



Code of Ethics and Business Conduct



***Code of Ethics and  
Business Conduct***



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## **I. Message from the President and Message from the Chief Executive Officer**

### **Message from the President**

Dear all,

The ECCBC Group would like that all the employees, management and Board members, in addition to all the people associated with the Group, conduct their affairs to the highest possible degree of honesty, integrity, responsibility and respect in line with the reputation achieved by our Group.

This Code of Ethics and Business Conduct describes all of the values and the main principles that guide our behaviour in our everyday business. It is based on our belief that achieving good results cannot be divorced from exemplary and rigorous ethics and conduct.

Given the diversity of the countries in which we operate in Africa, and the differences in local laws and practices, it is essential that the integrity and ethics of the ECCBC Group would be part of our underlying values.

Everyone must respect this commitment and use it to showcase our principles of responsibility. Our actions and behaviour influence our relations with customers, suppliers, colleagues and the Coca-Cola Company as a whole.

Keep in mind that the integrity of the ECCBC Group depends on each one of us and thus I encourage you to dedicate the necessary time to the reading and understanding of this Code.

Thank you for supporting us.

Alfonso Líbano Daurella  
Chairman of the Board of Directors



## **Message from the Chief Executive Officer**

Dear Colleagues,

In our daily work we find many situations that can arouse our doubts about its appropriateness to our principles of honesty, integrity and respect. We have developed the present Code of Ethics and Business Conduct trying to consider the cultural differences from each of our markets. All of this, with the determination that this Code will serve as a guide for all of us that we collaborate with the ECCBC Group independently of our role, country or level in the organization.

Although this Code try to be as exhaustive as possible, for obvious reasons it would be impossible to cover the full range of cases that can occur. Therefore, we have an Ethics Committee and a whistleblowing channel that we can all contact to, in order to help us interpret those cases that could be a voluntary or involuntary violation of the principles outlined here.

It is also important that we devote the time to thoroughly read this document and reflect on how actions and comments of this Code imply us and can affect our professional and relational responsibilities.

The success of this challenge depends on all of us.

Thanks for your participation in this passionate challenge!

Alfonso J. Bosch  
Chief Executive Officer



**The integrity of the ECCBC  
Group depends on each  
one of us**



## **II. Presentation of the Code of Ethics and Business Conduct**

This Code of Ethics and Business Conduct was written in order to highlight the principles of conduct that inspire the way the Equatorial Coca-Cola Bottling Company (hereinafter, “the ECCBC Group”) acts and that should govern the activities of all of its employees, managers and directors, who will all be subject to them. Moreover, the ECCBC Group expects that the companies with which it deals have values and standards of conduct in line with those presented in this document.

This Code is a tool that describes the set of rules and policies that directors, managers and employees must respect when they are working for the ECCBC Group, regardless of where they work, of whether they work full time or part time, as employees of subcontractors or as members of the ECCBC Group's Board of Directors, from the Chairman down.

This document provides guidelines so that you can assess the way you work and, as a guide, it contains advice and examples to help you choose the best course of conduct. It also describes the procedure to be followed to report any actual or suspected breach of the Code of Ethics and Business Conduct or any other of the ECCBC Group's policies. All reports of breach of the Code will be kept in the strictest confidence by the Ethics Committee, which is responsible for ensuring it is applied properly and for taking disciplinary measures if it is breached.

It is extremely important that all employees, managers, directors and third parties be familiar with the Code's contents, as well as with the regulations in any of the countries in which they work.

All ECCBC Group employees, managers, directors and third parties can find themselves in tricky situations that are sometimes difficult to manage on an ethical, legislative or professional level, in which the most important thing of all is to use one's common sense.



# **Developing a pleasant working environment conducive to positive attitudes**





### III. The conduct of ECCBC Group employees

#### 1. Use and protection of the ECCBC Group's assets

**Do I use the ECCBC Group's assets properly?**

**Read and think:**  
*Do I misuse the ECCBC Group's assets by using them for personal ends?*

Each employee, manager, director and third party must ensure that the ECCBC Group's assets are properly protected and used to avoid their damage, loss or theft.

The ECCBC Group disapproves of any intentional or deliberate actions engaged in by employees, managers, directors or third parties for personal or corporate profit, whether direct or indirect, through the inappropriate use of the ECCBC Group's assets and resources.

The ECCBC Group's assets, including IT resources, are intended for work purposes only. Their use for personal reasons is tolerated to a certain degree, providing the legislation in force is respected.

The ECCBC Group does not tolerate petty theft, whatever the amount involved, under any circumstances.

