

arteche

# Ethical Behaviour Code



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## PREFACE

This Ethical Behaviour Code (hereinafter, the “Code”) contains the principles and values that will guide us when developing our activities in ARTECHE. We must remember that each of the professionals that make up ARTECHE are the face before third parties that represents our values as a company, thus, we must make an effort to maintain every day the principles and values that have guided us in the past 75 years and that go beyond the legal requirements of each time and place where we have been doing ARTECHE.

Reputation is the most important asset of a company. It takes many years to acquire it and keep it, but it's very easy to lose it in a moment. A poor ethical decision may ruin all that effort.

We must always take into account that the best way to keep growing and developing our business and making ARTECHE a better place to work is doing things well and with integrity.

The Board of Directors of ARTECHE understands Ethics as one of the characteristics of its identity, considering it as an essential element for the development and sustainability of the business project. ARTECHE has its own Corporate Culture, defined as the set of values shared by its members.

That is why we want to protect ourselves with this code. With it, regular training and some adequate control tools, we will continue to be the company that clients want to trust, with which suppliers want to collaborate, and where workers know they are protected and where their opinion is taken into account.

SIGNED: President (Alexander Artetxe)



# 1. ETHICAL BEHAVIOUR CODE

## 1.1 OBJECTIVE

With this Code, we establish a set of fundamental principles and general behaviour guidelines in order to ensure the professional, ethical, and responsible behaviour of all administrators, managers and employees (“professionals”) of the Arteche Group (“ARTECHE”), regarding the fulfilment of their functions, their relationship with co-workers, people responsible, subordinates, customers, suppliers and the market and the society in general where they carry out their activities, always acting according to the legislation of each country and respecting the ethical and social responsibility principles of their respective cultures, serving as a guideline for the action of its professionals in a global, complex, and changing environment.

Also, the Code has been made taking into account both the generally recognised good governance recommendations and the social responsibility principles accepted by the society, building a basic reference for their compliance by the Group. It also responds to the new crime prevention obligations imposed in the scope of the criminal responsibility of legal persons.

In this way, the code becomes part of the corporate government system of the Company and fully respects the principles of corporate organization established in it.





## 1.2. Who is the Ethical Behaviour Code applied to

This Code is applicable to all professionals that are part of ARTECHE, regardless of their hierarchical level, their geographical or functional location or the company for which they render their services. Everyone is expected to comply with the Code as well as the laws, standards and regulations applicable in the place where they carry out their professional activities and with the maximum respect towards internationally accepted ethical practices, according to the Fundamental Rights and Public Liberties contained in the Universal Declaration of Human Rights.

All councillors, managers, and employees of all the companies and entities that are part of the group as well as all the people whose activities are expressly subject to the code, are considered employees of the Group.

The people subject to this Code, apart from the obligation to know and comply with its content, must collaborate in its implementation including reporting any non-compliance with it.

The compliance with the Code is understood without prejudice of the strict compliance with the provisions in the Articles of Incorporation and the agreements of the partners, whose content is totally coherent.

Employees of the Companies of the Group who must also comply with other ethical or behaviour codes regarding their sector or arising from the national legislation of the countries where they carry out their activities, must also comply with them. Said ethical or behaviour codes will follow the principles, vision, and values of the Code.

## 1.3 Communication and adherence

With the purpose of facilitating the knowledge of this Code and the different policies, regulations, and existing procedures in ARTECHE, a copy of it will be sent to all professionals. Likewise, all this information will be available in the Intranet website of ARTECHE.

The professionals who join ARTECHE in the future will expressly accept this Code in the clauses of their labour contract, which will be attached to said contract. When it is updated, the Ethics and Standards Compliance Subcommittee will be in charge of the renewal of the commitment of the professionals by means of spreading the updates of said Code.

Those employees of the Arteche Group that, while in their function, manage or direct teams of people must also ensure that those under their charge know and comply with the Code and lead with the example, being a reference of behaviour in the Group.

