



# Code of Conduct

Industrias Metalúrgicas JEM, S.A.



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## 1. Introduction

In the current framework of the new regulatory requirements, JEM has established a crime prevention system or program. A key instrument in this system is to establish a Code of Conduct. With this Code, however, the organization not only aims to satisfy the legal standards in force today, but also seeks to go further by instituting a whole culture of respect and promotion of ethical standards. The approval of this Code of Conduct represents a further step in this direction and gives visibility to the organization's firm commitment to society, its needs, and its values. It is the responsibility of all the people participating in the JEM project to respect and fulfil this commitment. In their hands of all of them is the good progress of the organization, its good name, and its future

## 2. Code Recipients

This Code of Conduct aims to establish the mandatory principles and rules that must govern the behavior of the people who work for the organization: workers, managers, and members of the board. The organization aspires to achieve that these ethical guidelines will also guide the actions of other people and organizations that are within its scope of action and within its sector of activity: partners, customers, and suppliers, among others. To this end, it will promote and incentivize all of them to respect this Code.

### 3. What are my obligations towards the Code?

1. **KNOW THE CODE AND COMPLY WITH IT.** One must respect the guidelines written in the Code. There are no duty avoidances even if the infringing conduct has been ordered by a boss.
  
2. **IN CASE OF DOUBT, ASK.** - The Code cannot foresee any possible conduct. Therefore, if one has any doubts, direct your questions towards:
  - a. A boss
  - b. A Management officer
  - c. The compliance officer
  - d. The reporting channel
  
3. **DO NOT TOLERATE ANY LEGAL OR CODE BREACHES. DUTY TO COMMUNICATE INFRINGEMENTS AND COMPLIANCE RISKS.** - If one knows, suspects or sees signs of any infraction (or a risk of breach), be it legal or ethical, it must be communicated by means of:
  - a. A boss
  - b. A Management officer
  - c. The compliance officer
  - d. The reporting channel. - If you think the previous means are not appropriate or useful, you can communicate your reports through the reporting channel by means of the e-mail: [canalalerta@JEM.es](mailto:canalalerta@JEM.es) or to the address Calle Gorg, s / n Polígono Industrial Martorelles, Martorelles, 08107, Barcelona.

#### THE TEST OF DOUBT: IN CASE OF DOUBT, ASK YOURSELF:

- Which impact would my behavior create on those affected by it?
- What would my family and friends think about my behavior?
- How would I feel if my conduct were to be made public?
- How would I feel if I were to be affected by the conduct?

## 4. Terms and definitions

Here below is the definition of some terms used throughout this Code which will be given a different meaning than usual:

- **Customers.** - The term should be understood in a broad sense that includes, mainly, the organizations to which products are supplied or services are provided.
- **Suppliers.** - The term must be understood in a broad sense that includes, mainly, the suppliers, strictly speaking, of services or goods and other natural or legal persons who have established a collaboration link with the company.
- **Professionals.** - The term must be understood in a broad sense that includes, mainly, workers (whether salaried or self-employed, whether internal or external), managers and members of the company's administrative bodies.



## 5. Colleague conduct guidelines

### 5.1. Discrimination and harassment

1. Do not discriminate or tolerate discrimination directed to any colleague, be it due to gender, ability, ethnic, religious, political, or sexual questions.
2. Do not harass or tolerate harassment towards any colleague.

### 5.2. Selection and promotion

1. In the selection and promotion processes of the workers, only objective criteria will be considered when validating capacities, attitudes, and skills.
2. Do not hire public workers or politicians who have previously participated in relevant affairs which affect organizational direct interests. This prohibition is extended to close relatives (spouses, partners with a similar relationship, children, parents, siblings, uncles and aunts, cousins, in-laws...)

## 6. Business conduct guidelines

### 6.1. Accounting and documentation

Count all income, expenses and operations with Fidelity and accuracy. Do not avoid, hide, or deliberately alter financial information. Keep documentation and records. It is very important that the organization and third parties can know and verify, if necessary, the reality of their economic and financial situation.