Any suspected theft or misappropriation of the ECCBC Group's assets must be reported so that the proper inquiries can be conducted.

Furthermore, personal affairs may not be dealt with during working hours that interfere with or prevent employees from fulfilling their professional duties, nor may they use the ECCBC Group's equipment for external business, or illegal or unethical activities.

Examples of the ECCBC Group's assets:

- The ECCBC Group's money
- The ECCBC Group's products
- The work time and result of the work of other employees
- IT programs and systems
- Telephones
- Wireless communication devices
- Photocopiers
- Tickets to concerts and sports events
- The ECCBC Group's vehicles
- Confidential/patented information
- The ECCBC Group's brand names



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

Can the ECCBC Group's phones be used to make personal calls?	The ECCBC Group's normal practices must be respected. An excessive number of calls can result in lost work time and generate expenses. Disciplinary measures may be taken.
Someone I know from outside the ECCBC Group has sent me a personal email to my ECCBC account. Can I answer it from work?	You can send a brief reply, as long as this does not affect your work.
An employee observes that the inventory of cleaning, chemical and other products that are used in the factory does not tally with the warehouse stock list. What action should be taken?	The head of the plant should be made aware of this and, if the situation persists, it should be reported through the channels made available for doing so.
An employee regularly uses her/his computer at work to send invitations to personal events or sends invitations on behalf of other employees. Can this behaviour lead to disciplinary measures?	The use of the ECCBC Group's computers for personal matters of this nature constitutes a breach of the Code and, therefore, the employee in question may be sanctioned.
A head of department has a friend who wishes to use the ECCBC Group's mailing list to market products sold by her/his company. What is the right attitude to take?	The head of department should know that this is a case of misappropriation of the ECCBC Group's assets. The right attitude is to explain this to the friend and refuse to give her/him the list.

## 2. Industrial and intellectual property

At the ECCBC Group, we respect industrial property, copyrights and intellectual property rights. Thus, ECCBC Group employees, managers, directors and third parties may not use materials or assets protected by industrial property rights held by others, including work, programs, publications, photographs, songs, images, software, etc. subject to copyright without the explicit consent of the holders, as provided for in the Intellectual Property Act. Likewise, such materials and assets belonging to the ECCBC Group may not be used for purposes other than those for which they were intended within the framework of the ECCBC Group's business activities.

Therefore, employees, managers and directors may not install software on their computers for which the ECCBC Group does not have a user's licence or does not own, nor may they copy software programs whose user's licence is not owned by the ECCBC Group nor use software programs whose user's licence is not owned by the ECCBC Group.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>At work, another employee's computer has a program that you would like to copy onto your own computer for personal use. Are you entitled to do this?</p>	<p>You may not copy software protected by law, copyright or right of use agreements, unless the holder of the rights and the ECCBC Group give you their express consent and the user's licence.</p>
<p>An employee from the Marketing department is preparing leaflets for subsequent publication, printing and distribution to the general public, and is considering including images found on the Internet. Is this permissible?</p>	<p>No, as the holder of the copyright of these images has not authorised the ECCBC Group to publish and distribute them. Whenever in doubt, advice should be sought from the ECCBC Group's Compliance Direction or, failing that, from the Ethics Committee through the channels available for reporting incidents.</p>

### 3. Confidentiality of information

Do I respect the confidential nature of information?

**Read and think:**  
*Does the ECCBC Group consider the information contained in an email from a supplier to be confidential?*

All ECCBC Group employees, managers, directors and third parties must take all necessary measures to protect the confidentiality of the information to which they have access at work and they must undertake to maintain this confidentiality and use the information judiciously, in compliance with internal regulations and with the legislation in force on data protection. Confidential information is understood to be any event, data or knowledge acquired or owned by the ECCBC Group that gives it a competitive edge.