## 1.4 Commitment with human and labour rights

ARTECHE expresses its commitment and connection with human and labour rights recognised in the national and international legislation with the principles under which the UN Global Compact is based, the regulations on the responsibilities of transnational companies and other commercial companies in the sphere of human rights of the United Nations, the guidelines of the OECD for multinational companies, the Tripartite Declaration of Principles Concerning Multinational Companies and the social policies of the International Labour Organization, as well as the documents or texts that may substitute or complement those mentioned above.

Particularly, the group expresses its total rejection to child labour and forced or obligatory labour and commits itself to respect the freedom of association and collective negotiation, as well as the rights of ethical minorities and indigenous peoples in the places where they carry out their activities.

## 1.5 Guidelines for action: behaviour commitments and responsible practices

The Ethical Behaviour Code of ARTECHE defines the way in which we should behave and carry out our activities in different environments and situations.

### INSIDE ARTECHE

#### 1) Regarding legality

The provisions in the legal regulations of reference in the place where the activities are carried out must be observed at all times and will be considered, complied with and respected, apart from the provisions in this Code, all the policies, procedures and standards of ARTECHE, as well as contract commitments assumed by third parties.

#### 2) Fair employment practices. Equality of opportunities and no discrimination

ARTECHE will promote a policy of respect towards the people, regardless of their social origin, age, marital status, sexual orientation, ideology, political opinions, religion, race, gender or any other physical, personal or social condition of its professionals, as well as the equality of opportunities among them. In this way, we go beyond the locally applicable laws, promoting policies that encourage a real equality of treatment and opportunities among ARTECHE professionals, men and women regarding the access to employment, training and the promotion of professionals and their work conditions, as well as the access to goods, services, and supply, and creating an environment that makes it easier to integrate and reconcile professional, personal, and family life.

ARTECHE rejects in particular any type of manifestation of violence and physical, sexual, psychological, moral or any other type of harassment, as well as the abuse of authority at work and any other conduct that generates an intimidatory or offensive environment for the professionals. Specifically, the Group will promote measures to prevent sexual harassment, harassment due to gender and mobbing, when necessary.



### **Selection and evaluation**

ARTECHE shall maintain the most rigorous and objective selection program, exclusively based on academic, personal, and professional merit of the candidates and the needs of the Group.

ARTECHE shall evaluate its employees rigorously and objectively, paying attention to their professional, individual, and collective performance. The promotion of the merit and the personal capabilities is essential for ARTECHE, establishing a system where the capabilities of individuals are valued exclusively,

The employees of ARTECHE will participate in the definition of its objectives and will know about the evaluations made to them.

### **Training**

ARTECHE shall promote the training of its employees. Training programmes shall encourage equality of opportunities and the development of the professional career and shall contribute to the achievement of the objectives of the Group.

The employees of the Group commit themselves to permanently update their technical and management knowledge to take advantage of the training programmes of the Group.

### **Reconciliation of family life with work activities**

The group respects the personal and family life of its professionals and will promote reconciliation programmes that encourage a better balance between it and labour responsibility, taking it into account as much as possible considering the complexity, location, and place of realization of the different activities.

### **Right to intimacy**

ARTECHE respects the right to intimacy of its employees, in all its manifestations, and particularly regarding personal, medical, and economic data.

ARTECHE commits itself not to disclose personal data of its employees, unless it has the consent of those interested and in the case of legal obligation or compliance with court or administrative resolutions. Under no circumstances

shall personal data of the employees be treated for different purposes of those established by law or by a contract.

### **3) Safety and health**

Preventive culture shall be promoted, integrating in the daily work the management of health and safety and preventive measures established regarding the legislation in force and any other that may be established in the future. It will be ensured that ARTECHE employees develop their functions in safe and healthy places. The employees of ARTECHE shall pay special attention to the standards related to the security and health at work, with the objective to prevent and minimise labour risks.

Likewise, regarding relationships with suppliers, customer or collaborating companies, ARTECHE shall transmit these principles and demand the compliance of the requirements of security and safety necessary in each case.

### **4) Environment**

We will promote a culture responsible with the environment, complying or exceeding the standards established in the applicable environmental regulations and minimizing the environmental impact arising from business activities, seeking and efficient use of resources and the preservation of the biodiversity.

The companies of the Group assume as behaviour guidelines minimizing waste and pollution, preserving natural resources, promoting saving energy, as well as carrying out and sponsoring research and development projects that encourage the protection of the environment.