### 6.2. Simulations of operations and document forgery

Do not participate or tolerate simulation operations or document forgery as they are means to corrupt suppliers, customers, or Administrations.

### 6.3. Justified, authorized, documented, and accounted expenses

1. All expenses made during your professional activity must answer to services that are effectively provided or goods that are supplied, and a legitimate economic purpose.
2. Do not manage without the expense authorization of any of your bosses when it is compulsory to request so.
3. If one has discretion to decide an expenses' quantity, make sure it is proportionate to the prospective purpose and the economic possibilities of the firm.
4. All expenses, without exception, must be documentally justified. One must communicate the expense and its documental evidence to the pertinent department, so it is accounted and registered.

## 6.4. Use of e-mail and electronic resources

1. Do not use the organization's resources and email for private purposes. Exceptionally, they might be used for private purposes in a timely and moderate manner and without harming the company or third parties. The firm may monitor and review your usage and the information you have saved or transmitted.
2. Never damage, alter, or eliminate data or electronic documents, nor computer programs, or hinder or interrupt computer systems of the organization or third parties.

## 6.5. Industrial and intellectual property

1. The result of your intellectual work (inventions, programs, techniques, systems, concepts, ideas) is a firm's property. Respect and protect such rights.
2. Respect the industrial and intellectual property of third parties. Especially:
  - a. Do not download or use music, movies, photos, or other copyrighted content illegally. If you use protected content, make sure you obtain the mandatory authorization of its owner or pay the rights that protect said content.
  - b. Do not download or use unlicensed software.
  - c. Do not copy, imitate, or illegally take advantage of trademarks, patents, and other industrial property rights of third parties.
  - d. Do not reveal or use trade secrets of third parties (e.g., customer list, techniques, systems, reserved information on products, services, or strategies). Do not tolerate, allow, or encourage other Professionals in the firm to do so. In case of doubt, whether the information constitutes a trade secret or not, ask your legal services or the compliance officer.

## 6.6. Data protection

Keep the personal data to which you have Access safe and respect all regulations, policies, procedures, and controls adopted by the organization. Protect them from third party access and misuse.

## 6.7. Confidentiality

All information to which you have access from customers, Professionals or any third party that is private or confidential. Safeguard it and protect it from third party access, even after the end of your relationship with the organization.

## 6.8. Social media presence

1. When you publish information or opinions on social media as a firm's Professional, do it cautiously and sensibly. Make sure not to harm no one's dignity, privacy, or reputation. Do not upload content that has not been approved by the organization.
2. When publishing information or opinions, do not mention your Professional status or make any reference that allows you to link with it.

## 6.9. Clandestine immigration

1. Do not help non-EU nationals from entering or transiting through Spain in violation of immigration regulations.
2. Do not help non-EU nationals stay in Spain in violation of the regulations on residence of foreigners.

## 7. Supplier and customer conduct guidelines

### 7.1. Conflict of interest

1. Do not make decisions, participate, or influence the decision-making processes in matters in which you have a conflict of interest with the organization, Customers or Suppliers. The conflict of interest exists when there is a collision, direct or indirect, between your personal interest and those of the organization, those of the Customers, or those of the Suppliers. Personal interests must also be considered in relation to people who are related to oneself such as close family members or companies or organizations in which they have relevant, direct, or indirect participation. Close relatives shall be understood as: spouse, partners with similar emotional relationship, children, parents, siblings, uncles/aunts, nephew, cousins, and in-laws.
2. When you find yourself in a conflict-of-interest situation, inform your superior or the Compliance Officer. One should comply with the rest of the communication obligations regarding conflicts of interests that the organization may establish in its regulation or internal policies.
3. Do not participate, directly or indirectly, in organizations that are Customers or Suppliers of the organization without informing your boss or the person in charge of management. Neither unduly divert business or activity of the organization to third parties.
4. Do not take advantage, for your own Benefit or for those related to you, of an organization's business opportunity. Business opportunity is understood as the possibility of carrying out any transaction or economic activity that has arisen or has been discovered thanks to the tasks carried out in the organization or through the means and information that the organization has.
5. Do not use the name of the organization or involve your status to improperly favor the performance of private operations or activities.

