for which they were granted; or falsifying information in applications to obtain funds.
 - c) Cash payments that are unusual due to the nature of the transaction; payments made by bearer cheques; payments made in a currency or for an amount other than that specified in the contract, agreement, or invoice.
 - d) Payments made to or by third parties not mentioned in the relevant contract or agreement.
 - e) Payments made to or from an account that is not the usual account for transactions with a certain person or entity, when the purpose of the transferred funds is unknown.
 - f) Payments to persons or entities with residence in tax havens, or to bank accounts at bank branches located in tax havens.
 - g) Payments to entities where, due to their legal status, it is not possible to identify their shareholders or ultimate beneficiaries.
5. With regard to commercial transactions with foreign companies, the subject persons will ensure that:
 - a) The merchandise is the same as the product that was declared in customs.
 - b) All requirements established by customs regulations have been met and the appropriate documentation has been completed.
 - c) Applicable taxes and tariffs have been paid.

Relating to external stakeholders⁴

Article 15. Relationships with public officials and regulatory agencies

1. Ercros prohibits any conduct that could constitute bribery⁵, attempted bribery, or exerting undue influence on public authorities or officials and regulatory bodies, whether directly, indirectly, or through an intermediary.
2. Under this prohibition, the subject persons will refrain from:
 - a) Any conduct that could constitute bribery or attempted bribery of public authorities or officials, whether directly, indirectly, or through an intermediary.
 - b) Offering, receiving, promising, or authorising cash payments, in-kind payments, or other benefits to persons serving public entities, private entities, political parties, business associations, or trade union organisations, or persons who are candidates for public office, with the intention of obtaining, from them or through them, deals or other unlawful advantages for the subject person or for the Company.
 - c) Making payments, consisting of the delivery of money or other valuable assets, in exchange for ensuring or expediting the course of a proceeding or action before any representative of a public agency, the judiciary, or an official body.
 - d) Using any kind of relationship with a public official or a representative of an authority in order to unduly obtain a benefit or advantage for the subject person or for the Company.

Article 16. Relationships between individuals

1. Ercros's relationships with third parties will be subject to criteria of impartiality, objectivity, reciprocity, mutual respect, trust, and transparency.
2. Ercros will work to avoid corruption among individuals, and especially in the entire supply chain for its products, from suppliers to customers and end consumers.
3. The subject persons will avoid any conduct that harms the Company's reputation and that could result in adverse consequences for the Company's business and its image.

4. They will also comply with and enforce the conditions laid out in any contracts and agreements signed by Ercros with third parties. Only those persons whose duties include these tasks may negotiate contracts or deals on behalf of the Company.
5. The subject persons will refrain from performing the following actions:
 - a) Offering, obtaining, promising or authorising economic or other benefits with the intention of causing inappropriate performance or rewarding inappropriate performance by a third party.
 - b) Offering or obtaining a business opportunity unrelated to Ercros, for the subject person or for a third party, by using the subject person's position in Ercros.
 - c) Incurring in conflict of interest or favouritism, especially in contracting with suppliers or customers.

Article 17. Relationships with suppliers

1. Suppliers contracted by Ercros will comply with applicable law and with the internal procedures for awarding contracts and approving suppliers that have been established by the Company.
2. With regard to suppliers, in addition to complying with article 16 above, the criteria of quality, respect for the environment, cost, and reliability of the service will prevail.
3. The subject persons will inform their supervisor, so that he or she may proceed in the manner considered most appropriate for the Company's interests, if they realise that any of the following circumstances are present in any of the companies contracted by Ercros:
 - a) A refusal to accept the inclusion of an ethical clause in the order or contract, to comply with Ercros's ethical code, or to have their own ethical code.
 - b) A request to prepare false invoices or documentation or to make payments in cash, in tax havens, or to companies without any activity (shell companies).
 - c) A request for unusual or extravagant fees for the service rendered, or the submission of travel and/or representation expenses that are inexplicable or that lack sufficient proof.

Article 18. Relationships with customers

1. Ercros strives to develop and offer its customers products and services of the highest quality, which provide a greater value than other products offered on the market.
2. In the case of relationships with customers, in addition to complying with article 16 above, the subject persons will:
 - a) Ensure the veracity, accuracy, and integrity of information provided to customers regarding the characteristics and conditions of the products and services offered; respect the principle of transparency of the prices and other conditions of the product or service.
 - b) Provide customers with the knowledge and means to responsibly and ethically manage the products and services provided throughout their life cycle (product stewardship).