The ECCBC Group has an ongoing obligation to keep this information confidential, even subsequent to the end of a business relationship. Furthermore, this obligation extends to each employee, manager, director and third party even when their working relationship with the ECCBC Group has ended.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>A director of marketing is preparing the presentation of a new promotion and tells a friend who does not work for the ECCBC Group about it. Is this a breach of the Code?</p>	<p>Providing information that is not in the public domain is a breach of the Code, even if the person who is given it does not work for the competition, a customer or a supplier.</p>
<p>An employee hears a rumour at work of the ECCBC Group's intention to acquire a small listed drinks company. She/he wonders whether shares can be bought in this company. Would this be a breach of the Code?</p>	<p>It would be a breach of the Code and the legislation in force on such matters, and could even be considered a criminal offence. The acquisition of such shares is prohibited given the seriousness of the consequent risks, which would be sanctioned by both the ECCBC Group and regulatory bodies.</p>
<p>A manager is looking for a supplier to do building work for the ECCBC Group and receives three offers. The person responsible for making the decision informs one of the companies about the other two so that it can land the contract. Is this allowed?</p>	<p>No, this sort of conduct is forbidden by this Code and by the legislation in force.</p>
<p>Two of the ECCBC Group's employees are going over a work matter on a plane when one of them sees a man who has been listening carefully to them and taking notes. What should they do?</p>	<p>It is not a good idea to talk about matters concerning the ECCBC Group in public as people around you can hear this information and use it to their advantage. Employees, managers and directors must take special care in the use they make of information about the ECCBC Group and in discussing it in public.</p>
<p>After a leading competitor has had a meeting in a hotel, a security guard from the hotel offers an ECCBC Group employee a tape with a recording of the meeting. The employee does not know what to do and sends the tape to her/his superior. Is this the right decision?</p>	<p>No, the ECCBC Group's employee should never have taken the tape. Nobody should listen to the tape and the superior should take care to protect it, hand it in to the Ethics Committee and report the event to whoever may be concerned through the channels available for reporting such matters.</p>



#### 4. Financial transactions

**Read and think:**

*Do I respect our financial integrity?*

All ECCBC Group employees, managers and directors must comply with the provisions made by law and all applicable regulations on accounting and financial reporting.

All financial transactions must be authorised and entered into the books, and all accounting processes must be backed up by the mandatory internal controls. Ensuring that business and financial records are accurate and complete is everyone's responsibility, not just a matter for accounting and finance staff to deal with, and they should clearly reflect all of the ECCBC Group's transactions and events. All staff must therefore ensure that all documents for which they are responsible are accurate and complete, and that they comply with all legal obligations and generally accepted accounting standards.

Any act of falsification, manipulation or the deliberate use of false information constitutes fraud. To this regard, the ECCBC Group's conduct is based on the principle of the transparency and reliability of financial information and compliance with the regulations on such matters.

All the information disclosed by employees, managers and directors must be truthful, complete and understandable, and under no circumstances may untruthful, wrong or inaccurate information be knowingly provided. Anyone who claims for expenses must ensure that they are well documented and entered into the books properly. If you are unsure of whether an expense can be claimed for, speak to your superior.

All conduct that contravenes inland revenue regulations or any irregularities in tax or social security payments are likewise forbidden, as are any activities whose purpose is to evade tax. Therefore, payments must only be made to the person or company that has actually provided goods or services. Furthermore, such payments must be made in the country of origin of the supplier, the country in which it operates or the country in which the goods or services were supplied, unless the supplier has legitimately changed the method and place of payment for reasons accepted by the ECCBC Group.

Whoever becomes aware of an error, omission, discrepancy or falsification in the books, records, financial statements or other ECCBC Group documents must disclose this information to the Ethics Committee through the channels available for doing so.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>The end of the year is approaching and a manager realises that the target profit levels set out in the annual business plan have been reached. She/he asks the financial services of her/his division whether the additional earnings can be carried over so that her/his department has a slight head start on the following year's targets.</p>	<p>These additional earnings cannot be carried over; all sales and collections must be reported in the business year in which they occurred.</p>
<p>Two employees have a business dinner. One of them pays for the dinner and the ECCBC Group refunds the money. The other employee has taken a copy of the bill and included it in her/his expenses claim form.</p>	<p>This type of behaviour is forbidden by this Code; should any employee, manager or director become aware of such conduct, the Ethics Committee must be informed through the channels described in this Code.</p>
<p>A factory manager asks her/his suppliers to delay the issue of their invoices until next year for merchandise that has already been delivered. This will enable her/him to keep to her/his annual budget.</p>	<p>An employee at the factory spots this request and knows that it is a breach of the Code and notifies the Ethics Committee through its whistleblowing channels. This is the right attitude.</p>
<p>A customer asks a sales rep to invoice a higher price than the actual amount paid and to state that the delivery was made to another country. If the ECCBC Group refuses to change the invoice, the customer threatens not to place any further orders.</p>	<p>The sales rep knows that this request is a breach of the Code and the law, refuses to do what has been asked and reports this situation to the Ethics Committee through its whistleblowing channels. This is the right attitude.</p>
<p>In the last business year, I noticed that new invoices had to be paid that had been approved by the head of department, but that seemed unusual and were for a supplier not known to me. What should I do?</p>	<p>You should tell the Ethics Committee about this through the appropriate channels and provide any documentation you consider may be useful to establish the facts.</p>
<p>I have just joined ECCBC Group and have found out that there are some expenses that are not recorded under the right category, although the amounts are right. If the amounts tally, is this really relevant?</p>	<p>Firstly, you should find out from the Accounts department whether this is a mistake and, if you are still unsure, notify the Ethics Committee through its whistleblowing channel.</p>