## 7.2. Offer, advertising and contracting of services

The offer, advertising and service publishing for Customers or compensations and commitments with Suppliers must be sincere, honest, and free of tricks and confusion. One must always inform Customers and Suppliers truthfully, transparently and without any omissions on the contracting conditions. In case of doubt whether any advertising campaign is illegal, one must address their questions to the Compliance Officer.

## 7.3. Good faith in commitment fulfilling

Make sure the organization complies with its commitments towards Customers and Suppliers in all honesty and good faith, without taking advantage of the weakness, ignorance, or vulnerability of the other party or of the gaps or deficiencies of the contract.

## 7.4. Supplier selection

In supplier selection processes one must respect the principles of transparency, objectivity, non-discrimination, and confidentiality.

- Transparency compels the Supplier selection processes to be open to a plethora of Suppliers, to not maintain secretly any selection processes so that any Supplier is not forbid to present their offer when they meet the requirements.
- Objectivity compels to select Suppliers based on observable traits and features. Objective features such as experience, credit worthiness, technical solvency, ethical exigences, ESG, criminal Compliance commitment...) and objective traits of their products or services (quality, price, delivery period, means of payment, attention to clients, maintenance...).
- Nondiscrimination compels not to discard nor select arbitrarily any Supplier. All of them must get equal opportunity to participate in the selection process, guaranteeing that all offers will be carefully weighted and considered.

- Confidentiality compels not to reveal to any Supplier any offers made by other Suppliers taking part in the process.

## 7.5. Illegal commissions

1. Do not request nor accept, directly or indirectly, any payments, advantages or remunerations with the purpose of influencing your decisions to improperly favor any third parties.
2. Do not offer nor carry out, directly or indirectly, any payments, advantages or remunerations with the purpose of influencing the decisions of third parties related to the organization's activity so that they improperly favor you or the organization.
3. Inform the organization of any sign or evidence of illegal commissions.
4. The organization will not accept donations from its Suppliers. Make sure this commitment is fulfilled.
5. Donations from non-supplier firms are ok, but one should refrain them from asking any recommendations or advertising as compensation.

## 7.6. Gift policy and commercial courtesies

1. Do not offer or accept, be it directly or indirectly, gifts to Customers or from Suppliers.
2. Said ban can be lifted on those gifts or commercial courtesies that are valued for less than 150 € in special settings and circumstances that are commonly accepted as courtesies. Gifts exchanged between two parties cannot surpass 150 € per semester.
3. By no means should one accept nor carry out gifts in cash or money equivalents. Not even in the circumstances detailed above.

## 8. Administration and authority conduct guidelines

### 8.1. Transparency and cooperation

1. Act with honesty and integrity in all your contacts, efforts and actions before authorities and officials. Make sure that all the information you submit is truthful, clear and without omissions.
2. Do not handle the functions, actions or requests for information made by officials in the legitimate exercise of their Powers when they comply with current legislation.
3. Comply with administrative and judicial resolutions that are executive in nature, that affect the organization, professionals, suppliers, or customers, unless its execution is legally suspended.

### 8.2. Bribes and gifts

1. Do not offer or make, directly or indirectly, payments, advantages or compensations that try to influence a public officers' decisions related to the firm's activity so that it wrongfully benefits you or the firm.
2. Inform the organization of any indication or proof of this type of conduct.
3. Do not offer, be it directly or indirectly, any gifts to public officers or politicians, unless circumstances and limitations foreseen in the Gift and Commercial Courtesies Policy are followed.