Likewise, regarding relationships with suppliers, customer or collaborating companies, ARTECHE shall transmit these principles and demand the compliance of the requirements of security and safety necessary in each case.

### **5) Sustainable development**

We assume the commitment with society as the fundamental basis for the sustainable development of ARTECHE. Each employee of ARTECHE must contribute to the achievement of sustainability objectives, support economic progress, the care of the environment, and social development. Our customers must be offered a quality responsible and



efficient service. The support of charity, educational, and community service activities must be promoted.

#### 6) Upright professional conduct. Conflict of interests

We will understand as an upright professional behaviour, the one that is diligent, responsible, honest, loyal and aligned with the Code, understanding that:

- a) Professionalism is the diligent, responsible, efficient and focused action, focused on excellence, quality and innovation.
- b) Integrity is the loyal, honest, good faith, objective and aligned action of the interests of the Group and with its principles and values in the Ethical Code.
- c) It is necessary to have self- control in actions and in the decision-making process, so that any action carried out is based on four basic premises:
  - (i) the action is ethically acceptable;
  - (ii) it is legally valid;
  - (iii) it is desirable for the Society and the Group; and
  - (iv) is willing to assume the responsibility over it.

It is the obligation of all professionals to communicate their superiors about the initiation, evolution and result of any sanctioning judicial, criminal or administrative proceeding in which the professional is the party accused and which may affect them in the exercise of their functions or affect the image or interests of ARTECHE. In case of being informed of the start of such proceeding, the Ethics and Standards Compliance Subcommittee or the unit or compliance department of the corresponding subsidiary of the company will act according to the protocol approved for that purpose.

It will be understood that there is a conflict of interests when the personal and professional interests and the interests of ARTECHE collide, personal interest being understood as when the matter affects the person related to it. For this purpose, we understand people related to their sentimental partner regardless of whether they are married or not, and people with a degree of kingship on their part or their partner's in direct line or ascending or

descending collateral until the fourth degree. Likewise, partnerships over which the professional, or any of the people related to them, exercise significant control or influence by themselves or by an intermediary will be considered as related.

None of the activities carried out by the staff of ARTECHE while carrying out their work or during their free time can directly or indirectly enter into conflict with their responsibilities in ARTECHE. Likewise, the abuse of reputation in influence of ARTECHE in a way that may affect its good name is not permitted.

#### 7) Use of goods and services of the company

ARTECHE provides its professionals with resources and the necessary and adequate means to carry out their professional activities, so they should commit themselves to making an appropriate, safe and responsible use of the resources provided by ARTECHE avoiding any unlawful use, contrary to the legislation in force and the internal regulatory system of the company in general

Said means and resources are supplied by ARTECHE to its professionals for strict labour and professional purposes, not private or personal, so the information contained in them or generated through them will not be considered under any circumstance private or personal for the purpose of confidentiality, therefore they do not generate an expectation of privacy in case they had to be supervised by ARTECHE when carrying out control duties.

Likewise, ARTECHE owns the property and the rights of use and exploitation of the information programmes and systems, electronic mail, applications, equipment, manuals, studies, reports, files, documents, projects, contracts and any other work that may have been created by the members of ARTECHE within the framework of their professional activity.

#### 8) Financial control

ARTECHE shall promote the existence of a truthful accountancy that reflects in a full, accurate, and true manner the economic, financial, and patrimonial reality of ARTECHE and that is subject to annual external audits. For this purpose, no professional shall hide or distort the information in the accounting records and reports of ARTECHE.

## 9) Measures against corruption. Presents and gifts

ARTECHE professionals can not, directly or indirectly through an intermediary, offer or grant, or request or accept advantages, gifts or unjustified benefits that have as immediate or mediate objective a benefit, present or future for ARTECHE, for themselves or for a third party. Particularly, they will not be able to receive any form of bribery or commission, coming from or carried out by any other party involved, as public officers, staff from other companies, political parties, authorities, customers or suppliers. Acts of bribery include the direct or indirect promise or offer of any type of improper advantage, any instrument to cover them up, as well as influence peddling.

