

CODE OF CONDUCT

NATIONAL FOOD TECHNOLOGY AND SAFETY CENTRE (CNTA)

CRIME PREVENTION AND CRIMINAL LAW COMPLIANCE PLAN

Annex I: CODE OF CONDUCT

September 2018

CONTENTS

1. GENERAL MATTERS

- 1.1. OBJECTIVE
- 1.2. IMPORTANCE OF A CODE OF CONDUCT
- 1.3. SCOPE OF APPLICATION
- 1.4. GENERAL PRINCIPLES
- 1.5. BASIC RULES OF TREATMENT BETWEEN PERSONS
- 1.6. GENERAL REQUIREMENTS FOR ALL WORKERS
- 1.7. SPECIFIC REQUIREMENTS FOR SENIOR MANAGERS

2. BUSINESS POLICY ON CONDUCT

- 2.1. ASSUMPTIONS
- 2.2. CONDUCT GUIDELINES
 - 2.2.1. In relation to recruitment and personnel management
 - 2.2.2. In relation to accounting and company documents
 - 2.2.3. In relation to information
 - 2.2.4. In relation to the company's assets and business
 - 2.2.5. In relation to harassment
- 2.3. DECISION MAKING
- 2.4. ACTION IN THE EVENT OF DISCOVERING, SUSPECTING OR NOT BEING SURE ABOUT AN INFRINGEMENT
- 2.5. CONSEQUENCES OF ENGAGING IN OR COVERING UP CORRUPTION OR HARASSMENT

3. DISSEMINATION AND APPLICATION OF THE CODE OF CONDUCT

1. GENERAL MATTERS

1.1. OBJECTIVE

The National Food Technology and Safety Centre (CNTA) is a leader in numerous areas of the agri-food industry: Quality, Technology, Food Safety and Innovation.

It has deservedly gained the confidence of and a great reputation among the authorities, companies, institutions and society in general.

Getting this far has meant a lot of effort and dedication on the part of the excellent team of professionals who have built the Centre and worked at it for many years.

To ensure that CNTA continues along this line, it is necessary to define some rules that everyone working at CNTA should know and undertake to follow in the performance of their work.

These rules are compiled in this Code of Conduct, through which we aim to reaffirm that, although intangible, business ethics is one of CNTA's essential assets, and one directly related to its ability to obtain good results.

The rules set out here are indicative rather than exhaustive. Issues not covered by the Code may be assessed by equating them with others which do appear.

1.2. IMPORTANCE OF A CODE OF CONDUCT

The existence of codes of conduct is essential in companies and organisations. The effects of illegal, immoral, corrupt or unethical conduct seriously harm people, businesses and society in general.

A broad range of spheres are affected by such conduct:

- It harms the party that directly suffers the immoral or corrupt act. Example: A person who is being extorted.
- It also harms the company and its workers. The company may be suffer financial harm and/or reputational damage (in the eyes of its workers, suppliers, customers, the authorities and society in general).
- Third parties: Example: a better-prepared competitor that unfairly loses a contract as a result of immoral or corrupt activity.
- Society in general. In addition to being bad in itself, unethical conduct creates widespread distrust in society.

1.3. SCOPE OF APPLICATION

This Code of Conduct is aimed at:

- The Governing Board.
- The Senior Management Team.
- All CNTA workers.

Endeavours shall also be made, insofar as possible, so that other persons, companies or entities with which the company has a relationship (e.g. suppliers and customers) show the utmost respect for the law and ethics in their conduct.

1.4. GENERAL PRINCIPLES

Those who make up CNTA must abide by the following principles in everything they do:

- **Legality**. Respect for all applicable laws and regulations, and, of course, respect for the mission, objectives and purposes of CNTA as established in its Bylaws.
- **Honesty**. All actions must be carried out with the utmost integrity, transparency and probity.
- **Respect**. All persons with whom relationships are maintained are owed the utmost respect (managers, colleagues, suppliers, customers, authorities, etc.).
- **Vocation for service**. The work carried out at CNTA should serve to better people, companies, institutions and society in general.
- **Collaboration**. All those who make up CNTA must work together to create a good atmosphere, make the most of resources and achieve maximum efficiency. Common interests should prevail over individual interests. Personal conflict and clashes, and those between areas and departments should be avoided.
- **Professionalism**. Work should be performed well. It is necessary to have initiative, acting proactively and anticipating problems. It is necessary to adapt quickly to the changes and demands of the professional environment.