Article 19. Relationships with competitors

1. The subject persons may not issue misleading advertising regarding products sold by Ercros, and will avoid any conduct that may constitute an unlawful abuse or restriction of competition.
2. The subject persons will reject any information regarding competitors or other companies that is obtained improperly or that violates the confidentiality of its legitimate owners, as a result of previous employment, in the performance of their current duties, or by any other means. Likewise, they will refrain from spreading false information about the Company's competitors.

Article 20. Relationships with the community

1. In the performance of their duties at Ercros, the subject persons will foster cooperation and dialogue with the community. The subject persons will maintain transparent relationships with the community, based on recognition, trust, integrity, mutual respect, shared values, and impartiality.
2. Ercros supports the development of local communities where it carries out its business activities, through these activities and through its social responsibility strategy, especially in the areas of training, environmental protection, culture, and sports.
3. These community relationships are sometimes accompanied by monetary contributions made through sponsorship agreements and donations.

4. The subject persons will refrain from making any monetary contributions on behalf of Ercros when the contribution's objective is not part of its social responsibility strategy.
5. In any event, these monetary contributions will be subject to the following requirements:
 - a) Grant monetary contributions solely to entities with recognised standing, which have an organisational structure that will ensure the proper administration of the funds, and that operate in accordance with the law.
 - b) Not grant monetary contributions to political parties, business associations, or trade union organisations, or to their representatives, except in the cases expressly provided by applicable law.
 - c) Not use monetary contributions as a means to conceal an improper payment or bribe.
 - d) Obtain prior authorisation from the general secretariat for granting monetary contributions, and formalise them in writing.
 - e) Make monetary contributions by any means of payment that allows the recipient of the funds to be identified, and record them accurately in the Company's accounting records and books. Cash contributions are prohibited.
 - f) Follow up to ensure that the monetary contribution is used for the purpose agreed upon with Ercros and, if applicable, that the conditions laid out in the agreement granting the contribution are met.

Article 21. Gifts and hospitality

1. Ercros allows various forms of gifts and hospitality to be given and received when they are an expression of good corporate image, courtesy, and gratitude in social relationships. However, under no circumstances may they be used to unduly influence the recipient's decisions or to induce the recipient to commit unlawful acts.
2. Unacceptable gifts or hospitality are considered to be the following:
 - a) Cash gifts, regardless of their amount.
 - b) Gifts whose purpose is to obtain a benefit in return.

- c) Gifts or hospitality that individually amount to more than 150 euros, or that reach this amount over a 12-month period through several gifts that are given or received to/from the same person or company.
 - d) Any gifts that, regardless of their amount, could affect the subject persons' objectivity or could improperly influence business, professional, or administrative relations with them.
 - e) Gifts that are prohibited by each country's legislation, that are not part of generally accepted business practices, or that are not part of the cultures of the donor and the recipient.
3. Ercros allows promotional, courtesy, or economically irrelevant (less than 50 euros per unit) gifts, particularly when the corporate logo is printed on them. These gifts are often used to thank individuals for their visit to Ercros facilities or for their attendance at events organised by Ercros. The general secretariat is the only party authorised to acquire this kind of gifts, which it will provide to the subject persons upon submission of a substantiated request. The general secretariat will keep a record of the gifts provided.
 4. Gifts given to or by public officials, politicians, or members of oversight bodies will be governed by the conditions set forth in sections 2 and 3 above.
 5. Ercros allows hospitality, such as trips and attendance at courses, seminars, ceremonies, and similar events offered by suppliers free of charge, if this hospitality is approved by the subject person's supervisor.
 6. When, as a courtesy, a gift violating the above rules cannot be rejected, in order to not offend the person or entity offering it, the gift in question will be submitted to the compliance committee, which will make the decision it considers most appropriate for the Company's interests.
 7. In the face of any doubts that may arise regarding the intent or value of a gift or hospitality, in order to determine whether it could be considered unacceptable under the above rules, the recipient will inform his or her supervisor, who in turn will inform the compliance committee so that it may take the decision it considers most appropriate for the Company's interests.
 8. The compliance committee will maintain a record of gifts and hospitality, including the name of the person and/or company giving the gift or hospitality and its relationship with Ercros; the date of receipt and delivery; its value, if this can be quantified; and the decision taken by the compliance committee regarding the gift or hospitality.

Article 22. Information transparency

1. The subject persons will promote information transparency, both internally and externally, especially in relation to the Company's stakeholders.
2. Furthermore, the information they provide will be true, clear, and complete. Under no circumstances will they provide incorrect, incomplete, or inaccurate information, or information that could confuse the recipient.
3. Only those persons whose duties include these tasks may transmit information regarding the Company to the media.