### 8.3. Influence trading

1. Do not take advantage of any personal relations with a public officer or authority to trade influences and obtain an official decision that generates, directly or indirectly, any economic benefits to the firm or a third party. The previous conduct is also forbidden even if the public officer or authority contacted receives no remuneration back.



2. Do not request payments, gifts, or favors to use your personal relationship with a public officer or authority to influence them with the previously stated purpose.

#### **8.4. Tax obligations and Social Welfare**

1. Conduct your professional activity in such a way that the firm complies with their tax obligations and avoid any practices that indulge in tax avoidance.
2. Conduct your professional activity in such a way that the firm complies with their Social Welfare obligations and avoid any practices that indulge in Social Welfare avoidance.

## 9. Market and competition conduct guidelines

### 9.1. Free market and unfair competition

1. Do not make competitor agreements on prices, production volume, market share, boycotts or any other practice that alters free competition in the market.
2. Do not apply abusive practices based on the firm's dominant position or unfair competitive practices that harms other competitors in an unfair way.
3. Third party information must be attained legally. By no means ask, accept, or use reserved confidential or secret information that belongs to a third party.

## 10. Society conduct guidelines

### 10.1. Money laundering

1. Ensure that no goods or wealth from unknown or illegal origin are used to carry out business.
2. One must pay attention to unusual decisions such as:
  - Large payments or collections made in cash or cheques, or carried out with persons, organizations, and bank accounts in tax havens.
  - Third party payments and collections that are not mentioned in contract.
  - Impossibility to identify and verify an operation's beneficial owners. Watch out for commercial decisions being carried out with beneficial owners that have no real commercial activity.
  - Inform the firm when one observes any evidence of laundering activities or any other suspicious signs.
  - Apply all policy and procedures that the firm approves to prevent money laundering.

### 10.2. Counterfeiting currency

When you receive forged currency, do not use it later to make any payments. Inform your superiors so they guard the money and report it to the authorities.



## 11. Environmental conduct guidelines

1. In your professional performance, have a responsible behavior towards the environment.
2. Apply all policy and procedures that the organization may approve for the conservation of the environment and to achieve the organization's sustainability objectives.

## 12. Application of the Code of Conduct

### 12.1. Compliance commitment. Obligations of the Code Recipients.

1. **Commitment of the organization.** - The organization, with its administrative boards in charge, undertakes to carry out its activity with full respect for the general and sectorial legality that is applicable to it, as well as the ethical principles and guidelines for conduct set forth in this code.
2. **Obligations of the professionals of the organization and third parties.** - The workers, managers and members of the administrative bodies and third parties related to the organization (when appropriate and possible) have the following obligations to this Code:
  - a. **Follow the Code of Conduct.** - Know and comply with the conduct guidelines established by the Code of Conduct. If the offending behavior was mandated by a manager, it does not exempt of its unethical trait.
  - b. **In case of doubt, ask!-** If one is in doubt about the correctness of a conduct, ask:
    - A boss,
    - A Management Officer,
    - The Compliance Officer,
    - Or the Reporting Channel.
  - c. **Never tolerate non-compliance with the Law or the Code of Conduct, Obligation to report breaches.** If one knows, suspects or sees signs of any infraction (or a risk of breach), be it legal or ethical, it must be communicated by means of:
    - A boss,
    - A management Officer,
    - The Compliance Officer.

- d. **Reporting Channel.** - If you believe the aforementioned means are not appropriate enough, one may use the Reporting Channel on the following email: [canalalerta@JEM.es](mailto:canalalerta@JEM.es) or the address Calle Gorg, s / n Polígono Industrial Martorelles, Martorelles, 08107, Barcelona.