## 5. Conflicts of interest

**Is there a conflict of interest?**

**Read and think:**  
*Could my personal conduct damage the ECCBC Group?*

All situations that could be interpreted as a "conflict of interest" must be avoided.

A conflict of interest arises when the private interest of employees, managers or directors are not in line with those of the ECCBC Group, interfere with their obligations or lead them to act for reasons other than the performance of the responsibilities assigned to them. The ECCBC Group expects that corporate decisions are taken in the best interests of the ECCBC Group, thus avoiding any situation that may seem to create a conflict between the interests of individuals and those of the ECCBC Group.

Directors, managers and employees, as well as ECCBC Group customers and suppliers, must make every possible endeavour to avoid situations likely to bring about a conflict between their duties at the ECCBC Group and their personal interests. If despite the efforts of all involved, a conflict of interest arose – or was likely to arise – it is of the utmost importance that those involved report this to the Ethics Committee. Every possible effort should be made so that the conflict is out in the open and resolved in good faith in the spirit of this Code of Ethics and Business Conduct.

A conflict of interest can arise from a number of situations. It is therefore vital that employees, managers and directors report any possible conflict of interest that could interfere with the operations carried out by the ECCBC Group. This even includes suppliers and customers, who are under the obligation to inform the ECCBC Group if they know about or suspect any employees, managers or directors of having a conflict of interest so that the Ethics Committee is able to take appropriate action.

The ECCBC Group may at any time ask an employee, manager or director to submit a written statement or a certificate to provide proof of the type and scope of such conflicts, or to prove that no such conflict exists. Moreover, the ECCBC Group may take any measures it deems fit, specifically, to demand that an employee, manager or director stop conducting any business that may involve a conflict of interest.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>The husband of an employee has an office supplies company that charges lower prices. One of the tasks of this employee is to place orders for office suppliers and she places one with her husband's company. However, she has not submitted this transaction for approval by her superior, despite the fact it is with a member of her family.</p>	<p>This employee has breached the Code of Ethics and Business Conduct. This is a situation in which there is a possible conflict of interest and must therefore be reported to the Ethics Committee through the whistleblowing channel available to do so.</p>
<p>One of the customers of a travelling salesman is a company owned by his cousin. He wonders whether this relationship should be subject to special measures.</p>	<p>As in the previous cases, if there is the slightest possibility of a conflict of interest, the person involved should make this known to the Ethics Committee through its whistleblowing channel so that the appropriate steps can be taken.</p>

## 6. Corrupt practices

### **Read and think:**

*How should I react to offers or requests for benefits and/or gifts?  
What should I do?*

The ECCBC Group strictly abides by all local laws applicable in the places where it operates. Therefore, employees, managers, directors and third parties should not pay or accept bribes or engage in corrupt practices in order to advance their personal interests, even if this means the ECCBC Group will be given a competitive advantage.

In many industries and countries gifts and entertainment events are used to strengthen business relationships. There is a clear, common principle: no gifts, favours or forms of entertainment should be given or accepted if this forces or seems to force the recipient to give something in return.

Gifts and entertainment may be provided if they are reasonable within the bounds of a business relationship or if they are of little value and, in any event, they must not break the law or the ECCBC Group's rules on conduct.

The following situations are considered inappropriate at all times and are expressly forbidden:

- Asking for or giving gifts, favours, entertainment or personal services.





- Giving or receiving preferential treatment to/from suppliers by employees, managers or directors who use their position to do so.
- Giving or receiving bribes or commission fees, cash or cash equivalents, luxurious gifts or expensive entertainment events.

Should you have any doubt, you can ask the Ethics Committee for advice through any of the channels described in this Code.

## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>My supplier treats me to lunch and during the meal gives me an extremely expensive watch to thank me for the contract we have just signed. Can I accept this gift?</p>	<p>Any gifts that may be understood to be a breach of the policies set out in this Code on corrupt practices should be politely refused.</p>
<p>We wish to set up or expand business in a new country. A local government official tells us that if we pay a certain amount of money, she/he will provide the licences and permits we need much more quickly. What should be done?</p>	<p>The matter should be referred to the Ethics Committee before any action is taken through the whistleblowing channel available. Most payments made to government officials are forbidden.</p>



## 7. Working conditions

The ECCBC Group ensures that all labour standards contained in the ILO's basic conventions are adhered to and does not accept practices that go against these principles.