Relating to the Company's interests

Article 23. Conflicts of interest

1. For the purposes of this code, there is a conflict of interest when a subject person's decision could be influenced by a direct or indirect private interest that this person may have regarding the decision to be made, as a result of a relationship to the decision that she or he may have that is unrelated to Ercros, through any of his or her related persons⁶ or through a third party that the subject person wishes to favour.
2. By way of example, the following are potential situations of conflict of interest:
 - a) The performance by the subject person, or by any of his or her related persons, of private activities (i) that constitute the same kind of activities as those performed by Ercros, or an analogous or complementary kind of activity; or (ii) that are carried out with companies supplying goods or services or that are Ercros customers.
 - b) Being involved privately, personally or through any of their related persons in any transaction or economic operation to which Ercros is a party.
 - c) Negotiating or entering into contracts on behalf of Ercros with related persons of the subject person.
3. In a potential conflict of interest situation, the subject persons:
 - a) Will act in accordance with the principle of loyalty to the Company.
 - b) Will inform their supervisor and follow the Company's internal procedures for conflicts of interest.

- c) In any event, they will refrain from representing the Company and from intervening in or influencing decisions in which the subject person, any of their related persons, or a third party that they wish to favour have a personal interest.
4. With regard to conflicts of interest, the members of the board of directors will be governed by the regulations of the board of directors, in addition to the above provisions.

Article 24. Exercise of other activities

1. The subject persons will devote all of their professional abilities and their personal efforts to the performance of their duties at Ercros.
2. They may only conduct professional or academic activities unrelated to Ercros when these activities do not undermine the performance of their duties at Ercros.
3. If they perform professional activity unrelated to Ercros that affects their working hours at the Company, they will receive express, prior authorisation for this activity from their supervisor.
4. Under no circumstances may they carry out activities or provide services at a competing company, outside of Ercros.
5. The subject persons may not use their position at Ercros to obtain economic or personal advantages or business opportunities for their own benefit.
6. They will avoid any confusion between Ercros activities and the performance of activities unrelated to the Company, or their membership or support for political parties or other public entities, institutions, or associations, if applicable.

Article 25. Transactions with Ercros securities

1. Subject persons possessing privileged information⁷ will assume and comply with any obligations, restrictions, and prohibitions established by the internal rules of conduct governing the securities market.
2. With regard to transactions involving Ercros shares or financial instruments (“affected securities”), the subject persons will be subject to the following prohibitions against:
 - a) Conducting transactions with affected securities on their own behalf or on behalf of others, based on privileged information.

- b) Recommending to third parties that they conduct transactions with affected securities, or having someone else conduct them, based on privileged information.
 - c) Disclosing privileged information to third parties, except in the normal performance of their duties.
3. Conducting transactions or disseminating information that provides false or misleading information about the affected securities is forbidden.
4. Only those persons who are expressly and properly authorised may provide information to markets or to regulatory bodies.

Article 26. Professional secrecy

1. In general, any non-public information that is owned by Ercros, or that is owned by third parties and held in safekeeping by Ercros, will be considered restricted, confidential information and will be subject to professional secrecy.
2. The subject persons will maintain strict confidentiality regarding the restricted, confidential information to which they have access through their work. They may only use this information for the purpose for which it was obtained. The use and disclosure of this information to a third party, without express authorisation, constitutes a breach of loyalty towards Ercros and could constitute a criminal offence.
3. Likewise, the subject persons will not fraudulently use, or attempt to obtain benefit for themselves or for a third party from, the information to which they have access through their work in Ercros, even after their employment relationship with Ercros has ended.
4. The subject persons will use the most appropriate security measures to protect the reserved, confidential information against any risk of non-consensual access, manipulation, or destruction, both intentional and accidental.
5. At the end of the employment or professional relationship with Ercros, the subject person will return any restricted, confidential information that may be in their possession, regardless of the storage medium in which it is kept, including any information stored in his or her computer terminal. In any event, the duty of confidentiality will continue to exist.

Article 27. Protection of intellectual property

1. The subject persons will respect and protect Ercros's intellectual property rights, consisting among others of its patents, trademarks, manufacturing processes, and information systems. They may not use this property for private purposes. Neither may they disclose to third parties any technologies, brands, methods, and any kind of information belonging to the Company, even if the subject person himself or herself has obtained and/or developed it.
2. In addition, they will respect the intellectual property rights of third parties and will refrain from reproducing, plagiarising, distributing, or publicly communicating any literary, artistic, or scientific work, regardless of the storage medium, and from making copies of patents, registered industrial designs, and/or brands, without the appropriate authorisation from the right holder.