## 12.2. Reporting channel

1. **Internal and external communication.** – The Reporting Channel is a means of communication available to the organization's Professionals as well as other Third parties (customers, partners, suppliers, collaborators, donors or sponsors).
2. **Purpose.** – This channel is made to solve doubts about the legal or ethical correctness of a conduct and receiving reports on breaches (or risk of any breach), be them legal or ethical to verify the facts and adopt any necessary measures.
3. **Functioning.** – This Channel is managed by the Compliance Officer with external support. The Compliance Officer will be responsible to process and resolve all doubts and reports. The principles and rules that govern said process are:
  - a. The law allows Anonymous reports. If the reporting party decides to identify themselves, by no chance it means that their identity can be made public. Therefore, the confidentiality of the party will be maintained unless legal exceptions are met.
  - b. The investigation and verification of the denounced facts will be carried out with objectivity, impartiality and with the utmost discretion and reserve.
  - c. There is a duty to collaborate in the investigation of the facts, to maintain the confidentiality of the collaboration provided and of the information related to the facts that are known.
  - d. If a person is an author or participant on events that violate the law or the Code of Conduct, and is the first to report it, some of the following benefits will apply:

- If you are the only person responsible, the sanction foreseen in this Code will be minored.
  - If there are several responsible persons and you are the first one to report on the facts, the sanction foreseen in this code will be reduced, as appropriate.
- e. Furthermore, the Spanish Criminal Code collects other extenuating conditions for the authors or collaborators of a crime that confess to it or repair any damages the victim has perceived.
- f. Reports will be shelved when reported facts turn out to be false or cannot be demonstrated (disregarding the duty to report the facts to the authorities when their likelihood is high).
- g. There will be no drawbacks nor penalties towards the reporting party, even when the facts might be false (unless the report was presented in bad faith and knowing its falseness).
- h. When the likelihood of any incident is analyzed, the adoption of sanctions and other corrective actions will be sponsored, and the incidents will be reported to the authorities as soon as a legal obligation arises. A criminal complaint will also be processed if the facts are likely enough.
- i. Once the process is finalized, the results will be transmitted to the reporter party and the reportee.

### 12.3. Compliance officer

The firm has established a Compliance Officer who, by delegation of the Board, must supervise, independently and objectively, that the workers of the firm (as other recipients of the Code of Conduct) comply faithfully with the regulation and this Code. To this purpose, the Code will be promoted and the Compliance Officer will solve any doubts that its interpretation might generate and manage the Reporting Channel.

## 12.4. Disciplinary regime and other reaction measures

1. **Workers and Managers.** - Failure to comply with the Code of Conduct by workers and managers will be penalized. The law and the enforceable collective agreement will determine the sanctions that can be imposed and the procedure to do so.
2. **Members of the Board-** Failure to comply with the Code of Conduct by members of the board will be penalized through the application of disciplinary measures that are established in the organizational foundational statements, and, further, will motivate the adoption of applicable legal actions and measures.
3. **Third parties.-** Failure to comply with the Code of Conduct that is associated to a third party will entail the corresponding legal consequences and the contractual consequences that might be written in the contracts, agreements, or covenants. The organization will promote legal and contractual reaction measures, when appropriate, against these third parties.

## 12.5. Other sanctions and legal consequences

Penalties foreseen in the previous section do not exclude the application of other sanctions, such as criminal fines, and other legal consequences.

## 12.6. Code of Conduct distribution

The preventive effectiveness of the Code of Conduct asks the organization Professionals and other third parties to acknowledge its existence and content. For determining the level and reach of said Code, we establish the following rules:

- a. The Code of Conduct will be available publicly and completely through the means signaled underneath. Notwithstanding those provisions, the organization can additionally promote the Code by announcing fragments or summaries of its content through the same means or other channels that are believed to be useful.



- b. Los medios escogidos para hacer pública la anterior información son:
- E-mail. - An email will be sent to Professionals, customers to whom JEM invoices an amount greater than €50.000 per year as well as suppliers who invoice more than €50.000 where they will be informed of the existence of the Code of Conduct and a full copy of it or a web link will be attached. This type of communications will be repeated at least once a year.
  - Delivery of the Code of Conduct. - The Code will be delivered to the organization's professionals by any mean that allows to check whether the document has been received. This type of delivery will be repeated at least once a year.