At the ECCBC Group, the management of human resources and the relationships between employees are based on respect for the dignity and rights of individuals. The ECCBC Group bases this management on its commitment to the principle of treating all employees fairly, with dignity and respect in order to create a pleasant, rewarding and safe working environment that encourages them to give the very best of themselves and with the aim of contributing to a better society in which people can live together with respect for each other.

Likewise, relations between ECCBC Group employees and its suppliers, subcontractors and partner companies are based on respect and collaboration.

The ECCBC Group expressly avoids and rejects the abuse of authority and any other type of physical, psychological or moral harassment, as well as any other behaviour that could create an intimidating, offensive or hostile working environment. Thus, the ECCBC Group respects the right of its employees, managers and directors to exercise their legal right of freedom of association, and rejects discrimination in recruiting processes, remuneration, access to training, promotion, dismissal or retirement, as well as the use of child or forced labour.

In addition, the ECCBC Group provides a safe and healthy working environment, and takes measures for the effective coordination and prevention of accidents or potential threats to the health of its employees or subcontractors who work onsite that may occur due to the job that they do, are associated with their position or happen while they are working. The ECCBC Group thus minimises, in so far as it is possible, the causes of the risks inherent to a working environment and provides training on health and safety.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>A subcontractor responsible for cleaning uses highly toxic products without wearing the right protection to avoid hazards to health. What process should be followed?</p>	<p>The person responsible for coordinating cleaning staff should be notified so that the subcontracted company can be made aware of this fact and ensure that all of its employees comply with the existing regulations on health and safety. Should the person responsible fail to take any action, the matter should be brought to the attention of the Ethics Committee through its whistleblowing channel.</p>
<p>An employee takes illegal substances at work making it hazardous for her/his workmates to handle dangerous machinery. How should this situation be handled?</p>	<p>It should be reported to the Ethics Committee through the usual channels so that it can take the measures necessary to ensure the safety in the workplace of the employees concerned.</p>
<p>A superior uses her/his position to repeatedly ask a member of her/his team to help her/him out in dealing with personal matters. How should this be dealt with?</p>	<p>This is a situation in which a superior is abusing her/his authority and, as such, should be reported through the channels established in this Code.</p>
<p>An ECCBC Group employee has found out that a subcontracted company is not complying with the principles set out in this Code on working conditions. What should be done?</p>	<p>This should be reported to the Ethics Committee using the channels of communication described in this Code.</p>

## 8. Protection of the environment

**Do you have a problem related to the environment?**

**Read this and think:**

*Have I been properly informed about the ECCBC Group's rules?*

*Have I respected all its policies, rules and processes?*

All employees, managers and directors must ensure that any tasks for which they are responsible are carried out in compliance with the laws, rules and regulations on environmental protection, as well as with the standards in the sector to which the ECCBC Group is subject, and they must likewise promote any environmentally friendly practices they believe should be introduced.

The ECCBC Group believes in establishing trade relations with stakeholders that share the ECCBC Group's commitment to protect the quality of the environment.

The ECCBC Group conducts its business with the greatest respect for the environment in order to minimise any negative effects it could potentially cause. To do so, it has put the best practices in place and gives its employees, managers and directors the training they need to preserve the environment. Thus, the ECCBC Group makes a concerted effort to identify, characterise and minimise the environmental impact of its business and is committed to



efficiency, responsible consumption and the protection of natural environments.

## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>An employee has observed that waste is being dumped outside the proper storage tanks. How should this situation be handled?</p>	<p>This action is a breach of environmental rules and regulations and, therefore, the employee should report it to the Ethics Committee through its whistleblowing channel.</p>
<p>Knowing full well that a plant's treatment facility has broken down, wastewater is being poured away in order not to stop production and meet set targets and deadlines. What should the employee who has observed this, must do?</p>	<p>This situation must be made known to the head of the plant as soon as possible and, if the situation persists, it should be reported to the Ethics Committee through its whistleblowing channel, even if this means stopping production and not meeting set targets.</p>
<p>An ECCBC Group employee notices that some employees do not follow ECCBC's policy on recycling. What should be done?</p>	<p>The head of the plant in question must be told of any action or incident that may have an impact on the environment, no matter how insignificant. If such activities persist, they must be reported to the Ethics Committee through the channels available for doing so.</p>



# **Being an ethical example to local communities**



## IV. External relations of the ECCBC Group

### 1. Relation with the authorities

#### **“Anything of value”**

This phrase literally means anything that might have value to a government official, including cash, gifts, entertainment, business opportunities, Group products, offers of employment and more. There is no monetary threshold; any amount could be

The ECCBC Group, its employees, managers, directors and third parties must abide by the law in the countries in which they work and be familiar with the legislation that governs relations with the public authorities. They must likewise avoid doing anything that could be perceived as an attempt to influence public officials in carrying out their official duties.

