

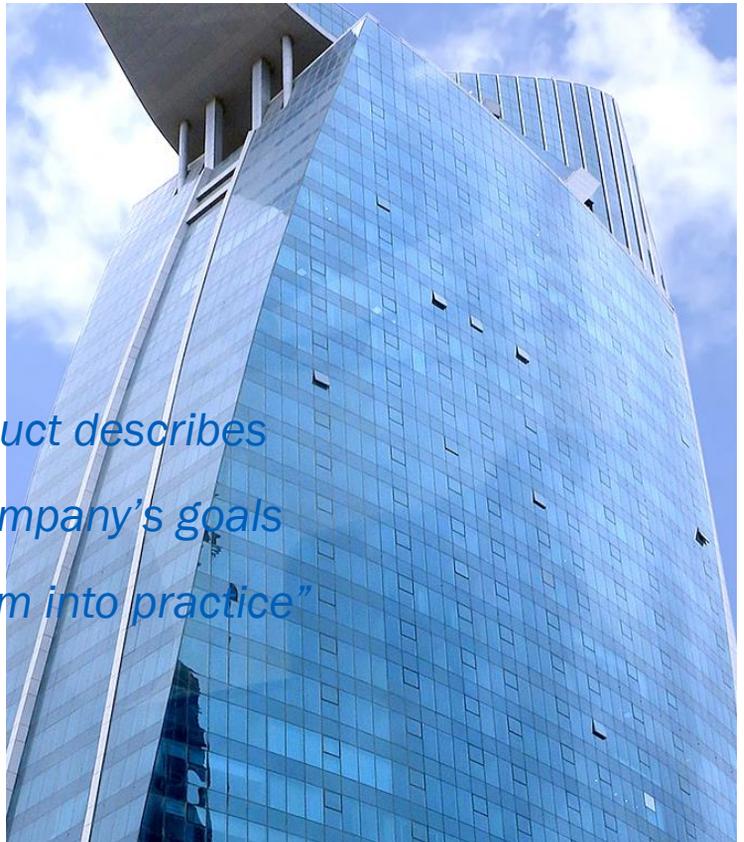
Code of Conduct



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“This Code of Conduct describes how to fulfill the company’s goals and how to put them into practice”



CEO'S STATEMENT

Iberchem operates in more than 120 countries, including complex environments. Our business model and our growth viability are based on ethical values that are inherent to our activities. Such values compel Iberchem to ensure exemplarity regarding ethics and compliance. To reach that aim, we are dedicated to:

- The highest standards regarding the health and safety of our employees and clients.
- Embody strong commitment towards environmental issues.
- Reject and fight against fraud, corruption, anti-competitive practices and any behaviours that would not comply with our integrity standards.
- Promote, internationally, the respect and Defence of Human Rights.

This Code of Conduct describes how to fulfil such goals and how to put them into practice in our everyday activities. It also ensures our clear commitment to reject any unlawful behaviours that do not meet our expectations regarding integrity.

For instance, Iberchem defined a Compliance program that settles specific requirements in terms of preventing bribery. It relies on a Zero Tolerance policy regarding corruption, be it active or passive, direct or indirect, to the profit of public or private operators.

I request from all the employees of Iberchem to act by this code of conduct.

In every affiliate and in every business unit of Iberchem, the managers are in charge of spreading our values amongst their collaborators and of ensuring that our business principles are respected.

Therefore, as for our Compliance program to be efficient, the stakes and aspects of this code of conduct have to be well understood and the integrity risks duly identified within Iberchem's entities.

Any breach of this code may result in the application of disciplinary measures, even leading to dismissal, since these ethical values are widely defined in the same sense in the applicable collective agreement, which allows company management to impose sanctions for any breach.

I count on each one of you: it is your role, your objective to ensure that all of Iberchem's activities are undertaken in a compliant manner. Compliance is a continuous and constant effort.



Ramón Fernández
CEO



GOALS OF THE CODE OF CONDUCT

This Code of Conduct – as the whole Iberchem Compliance Program - sets an integrity and equity culture in the group and promotes the appropriation, by every employees and partners of Iberchem, of the absolute necessity of preventing corruption and unlawful business practices. Because it is impossible to describe all the commercial or administrative practices and principles underlying ethical conduct and honesty, this Code includes a number of particularly important guidelines to assist with the adoption of an appropriate approach to business when carrying out any transactions with third parties, therefore reflecting only a part of our commitment.

THE CODE OF CONDUCT

- Is a common reference document for all our managers and employees, setting the tone of Iberchem's culture of integrity.
- States Iberchem's zero tolerance policy towards unlawful business practices.
- Helps Iberchem's employees understand and identify types of behaviours which could lead to a breach.
- Describes the behaviour expected from Iberchem employees.
- Makes sure that any third party contractors, agents or consultants of Iberchem are aware of this Code and the rules it settles when dealing with Iberchem.
- Provides guidance in case of concerns.