1.5. BASIC RULES OF TREATMENT BETWEEN PERSONS

The following must be taken into account in the treatment between persons in the day-to-day activity of CNTA:

- Respect personal dignity, integrity and freedom.
- Avoid all kinds of discrimination.
- Respect everybody's privacy and confidential life.
- Treat the opinions, concerns and complaints of others fairly.
- Take an interest in the training of others. When the work of others needs to be assessed or reviewed, this shall be done respectfully, objectively and sincerely.
- Seek to create a good work environment.

1.6. GENERAL REQUIREMENTS FOR ALL WORKERS

All company workers must:

- Be punctual.
- Take an interest in receiving as much training as possible and collaborating in the training of their colleagues.
- Ensure personal tidiness and cleanliness, and the cleanliness and tidiness of their workplace and the communal areas of the company.
- Comply with the work rules and protocols in force in the company, and, in general, comply with work instructions received from superiors.
- Work with the utmost rigour, responsibility, interest and effort in order to achieve good results.
- Refrain from using work time to perform private work or activities.
- Take care of the company's facilities and resources so that they last and unnecessary expenses can be avoided.
- Not use the resources provided by the company for personal ends or purposes unrelated to the work assigned.
- Comply with health and safety instructions.
- Strive to give a good image of the company to third parties.
- Inform their superiors as to any fact or circumstance which may be detrimental to the people or property of CNTA or third parties.
- Familiarise themselves with and respect the code of conduct.

1.7. SPECIFIC REQUIREMENTS FOR SENIOR MANAGERS

In addition to the general requirements established for all workers, senior managers must particularly:

- Ensure that workers know the tasks they must perform at all times.
- Ensure that they know and discharge their responsibilities properly in all areas related to their work.
- Ensure a good working atmosphere.
- Set a good example at all times.
- Be attentive to the queries, concerns and suggestions of subordinates.
- Not do anything in order to get results at the expense of infringing the law or code of conduct.
- Encourage the continuous improvement of CNTA.
- Ensure that everyone knows and complies with the code of conduct, and endeavour to improve it.

2. BUSINESS POLICY ON CONDUCT

2.1. ASSUMPTIONS

Unethical conduct and corruption, so topical in many areas of society, must be avoided. Hence, CNTA's commitment to the application of a **zero tolerance** policy in this regard.

The previous points in this code make general reference to such practices; there now follows a more detailed description.

The most common forms of unethical conduct and corruption are as follows:

- **Bribery**. Some form of undue profit or advantage is offered or given in order to obtain business or advantage which would not otherwise be obtained. Example: offering money or an expensive gift to a public official in order to obtain a permit in an irregular manner.
- **Extortion**. Profit or advantage to which the beneficiary has no right is demanded in exchange for granting something or not suffering harm. Example: demanding money for not publishing confidential information.
- **Facilitating payments**. Demanding or making payments to facilitate or expedite obtaining something to which the beneficiary has a right. Example: paying a public official to speed up the process through which a permit is granted.
- **Conflict of interest**. Personal interest is put before the interest which should be defended by virtue of the office or position held. Example: receiving payment from a supplier in return for an advantage which is detrimental to the company.
- **Abuse of sponsorship**. The name of the company is linked to a popular event in order to obtain personal benefit rather than that the company.
- **Fraud, embezzlement, misappropriation**. Using company resources for personal gain. Example: charging a personal expense to the company.
- **Money laundering**. Concealing or disguising the source of unlawfully gained money to make it appear lawful.

- **Nepotism or favouritism.** Using one's position to favour family or friends. Example: facilitating the undue promotion of a friend.
- **Manipulating information.** Using information obtained as a result of one's position for personal gain.