In the framework of their relations with the public authorities, employees, managers and directors must avoid any activities that are illegal, unethical or that may give the impression of being so. Thus, it is forbidden to engage in any form of bribery, understood to involve giving or offering a government official something of value to influence a discretionary decision. Employees, managers and directors must obtain prior authorisation from Senior Management before giving anything of value to a government authority or official.

## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>An employee is on a business trip in a country where there is a civil war. A soldier stops her/him and asks her/him for some money.</p>	<p>The employee is afraid for her/his safety and must obviously hand the money over. However, the ECCBC Group's Compliance department must be notified and the money properly entered into the books.</p>
<p>The head of a plant has arranged a meeting with a government official who is to hand over a special authorisation that will allow the ECCBC Group's trucks to cross a restricted area. During the meeting, the head of the plant decides to offer a TV and DVD player to the official as "a sign of respect to the minister".</p>	<p>The mere offer of a TV could be interpreted as a bribe and, therefore, is a breach of the Code and the legislation in force. All such activities go against the ECCBC Group's principles: any employee, manager, director or third party who is aware of them must report them to the Ethics Committee through the channels available for doing so.</p>



## **2. Relation with customers, competitors and suppliers**

This Code regulates the obligation of employees, managers and directors to treat all customers, suppliers and any other trading partners, honestly, fairly, ethically and professionally, regardless of the size of their business. It is likewise forbidden to alter any of the conditions, whether in full or in part, of any supply or service agreements entered into unless both parties have consented to do so in writing. Giving or receiving gifts, commission fees or favours that could influence a trading relationship are also strictly prohibited.

The ECCBC Group must only offer its customers products of the very highest standards, while guaranteeing that they do not present any risks to health and safety whatsoever.

Furthermore, all ECCBC Group employees, managers and directors must endeavour to maintain a friendly, professional relationship with its suppliers.

With regard to competitors, it should be highlighted that the ECCBC Group competes fairly and complies with all applicable competition laws in the countries in which it operates.

The ECCBC Group should give its customers a fair, true and impartial image of its competitors and partners. A competitor or partner should never be wrongly, misleadingly or unfairly described and, if a customer wishes to approach another organisation, employees, managers and directors should not try to discourage them from doing so.

The commitments and principles of conduct entered into pursuant to this Code between the ECCBC Group and its suppliers, customers and other trading partners are in the public domain. Furthermore, the ECCBC Group encourages all of its stakeholders to report any irregular practices they may observe to it and to adopt practices similar to those engaged in by the ECCBC Group.



## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>A supplier who works on a regular basis for the ECCBC Group offers an employee from the purchases department a valuable gift. They are friends. The employee returns the gift, explaining that the ECCBC Group does not allow its employees to accept luxury gifts and reports the incident to a superior.</p>	<p>The employee has acted properly. She/he knew that the gift could influence her/his purchasing decisions, or that others could think this.</p>
<p>An employee responsible for a customer takes part in an inter-company golf tournament organised by another customer. She/he wins the tournament and accepts the prize: a Caribbean cruise. However, before accepting the prize, she/he has asked her/his superior for permission to do so.</p>	<p>The employee was quite right in accepting the cruise. This was a legitimate test of skill and many others were taking part in the tournament.</p>
<p>A facilities director is supervising a subcontractor who is doing some building work for the ECCBC Group. The subcontractor offers to do some work in her/his home for a very reasonable price. The director refuses to accept the offer and notifies her/his superior.</p>	<p>She/he took the right decision. She/he knew that this favour overstepped the boundaries of common courtesy and the offer was only made because she/he took on the subcontractor to do the building work.</p>

### **3. Active involvement with society**

Aware of the importance of its role within local communities, the ECCBC Group supports projects that contribute to improving the well-being of the population.

The ECCBC Group encourages all of its employees, managers and directors, as well as its partners, to contribute and collaborate in the development of the communities in which it operates, both on their own behalf and on behalf of the ECCBC Group.