Article 28. Use and protection of assets

1. The subject persons will make exclusively professional use of the Company's assets and resources. They will be responsible for the protection of any assets and resources entrusted to them in the course of their work and will safeguard them with due diligence.
2. These assets may be tangible or intangible, movable or immovable, and the legal documents or instruments proving ownership or other rights over these assets.
3. Under no circumstances may they destroy, alter, disable, or harm in any way data, programmes, or documents owned by Ercros or third parties.
4. The subject persons will avoid actions that would harm the computer systems of the Company and third parties, and will not access outside computers and systems without express authorisation.
5. They will refrain from using, downloading, or installing computer programmes without receiving prior authorisation from the information systems management and, if required, obtaining the appropriate licence. Under no circumstances will they use the equipment provided to them by Ercros to install or download applications or content whose use is illegal or that could damage the Company's reputation or endanger the security of the data to which it has access.
6. The subject persons will not use the Company's funds or credit cards, or funds or credit cards in the name of the Company, to make payments unrelated to their professional activity.

7. Moreover, they will not remove, or deliberately allow a third party to remove, any resources, property, stock, and assets of any kind that has been entrusted to them in the course of their work.
8. Neither will they dispose of, transfer, assign, or conceal any property owned by Ercros in order to avoid the fulfilment of duties to creditors.

Mandatory document

Article 29. Compliance

1. Compliance with this ethical code is mandatory for all subject persons.
2. Compliance with the ethical code is understood to be without prejudice to compliance with existing legislation, the voluntary agreements signed by Ercros, and the Company's internal regulations, especially the internal rules of conduct on matters related to the securities market.
3. Subject persons who supervise other persons will ensure that these persons are familiar with and comply with the ethical code, and will be an example of ethical and responsible conduct.
4. Subject persons who act as representatives of Ercros in organisations or other companies will also observe this ethical code in the performance of these activities.

Article 30. Acceptance

1. All subject persons will sign their acceptance of the values and principles contained in this ethical code, and their commitment to uphold and promote them in the performance of their work.
2. The commitment to accept, comply with, and uphold the ethical code will be expressly included in a clause in any contracts that Ercros concludes with the individuals on its staff, to whom a copy of it will be provided.
3. The aforementioned clause will also be included in any contracts signed by Ercros with companies providing services or products that do not have their own ethical code.

Supervision and sanctions regime

Article 31. Supervision

1. The audit committee⁸ is responsible for interpreting and ensuring compliance with the ethical code.
2. At the request of the subject person, the audit committee may waive compliance with one of the rules laid out in this code in a specific, exceptional, and occasional manner, in light of reasons put forth by the interested party and after assessing the impact its decision could have on the Company.

Article 32. Breaches

1. The subject persons will inform their supervisor, or directly inform the compliance committee, of any breach of the ethical code that affects them personally or that they learn of, through the ethical channel.
2. In addition, the audit committee, or the compliance committee on its behalf⁹, may act on its own initiative, without any complaint being filed, if it learns of conduct or actions that could constitute a breach of this code.
3. The subject persons will provide any cooperation that the audit committee, directly or by delegation through the compliance committee, requests of them for the proper performance of its duties.
4. No subject person, regardless of their level in the company hierarchy, is authorised to require another subject person to commit an illegal act or to violate the provisions of this code. No subject person may justify improper conduct, illegal conduct, or conduct violating the code based on an order from a superior or ignorance of the code.

Article 33. The ethical channel

1. The ethical channel is the Ercros procedure¹⁰ establishing the mechanism for filing complaints regarding alleged substantiated and significant breaches of the rules set forth in the ethical code that are detected by the subject persons within Ercros, whether these breaches are performed by other persons for themselves or for the company.
2. The audit committee, and by delegation the compliance committee, is responsible for handling complaints filed through the ethical channel regarding possible breaches of the ethical code.

3. The audit committee is also responsible for ensuring that the individuals who in good faith report alleged breaches or violations of the rules set forth in the ethical code are not subject to retaliation or threats, and to safeguard confidentiality in the cases that are processed.
4. Subject persons who supervise other persons will ensure that these persons are aware of the existence and purpose of the ethical channel, and will provide the means to access it.
5. The ethical channel procedure is available on the Ercros online notice board (x:\tablón virtual\09 procedimientos\comisión de auditoria).