“... the absolute necessity of preventing corruption and unlawful business practices.”

PERIMETER OF THE CODE

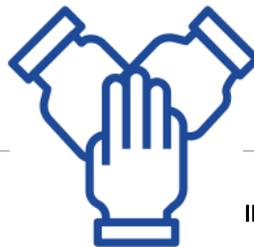
This code applies to all employees located in Spain and abroad and to all temporary staff (interns, short-term contracts...). In addition, all third parties which may deal with Iberchem must acknowledge the code of conduct and agree to abide by its principles.

IBERCHEM MANAGEMENT

- Abide by the Code of conduct.
- Encourage the company's employees to comply with both the spirit and the letter of this Code.
- Ensure exemplarity by embodying Compliance best practices.
- Support any Iberchem employee in case of need.
- Create an open climate within their entities.
- Participate in the diffusion of the Code of conduct and Iberchem's Compliance program to Business Partners.
- Deploy Iberchem's integrity standards outside the Company.

"Compliance is a teamwork. It requires a strict discipline from all of Iberchem's employees but also from its business partners. Compliance goes hand-in-hand with our strategy for a sustainable business"

José Balibrea
Iberchem CFO



IBERCHEM EMPLOYEES

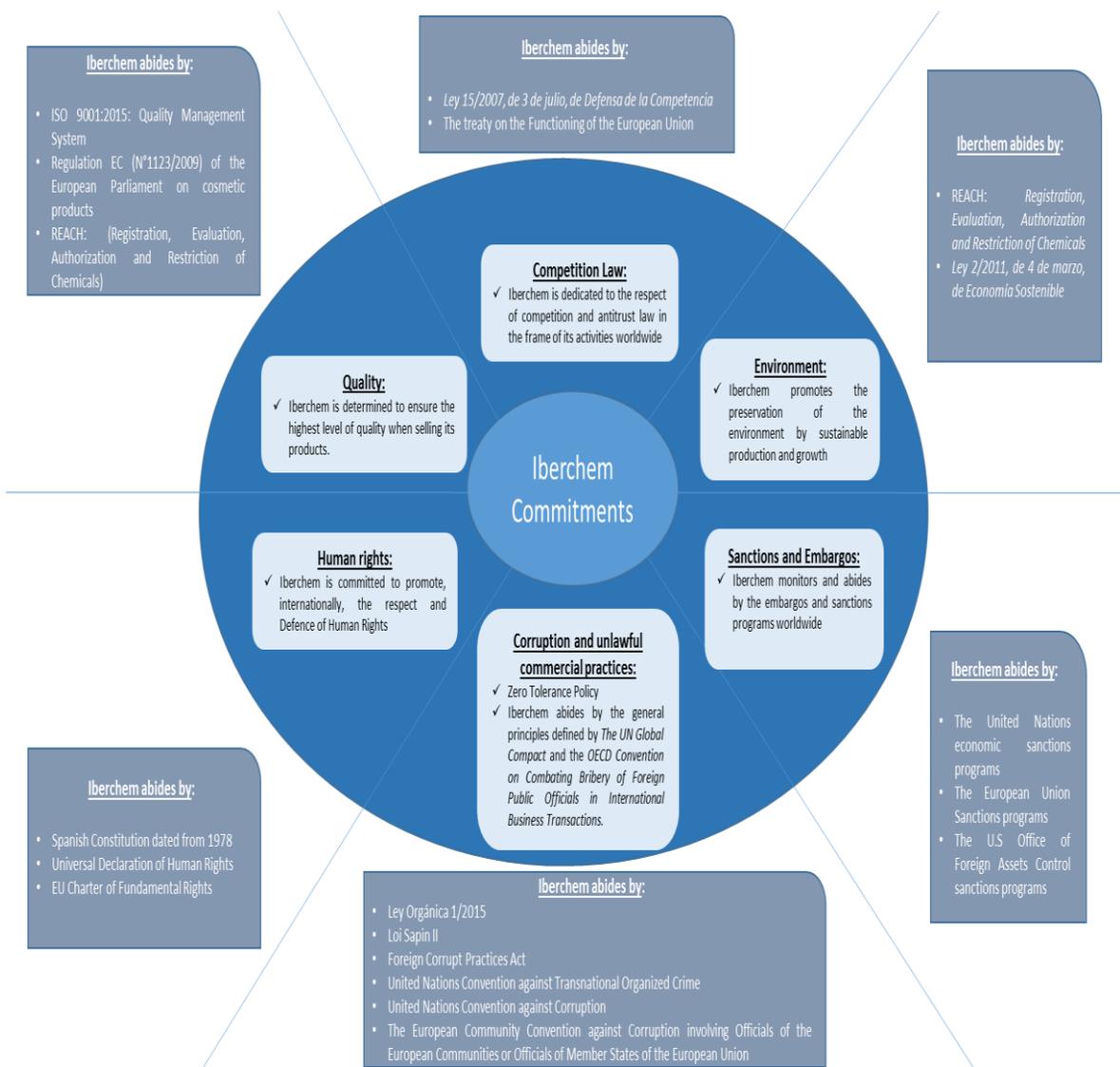
- Must know, understand and respect this code of conduct.
- Evolve in appropriate working conditions.
- Ensure that they carry out their daily activities accordingly to the Compliance program.
- Are dedicated to the respect of Iberchem's integrity standards in terms of environment, health and safety.
- Can raise an issue in case they face a situation that does not correspond to Iberchem's integrity standards.
- Will be recognized when displaying exemplary conduct to enforce Iberchem's integrity standards.