Neither shall ARTECHE professionals accept money from customers or suppliers, not even as a loan or advance or friendliness.

Presents, gifts, compliments, services or any other class of favour that may unlawfully influence in the commercial or professional relationship will not be allowed, with the exception of those that:

- Are permitted by the legislation of each country and by its ethical principles.
- Are given due to an accepted commercial or social use practice.
- Have an irrelevant or symbolic economic value.
- Do not affect the image of ARTECHE.

When there are doubts over what is acceptable, the offer must be declined, or consulted with an immediate hierarchical superior of the company of the Group in question, who may send the consultation to the Ethics and Standards Compliance Subcommittee, if applicable.

## RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS

### 10) Relationship with customers and suppliers

It will be based on trust and respect, within a framework of mutual collaboration.

ARTECHE commits itself to offer a quality of services and products equal or superior to legally established requirements and standards. ARTECHE shall compete in the market based on the merit of its products and services. Marketing and sales activities must be based on the superior quality of the products and services that ARTECHE has to offer.

ARTECHE commits itself to selecting suppliers in an objective and impartial manner, providing them with true information that does not induce them to deception and avoiding any conflict of interests or favouritism in its selection. The prices and information given by suppliers and providers in a selection process will be discussed confidentially according to the legal terms established in each jurisdiction where they act, and they shall not be disclosed to third parties unless there is consent from the interested party or due to legal obligations, or in compliance with court or administrative resolutions.

Those professionals meeting with customers and suppliers will avoid any type of interference that may affect their professional impartiality or objectivity in the decision-making process, guided by transparency criteria and applying at all times the internal regulations established by the processes of authorization of suppliers and granting of contracts in general. This obligation specially affects those employees who have to take decisions regarding the hiring of supplies and services and those who decide on the economic conditions of the operations with customers.

## RELATIONSHIP WITH THE MARKET AND COMPETITORS

### 11) Defence of the competition

ARTECHE shall compete in a loyal manner in the market under the same conditions as its competitors based exclusively on the merit of its products and services and with strict respect of the regulations in force regarding defence of the competition. ARTECHE professionals shall reject information on competitors obtained in an unlawful manner or by violating the secret of confidentiality.

### 12) Commercial information. Commercial secrets

ARTECHE considers that company secrets are one of the immaterial assets of greater relevance for the companies, therefore, they cannot be shared with any other professional that does not need it to fulfil its functions or disclose or share, directly or indirectly, without the consent of its owner. Likewise, it will be illegal to exploit the secret when it is accessed by means of a confidentiality agreement or a similar agreement limiting its use.

A “commercial secret” is any information related to any area of the company, including the technological, commercial, organizational or financial area: (i) whether it is secret, that is to say, not generally known by the people belonging to specialised circles in the sector nor easily accessible; (ii) has company value due to its secrecy; (iii) has been reasonably protected to maintain in secret.

### 13) Transparency of the information

All information communicated in an internal or external manner shall be always accurate, reliable, complete, and comprehensible. The information of the products and services will be offered in a clear and transparent manner to ensure their adequate knowledge. Likewise, the lack of honesty in the internal and external communication of the economic-financial information is against this Code.

## RELATIONSHIP WITH AUTHORITIES AND OFFICERS

### 14) Relationship with authorities and officers

ARTECHE shall promote relationships with authorities, regulatory bodies and the public administrations based on institutional respect, transparency, cooperation and aligned with the legality in force especially with international provisions regarding prevention of corruption and bribery.

## PROTECTION OF OWN ASSETS AND THIRD PARTIES

### 15) Protection of assets

The protection of the commercial brand, patents, commercial secrets, and any other information subject to the right of property, not only from ARTECHE but also third parties, shall be promoted. For that purpose, a reasonable study of the new products, services, and software of ARTECHE will be promoted in order to detect possible inventions and commercial secrets of third parties.



## 1.6 System of application

### 1.6.1. Scope

All those that make up ARTECHE have the obligation to comply with its Ethical Behaviour Code. The standards developed in this Code represent the culture and commitment of ARTECHE. It is the responsibility of all those that make up ARTECHE to inform about possible breaches of this Code, whether they are affected personally, or they affect third parties. By reporting this fact, ARTECHE gets the opportunity to address and solve the problem.