The decision to take a personal involvement in charity work is an individual choice. However, if employees, managers or directors are involved in such activities, they should under no circumstances mention, insinuate or give the impression that they are acting in the interests of the ECCBC Group or that they are speaking on its behalf without the consent of the ECCBC Group.

Consent to make such contributions may only be given by the ECCBC Group's Senior Management, which follows a selection process, donation criteria, and accounting and tax rules.





## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>A religious community asks an employee for ECCBC Group posters to decorate its reception room for its next annual dinner. Can these posters be given?</p>	<p>No, the ECCBC Group should not be involved in religious events without its knowledge, unless proper authorisation has been sought and granted.</p>
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## 4. Political activities

Contributions to political parties are subject to different laws according to the country in question. Even if contributions are legal, they can be a source of abuse or interpreted as a dubious practice, particularly if they have not been properly reported in the accounts.

The ECCBC Group's general policy is not to give contributions to political organisations, parties or committees, or to politicians for the purposes of promoting specific political interests.

Whenever employees, managers or directors can be considered to represent the ECCBC Group, they may not in any way take part in the political life in the countries in which the ECCBC Group has operations, beyond their rights as citizens. They must also respect the traditions and cultures of these countries at all times.

## THE CODE IN PRACTICE

### *The Question*

### *The Answer*

<p>An employee decides to stand for local elections.</p>	<p>The employee may stand for election as an individual, but under no circumstances as a representative of the ECCBC Group. If there are any reasons to believe that she/he is using the ECCBC Group's name to back her/his candidacy, it must be withdrawn.</p>
<p>An employee is working as a campaign volunteer for local elections and would like to use the photocopier to send documents related to the election campaign. Would this be allowed?</p>	<p>No. It is forbidden to use the ECCBC Group's facilities for any kind of activity for political ends.</p>



# **Knowing the Code and its reporting mechanisms**



## V. Application and implementation of the Code of Ethics and Business Conduct

### 1. Respecting the Code

All employees, managers and directors must be familiar with and respect the Code, and actively defend its values and principles, as must the ECCBC Group's trading partners.

A breach of the principles expounded is a serious offence and will be treated as such by the ECCBC Group. Thus, if circumstances so dictate, the ECCBC Group may take civil or criminal action, or dismiss the person/s involved.

In the case of breach, the ECCBC Group will impose the disciplinary measures that fit the nature and circumstances of each breach of the Code. Employees under investigation may be suspended, with or without pay, or they may be assigned different functions until the end of inquiries, depending of the particular circumstances of each case, the ECCBC Group's interests and the labour laws in force.

### 2. Reporting breaches of conduct

In its endeavours to promote a culture of integrity, trust and individual responsibility, the ECCBC Group offers all of its employees, managers and directors the possibility of reporting any conduct that goes against this Code in the strictest confidence. It is also possible to report breaches of the laws, rules and regulations in force.

In some cases, it may be difficult to decide whether or not a matter is a breach of this Code. In such cases, common sense will prevail. If something seems unethical or inappropriate, it probably is. In short, we trust that all personnel will use their common sense to judge how to best conduct themselves and, if unsure, when they should seek advice.

*What is the procedure to be followed if a breach of the Code has been observed?*

Before taking any action, you should weigh up the situation and the context.

1. Make sure you get your facts straight.
2. Report the breach to the Ethics Committee using the established channels.



3. The ECCBC Group offers its staff the possibility of making complaints, enquiries and suggestions confidentially through the whistleblowing channel available. The strictest confidence will be maintained at all times.
4. No reprisals will be taken against an employee, manager or director who has reported a breach in good faith.
5. Enquiries, suggestions and reports will be sent directly to the Ethics Committee, which will hold a meeting to resolve potential breaches and decide on the disciplinary measures to impose.

### 3. The Ethics Committee

The ECCBC Group has created an Ethics Committee to ensure that the legislation in force is respected, as well as the principles and values that govern the ECCBC Group's business activities, as set out in this Code.

The members of the ECCBC Group's Ethics Committee will be appointed for this end by the Board of Directors of the ECCBC group.

Up to four **Non-Permanent members** may be invited to sit on the Committee depending on the matters to be discussed at its meetings, subject to their signing a non-disclosure agreement prior to attending them.

The permanent members of the Committee are the **Chairman, Secretary and one Permanent member**. All other members only sit on the Committee as Non-Permanent members.