IBERCHEM BUSINESS PARTNERS

- Have to be communicated the Code of Conduct and have acknowledge of Iberchem's Compliance Program.
- Cannot offer or receive unreasonable gift or invitation to/from Iberchem's employees.
- Are committed to respect Iberchem's Compliance program when dealing with the group.
- Are selected through a thorough Compliance process performed by Iberchem.

THE GUIDING PRINCIPLES

Iberchem's Compliance Program is based on the respect of the requirements of the international conventions and the national regulations that apply to the group regarding integrity and ethics.



OUR BUSINESS PRINCIPLES

1. Iberchem and all its employees reject corruption, influence peddling and any business practice that does not comply with integrity standards.

2. Iberchem and all its employees ensure full compliance with international sanctions and embargo policies.

3. Iberchem and all its employees commit to fair trade practices.

4. Iberchem and all its employees ensure to conduct their activities in a sustainable way.

5. Iberchem and all its employees are dedicated to respecting and promoting human rights standards.



'Iberchem and its employees are dedicated to conduct their activities in respecting business principles that are inherent to the group's values. As such, any illegal, unlawful or illegitimate commercial activity is prohibited. Likewise, any behaviors that would be harmful to the environment or contrary to human rights principles will not be tolerated'

Ramón Fernández
Iberchem CEO

Corruption.

Can be defined as offering, promising or giving any undue pecuniary or other advantage, whether directly or through intermediaries, to a third party, in order that the said third party act or refrain from acting in relation to the performance of official duties, in order to obtain or retain business or other improper advantage in the conduct of business. Corruption can be operated directly or indirectly via the intervention or the complicity of a third party.

Influence Peddling.

Can be defined as offering, promising or proposing any undue, pecuniary or other advantage to a third party as to for him to abuse of his influence so as to obtain any favor or a favorable decision from a public authority.

EX:

A member of the parliament uses his own networks to help a company to be granted the award of a public tender, after the same company gave him a monetary or other form of undue advantage.

IT IS IMPORTANT TO DISTINGUISH:

- ▶ Active corruption: is characterized by the action of offering or promising an undue advantage.
- ▶ Passive corruption: is characterized by the solicitation or the acceptance of any undue advantage.
- ▶ Public corruption: consists in diverting an official position or any public power to illegitimately benefit from it.
Ex: To corrupt an employee of a Ministry so as to be awarded a public tender.
- ▶ Private corruption: consists in abusing from a private power in the frame of a commercial relation.
Ex: A supplier A corrupts a company B while seeking to renew a contract.

Corruption covers various practices.

BRIBES:

The giving of cash, gifts, hospitality, job offers, in exchange of a favor or a favorable decision.

EXTORTION:

Use of intimidation and/or violent physical or material threats to receive an illegitimate advantage.

FACILITATION PAYMENTS:

Small unofficial sums given to secure/accelerate an ordinary action from a public official.

A woman in a white lab coat and blue gloves is working in a laboratory. She is holding a brown vial with a white cap on a shelf. The background shows shelves with many other vials. The text is overlaid on the image.

*“This Code of
Conduct describes
how to fulfil the
company’s goals
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practice”*

Risky Situations



GIFTS AND HOSPITALITIES:

They can alter the independence in the decision when dealing with a third party. It is then advised to refer to the Gifts and Hospitalities procedure so as to assess the professional aspect and the validity of a gift or an invitation.



DEALING WITH THIRD PARTIES:

It is mandatory to follow the guidelines provided in the third party procedure to ensure tackling corruption when dealing with a third party. On the same note, it is the responsibility of every employee to settle the conditions that would allow Iberchem's integrity standards to be widely spread within the third parties the group works with.