Conduct involving harassment, be it of a moral or sexual nature, is also considered particularly serious and unethical. Such matters merit special treatment.

2.2. CONDUCT GUIDELINES

There now follow some standards of conduct which should be observed or avoided to ensure ethical behaviour within the company.

2.2.1. In relation to recruitment and personnel management:

- Do not allow illegal work.
- Select personnel professionally, giving priority to merit and ability.
- Avoid unequal treatment which is not duly justified.
- Clearly inform workers as to their working conditions.
- Provide all necessary training, especially with regard to health and safety.
- Insofar as possible and taking into account production needs and the possible lack of resources, seek to ensure work-life balance.
- Drive the personal and professional advancement of workers as a means to enhance motivation.

2.2.2. In relation to accounting and company documents:

- Keep accounting records in accordance with the regulations.
- Document all entries and transactions.
- Provide the authorities, completely and correctly, with the documentation or information required by the regulations.
- Do not cooperate in tax evasion with other people or companies.
- Keep all the documentation required by the regulations or the Senior Management of CNTA in an orderly manner.
- Do not alter or falsify any documents.
- Do not use the documents to which you have access (belonging to the company or third parties) for purposes other than those for which you have been granted access.

2.2.3. In relation to information:

- Do not use or disclose information about the company, its workers or third parties unless strictly necessary for your work, observing the regulations or instructions received if you do.
- Do not keep information about the company, its workers or third parties unless strictly necessary, observing the regulations or instructions received if you do.
- Maintain the confidentiality of all information received from customers, suppliers and third parties at all times, unless said information is public or required by the administrative or judicial authorities. Likewise, preserve and respect Intellectual and Industrial Property at all

times, both that of CNTA itself and that belonging to others to which you may have access.

- Compliance with all matters concerning confidentiality and IP is mandatory.

2.2.4. In relation to the company's assets and business:

- Refrain from directly or indirectly involving yourself in business activities which may represent competition for the company.
- In all actions undertaken as a consequence of your position, those intervening must duly identify themselves and not try to remain anonymous. This includes all forms of electronic communication.
- Unfair, confusing and deceptive practices shall be avoided in relationships with suppliers and customers. The services that CNTA provides shall always be presented directly and honestly. In particular, services and activities which, due to their nature, CNTA is not capable of providing or performing must not be offered.
- Report expenses incurred and income received during the performance of your work in order that they can be entered properly in the accounting records. Appropriate authorisation (purpose, amount, how payment is to be made) must be sought in order to make and receive payments.
- Do not use the name or assets of the company for personal gain or for the benefit of people who do not belong to the company.
- Do not use your position to favour family member, friends or related persons.
- Company assets must not be used for illegal or unethical activities (Examples: gambling, pornography, etc.).
- Do not use knowledge available to you as a result of your position in the company for personal gain.
- If you have specific authorisation to use company assets for personal gain, limit such use.
- Refrain from offering gifts or compensation for services or contracts unless duly authorised, specified and justified, even when these are of little entity. Promotional gifts and advertising giveaways of little value represent an exception to this rule.
- Do not accept gifts in the performance of your functions, even when these are of little entity. Promotional gifts and advertising giveaways of little value (calendars, key-rings, etc.) represent an exception to this rule.
- No CNTA employee shall describe a service / activity which CNTA is incapable of providing / performing.

2.2.5. In relation to harassment:

All behaviour whose purpose is to infringe upon the dignity of a worker and create an intimidating, degrading or offensive environment or which has this effect should be considered harassment. Such behaviour is normally repeated or occurs over an extended period of time and typically exploits a position of power, although such power is not necessarily of a hierarchical nature.

All verbal or physical behaviour of a sexual nature whose purpose is to infringe upon the freedom and dignity of a worker, creating an intimidating, degrading or offensive environment, or which has this effect should be considered sexual harassment.

The Senior Management of CNTA shall prepare a specific protocol for action in order to prevent harassment.