The duties and responsibilities of the Ethics Committee are set out in its Regulations. Their obligations include:

- To ensure that there is a system in place for preventing and responding to potential criminal offences that may be committed by legal persons, through the actions and controls rolled out by the ECCBC Group in order to reduce the risk of crimes being committed.
- To make sure there are control mechanisms in place and training programmes are run on the principles of ethical conduct and on the ECCBC Group's system for preventing crimes.
- To investigate and respond to evidence or the suspicion that an offence has been committed, whether reported through the channels available, or



whether uncovered as a result of the work of the Internal Audit Department or the Compliance Direction.

- To update the List of offences and criminal behaviour to which the ECCBC Group is at risk at least once a year.

Anyone subject to the Code can make enquiries, suggestions or report possible breaches related to it to the Ethics Committee or the Compliance Direction by sending an email to **ethicsline@eccbc.com**.

Reports received through this channel will be kept in the strictest confidence and will be dealt with swiftly, discretely and professionally. The members of the Ethics Committee will examine each report carefully before issuing a written reply giving its findings and the decisions taken.

If the Ethics Committee or the Compliance Direction receives an enquiry or suggestion, it will give a direct reply as quickly as possible. In the case of a report of breach of the Code, a record of the information sent by the informant will be kept, as well as any information collected during the investigation process, in a repository of information that is subject to the security measures required by law on data protection.

The Ethics Committee can decide whether a matter reported should be investigated or whether it considers that it does not fall within the scope of the Code of Ethics and Business Conduct. Alternatively, it may decide that a matter would be more effectively dealt with in the framework of common practices and that the matter in question need not be subject to review. If a problem does require investigation, the parties involved will be given the opportunity to put forward their point of view before the Ethics Committee takes a decision. These investigations will be conducted with the utmost discretion, in order to respect the rights and confidentiality of each party.

#### **4. Dissemination of the Code**

The heads of the subsidiaries of the ECCBC Group must inform their employees, managers and directors of the content of this Code of Ethics and Business Conduct. A copy of this Code in the local language must be available to all personnel and, if necessary, additional general instructions must be given to reflect the peculiarities of each geographical area and/or country.

This Code will likewise be made available to the ECCBC Group's trading partners, especially customers and suppliers, in order to encourage them to adopt similar principles of conduct.



## **5. Periodic reviews**

This document should not be construed as a contract of employment. It may be amended or updated at any time and for any reason whenever the ECCBC Group deems fit.

ECCBC Group's Code of Conduct will enter into force following its approval by the Chairman of the ECCBC Group's Board of Directors and it will apply until further updates, reviews or waivers have been approved.

The Ethics Committee is also responsible for ongoing improvements to the Code. To do so, it will conduct periodic reviews and submit any modifications to the Chairman of the Board of Directors for approval. Therefore, this Code will be regularly reviewed and modifications introduced when appropriate. The ECCBC Group will inform its employees, managers and directors of any significant changes, as well as its trading partners.

## **6. Coordination, monitoring and penalties**

ECCBC Group's Ethics Committee is responsible for administering this Code, conducting inquiries into breaches and defining corrective disciplinary measures.

In the case of a breach of the Code, the Ethics Committee will impose the disciplinary measures adopted in line with the nature and characteristics of the breach, based on the guidelines set out in its Regulations. In general, a written warning will be sent in the case of less significant and first-time offences, whilst serious and very serious breaches may be subject to a drop in salary of the offender or other penalties, including dismissal.



## **7. Compliance Department**

In addition, the ECCBC Group has a Compliance Department that helps to implement this Code through the exercise of its powers, amongst which the advice it gives on legal matters can be highlighted, as can its task of defining and implementing the internal procedures for ensuring legal compliance, thus minimising the risks arising from its breach.

Therefore, the Department will be responsible for assessing, monitoring and reporting on the risk of breach and managing any matters related to integrity and ethics.

Furthermore, the Compliance Department must devise a compliance framework that backs the organisation up in the prevention and detection of inappropriate conduct, as well as in the performance of its responsibilities towards its customers, business partners, shareholders and local communities.

In short, the Compliance Department must contribute to promoting an organisational culture in which the way business is conducted is based on doing things right, within a compliance framework that is in line with current legislation, and whose cornerstones are respect and integrity.

## **8. Ethics Line**

The Ethics Committee and the Compliance Department are available to answer any questions about the Code or ECCBC group compliance policies, or to discuss any concerns you may have about potential Code breaches.

To contact the Ethics Committee and the Compliance Direction send an email to [ethicsline@eccbc.com](mailto:ethicsline@eccbc.com).