### 1.6.2. Ethics and Standards Compliance Committee

The body of supreme, autonomous, and independent control is in charge of ensuring the compliance with the regulations. This body is in charge, among other functions, to receive the communications related to reports of non-compliance of this Code and/or consultation on their interpretation. Also, it will be in charge of the supervision and execution of the Corporate Compliance Programme, and the attributions in it.

This body may act by its own initiative or by means of any person subject to this code. Its decisions are binding for the company and the employee.

### 1.6.3. Administration body

The Management of ARTECHE signs the commitment with the Ethics and compliance with the approval of this Code. Likewise, it will approve the annual report on the regulatory compliance programme, made by the Ethics and Standards Compliance Subcommittee.

## 2. OBLIGATION TO ACT: ETHICAL CHANNEL

ARTECHE offers a channel through which it will be possible to consult any doubt related to the Code, the professional regulations and, in general, all internal policies. Likewise, this channel will be configured as a reporting vehicle for employees to communicate possible irregular behaviour and therefore, contrary to the aforementioned policies. Said reports must always respect the principle of veracity, not being able to use this mechanism for different purposes to those seeking compliance with the Code of Ethical Behaviour and its internal policies.

ARTECHE ensures the queries and reports received by means of this channel are addressed with the maximum reserve and confidentiality from the Ethics and Standards Compliance Committee and they are managed in a partial and independent manner, ARTECHE adopting in this way a specific commitment with prohibiting reprisals against any person making a consultation or report, in a formal or informal manner.

The communications shall preferably identify the author for a better and faster processing of it by allowing to meet with him and complete, where appropriate, the necessary information, but may also be done anonymously.

Consultations or reports made through the Ethical Channel may be carried out by means of any of the following ways:

- Completing an electronic form that will be available in the Intranet of the Group in the section “Ethical Channel”, which will be accessed by means of the user and password of the interested party.
- Submission of a written communication to the postal mail address: ARTECHE, to the attention of the Ethics and Standards Compliance Committee, Derio Bidea 28 48100 Mungia (Bizkaia).
- E-mail: [etica@arteche.es](mailto:etica@arteche.es), [ethics@arteche.com](mailto:ethics@arteche.com).

After receiving said communication, all matters will be analysed and investigated in a confidential manner, determining if there has been a non-compliance or not of the Code, and the corresponding corrective measure will be taken.

## 2.1. CONSEQUENCES OF NON-COMPLIANCE WITH THE ETHICAL BEHAVIOUR CODE

ARTECHE shall impose disciplinary measures that adapt to each case or situation of non-compliance or violation of the Code. A progressive discipline system will be used, that is to say, warning letters for minor faults that occur for the first time, and in most serious cases there may be suspensions without salary or even disciplinary dismissal or termination of the contract. All of this without prejudice of the administrative or criminal punishment that, in their case, may also result in it.

Likewise, any supervisor, director, responsible or counsellor who directs, approves or has knowledge of them and does not correct them or communicate them immediately to the Director of Regulatory Compliance, shall be equally subject to said punishments.

Among the situations that may give rise to disciplinary measures are, for example, the refusal to give part of a suspicion of infringement or a non-compliance of the Code, not cooperating in the investigation or retaliating against anyone who has given part of a non-compliance.

ARTECHE shall disclose and communicate all managers, executives, and employees the content in this document by means of the forms of internal communication and Intranet.

## 2.2. CONSULTATION, DOUBTS OR SUGGESTIONS

Any interested party may make consultations, doubts or suggestions on matters related to the Code.

The consultations, doubts and/or notifications established in this Code may be made before any hierarchical superior or directly before any of the members of the Ethics and Regulations Compliance Committee, or by means of any of the ways of communication of the Ethical Channel.

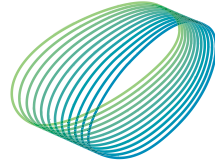
### UPDATE

The Ethical Behaviour Code will be reviewed and updated periodically, requiring the approval of the Management.









# arteche

Moving together

Version: 0

## **Ethical Behaviour Code**

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