2.3. DECISION MAKING

It may help to ask yourself a few simple questions when making a decision:

- Is it legal? Is it contrary to work standards or instructions?
- Could it cause harm to others?
- Could it affect the company's or your own reputation?
- Would you feel ashamed if others were to find out you have done what you plan to do?
- Would you approve of another person acting in this manner?
- Are there alternative solutions which do not involve ethical, legal or moral issues?

2.4. ACTION IN THE EVENT OF DISCOVERING, SUSPECTING OR NOT BEING SURE ABOUT AN INFRINGEMENT

- Inform the senior management as to any act observed in others (other workers, suppliers, customers, public officials, authorities or third parties) which may be considered corruption, or simply illegal or immoral.
- Breaches of work regulations, protocols and instructions which may harm CNTA or third parties should also be reported.
- If in doubt about any matter relating to ethics, refer to your superior. You may inform the senior management if you consider it more appropriate. The company's advisers may be consulted when the matter is of a technical nature.
- If you are unable to avoid or reject a gift or compensation, make it available to the senior management so that it can proceed to return it or donate it to charity.
- If you have suspicions regarding someone's behaviour and wish to remain anonymous, you can write an anonymous note to the senior management and post it in the box provided for the purpose. You can also send anonymous notes by regular mail if you prefer.
- If you report an issue to a superior and see that it is not taken into account or no corrective action is taken, report the matter to someone higher up in the CNTA hierarchy.

When an action contrary to the Code of Conduct comes to the attention of the Senior Management, the following procedure shall be initiated:

- ✓ Investigation of the facts with due confidentiality and respect for the presumption of innocence.
- ✓ Adoption of measures to try to offset or mitigate the harm caused.
- ✓ Imposition of appropriate punitive measures.
- ✓ Introduction of necessary improvements to the Code of Conduct in order to prevent future breaches.
- ✓ The specific protocol will be applied in cases of harassment.

2.5. CONSEQUENCES OF ENGAGING IN OR COVERING UP CORRUPTION OR HARASSMENT

Acts of corruption can generate a wide range of liabilities which affect not only the person who carries them out but also the company.

- **CRIMINAL LIABILITY**. Certain acts of corruption may lead to criminal prosecution and different forms of punishment (imprisonment, fines, disqualification, etc.).
- **CIVIL LIABILITY**. A natural or legal person who feels aggrieved by an act of corruption may demand monetary compensation for the economic and/or moral harm caused.
- **LIABILITY TO ADMINISTRATIVE SANCTIONS**. In certain cases, acts of corruption may lead to administrative sanctions (fines, disqualification, etc.).
- **EMPLOYEE LIABILITY**. Violations and penalties are regulated in articles 32 and following of the CNTA collective bargaining agreement. Certain types of conduct are categorised as violations: These include:
 - Doing private work during the working day or using company resources for personal benefit (serious or gross misconduct).
 - Concealing acts or misconduct witnessed which could cause serious harm to the company (serious misconduct).
 - Fraud or theft (gross misconduct).
 - Disclosing privileged information (gross misconduct).
 - Breach of contractual good faith (gross misconduct).
 - Sexual, moral or psychological harassment (gross misconduct).

Serious misconduct may be penalised by the senior management of the company with suspension without pay for up to 15 days. Gross misconduct may be penalised with up to 60 days suspension of employment without pay and even dismissal.

3. DISSEMINATION AND APPLICATION OF THE CODE OF CONDUCT

- The Code can be consulted on the CNTA website.
- Those currently working at CNTA shall be given a copy of this Code of Conduct for their information. Recipients shall sign a receipt.
- Newly hired workers shall also be given the Code when they receive their employment contract. They shall sign a receipt.
- Within a maximum of two weeks following receipt of the Code, as referred to in the previous two points, recipients must sign a document stating that they have read and firmly undertake to respect it.
- All persons, companies and entities that habitually interact with CNTA shall be made aware of CNTA's serious commitment to business ethics.
- The Code will remain in force and will apply until modified or replaced, due notification of which shall be given.