CONFLICT OF INTERESTS:

You face a situation of conflict of interests when an employee of Iberchem has a personal interest that can influence or seem to influence his/her professional activities. The personal interest can be direct or indirect and might concern you directly or your relatives. Such interest can be of various nature (economic, financial, politic, professional, religious, etc.). Once detected, it is mandatory to report such situation to the management.



FACILITATION PAYMENTS:

In some cases, they might facilitate or speed up an administrative procedure. Nevertheless, if solicited, every employee of Iberchem has to refuse to pay immediately and inform the management.



SPONSORSHIP AND CHARITIES:

When the group participates to any sponsoring or charity activities, it is mandatory to ensure that the envisaged third party embody Iberchem's value and the group's expectations in terms of integrity. It is then appropriate to launch a Due Diligence process on the concerned third party whenever entering such activities, which are subject to a prior approval from the Compliance function and/or top management.

Iberchem and all its employees ensure full compliance with international sanctions and embargo policies.



Iberchem operates in countries that may be subject to specific national and international sanctions regulations, such as embargos. They are ordered to restrict the freedom of foreign trade activities concerning certain countries. As Iberchem is a group that is active globally, it complies with export and customs regulations. All its activities comply with export control regulations. Then, specific procedures such as prior Due Diligence are expected when dealing with sanctioned countries, to ensure that Iberchem action strictly enters the regulatory framework regarding sanctions and embargos. In case of doubt, employees are encouraged to refer to the sanctions mapping released by the European Union (www.sanctionsmap.eu) and to refer to their manager in case of concerns.



Iberchem and all its employees commit to fair trade practices.

Competition laws are designed to protect fair trade and honest economic competition. Thus, they prohibit business behavior that can prevent, restrict or distort competition (cartel, price fixing, insider trading, abuse of dominant position, etc.). Iberchem supports all efforts to promote and protect fair competition and employees are expected to understand the basic principles of competition law and the importance of complying with such laws.

Iberchem's integrity is at stake, since penalties for violating competition laws are severe. Likewise, any employee breaching competition law is exposed to corporate sanctions. Should an employee have any doubt or query regarding this topic, he can refer to his management or the Compliance referent.



Iberchem and all its employees ensure to conduct their activities in a sustainable way.

Iberchem is committed, in its commercial expansion, to respect the earth and to continuously diminish its impact on the environment.

As such, the employees of the group are expected to use resources as efficiently as possible and make efforts to support the development and use of eco-friendly technologies and practices.



Iberchem and all its employees are dedicated to respecting and promoting human rights standards.

Iberchem is determined to the promotion of Human Rights standards globally and within its activities, in Spain and abroad. The group is committed to respecting internationally Human Rights standards within its operations based on the guidelines provided by the following:

- The Universal Declaration of the Human Rights.
- The United Nations Guiding Principles on business and Human Rights as endorsed by the UN Human Rights Council in 2011.
- The guidelines provided by the International Labor Organization.

NOT TO COMPLY: WHAT RISKS FOR IBERCHEM AND ITS EMPLOYEES?

The different regulations Iberchem abides in terms of business integrity compel its employees to embody the group's Compliance program. In case of breach of the program, the group is exposed to:



JUDICIARY PROCEEDINGS:

External stakeholders – as NGO, competitors etc. - can sue Iberchem in case of potential breach of national or international regulations.



FINES AND FINANCIAL PENALTIES:

The anticorruption regulations and in particular the Anglo-Saxon ones impose important fines to companies that have committed violation of their laws, even for an operation that did not take place in the United Kingdom or in the US.



RESTRICTED ACCESS TO NATIONAL AND INTERNATIONAL MARKETS:

A company that has been found guilty can be put on black and denied lists, excluded from public tenders, excluded from World Bank related markets, etc.



REPUTATION:

In case of an involvement in a corruption scheme, a company face reputational damages that can lead to a decrease of its commercial activities and can affect the perception it benefits from the rating agencies.



IMPRISONMENT:

In France and in the United Kingdom, jail sentences up to ten years can be pronounced against the Principal of a company in case of corruption.



INTERNAL SANCTIONS:

In the case of any breach of this code of conduct, Iberchem's employees are subject to disciplinary sanctions, from a reprimand to a dismissal from the group.

SPEAK UP



Every employee of Iberchem has to consult - without hesitation – his management in case of doubt or questions regarding the company's Compliance program.

In the frame of the latter, the group settled an ethic alert line as a mean to collect every query/alert from an Iberchem employee regarding compliance matters.

This line ensures anonymous treatment of the information given by the collaborator, without risk of reprisal from the hierarchy.

Nevertheless, such tool is to be solicited only for actual breach of Iberchem's compliance program and an abusive use of the ethic alert line can lead to internal sanctions.



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