Article 34. Sanctions regime

1. A breach of the rules set forth in the ethical code may result in disciplinary sanctions in accordance with existing labour regulations, without prejudice to any administrative or criminal penalties that could arise from the breach. The decision on the measures to be applied in each specific case will be taken by the audit committee.
2. The disciplinary sanctions or measures adopted in each case will be applied and implemented by the human resources department, in accordance with the sanctions set forth in the collective agreement in force and in the Spanish Workers' Statute (*Estatuto de los Trabajadores*).
3. Any accusation of false facts, made recklessly or with intent to misrepresent the truth or to harm any other person or the Company, may result in labour, criminal, or civil penalties applicable under current laws.

Dissemination, validity and approval

Article 35. Dissemination

1. The ethics and social responsibility committee¹¹ will promote familiarity with and the dissemination of the ethical code and will propose to the audit committee any measures it considers appropriate for its effective application.
2. Ercros will promote the dissemination of this code among its stakeholders and society in general through the corporate website (www.ercros.es), among other means.

Article 36. Validity

The ethical code and its subsequent modifications will come into force 30 days after its approval by the board of directors.

Article 37. Approval

1. In order to come into force, the text of the ethical code and subsequent modifications must be approved by a majority of the members of the board of directors, following a favourable report issued by the audit committee.
2. The ethical code was approved unanimously by the board of directors at its meeting of 26 February 2009, and was last modified at its meeting of 19 April 2018.
3. This code will be reviewed and updated periodically in order to adapt it to new regulatory requirements and to enhance and ensure its proper application.

Explanatory notes

1. Except when required for understanding of the text, all uses of the masculine gender in this code will be deemed to refer to all people, men or women, in order to avoid the repetition of terms and to facilitate the reading of the code.
2. The Responsible Care programme is a voluntary commitment by the international chemical industry, which is promoted in Spain by the Federación Empresarial de la Industria Química Española (“Feique”). Its objective is to promote the incorporation of social responsibility principles into companies’ management. Ercros joined the programme in 1994.
3. The Global Compact is a voluntary initiative, promoted by the United Nations (“UN”), under which companies commit to supporting the fundamental values laid out in ten universally accepted principles involving human rights, labour relations, environmental protection, and the fight against corruption. Ercros has been a member of the Global Compact since 2002.
4. Under the definitions laid out in Ercros’s social and ethical responsibility plan, the concept of “stakeholders” includes groups affected by the company’s actions or that could influence these actions. In the case of Ercros, the most relevant stakeholders are:
 - a) Internal: the Company’s staff, the contracted companies’ staff, and the shareholders.
 - b) External: customers and suppliers; public agencies; neighbourhood associations or organisations; neighbouring companies; the educational community; and social and cultural organisations.

Stakeholders vary from one workplace to another, and therefore each workplace determines its stakeholders based on who has their headquarters or performs their activity in the same town, area of influence, industry, etc.
5. For the purposes of this code, “bribery” means offering or receiving improper awards to influence the behaviour of a public official or a member of a company, in order to obtain a business, commercial, or financial advantage.
6. For the purposes of this code, related persons of the subject persons are considered to be:
 - a) The subject person’s spouse or persons with an analogous personal relationship.
 - b) The ascendants, descendants, and siblings of the subject person or the subject person’s spouse.
 - c) The spouses of the subject person’s ascendants, descendants, and siblings.
 - d) Companies where the subject person, directly or through an intermediary, is in one of the situations described in article 42(1) of the Spanish Commercial Code (Código de Comercio).
7. Under article 226 of the Spanish Securities Market Act, privileged information is considered to be any information meeting the following requirements:
 - a) Information that is specific in nature, that is, describing circumstances or facts that may occur and how these could influence the price of the affected securities.
 - b) Directly or indirectly referring to one or more of the affected securities.
 - c) Information that has not been made public.

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- d) Information that could have a significant influence on the price of the affected securities if it were made public. It will be considered that information could have a significant influence on the price when a reasonable investor could use it as the basis of his or her investment decisions.
8. The audit committee is a committee delegated by the board of directors, with supervisory and control functions. It is composed of three members, appointed by the board of directors from among the non-executive directors, at least two of whom are independent directors, including the chairperson of the board.
9. The compliance committee is a body reporting to the audit committee that has been delegated by the audit committee to handle complaints received through the procedure for the ethical channel, among other duties.
10. The procedure for the ethical channel specifies responsibilities involving the ethical channel; the filing procedure, content, and processing of complaints; procedures for access; deadlines for resolution; etc. This procedure is available at the Ercros online notice board.
11. The ethics and social responsibility committee is a collective, consultative, internal, permanent body. Its functions include supervising any plans and initiatives involving social responsibility that are implemented, and advising management regarding suggestions, initiatives, and proposals for improvements relating to social responsibility.