

## **CODE OF ETHICS**



To all members of Sidenor:

The principles and values of our Code of Ethics have represented and represent a fundamental value in the success of our management. Principles that focus on driving the development of people who work together and which are aimed at defining appropriate behaviour not only of our company, but also in our relationship with society in general.

At Sidenor we believe that an important part of our daily works consists of striving to bolster and maintain the trust in our Company, both of the people who directly work here and of the suppliers, customers and communities where we operate. Our aim is to guarantee the transparency of our actions and we constantly strive to update and strengthen those aspects that help us to achieve our goal.

Therefore, our Code of Ethics allows us to ensure that our activities are in line with current legislation, but with a goal that goes much further. It is the tool that allows us to act with rectitude and honesty, by establishing guidelines to address the challenges that may emerge.

The general benefit and the progress of all of us who make up the company is a goal for Sidenor; I am convinced that we can achieve that thanks to the support, enthusiasm and cooperation of all of you who are part of this Company to which we dedicate an important part of our lives.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Jainaga', with a horizontal line underneath.

JOSÉ ANTONIO JAINAGA

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## 1. PURPOSE

The purpose of the Sidenor Code of Ethics presented here is to establish the basic principles that must govern the behaviour of Sidenor, its subsidiary companies, members of its governing body, the management staff and workers of those companies (the "Workforce").

It reflects the Management's goal of strengthening the ethical principles and rules applied at the said companies and fostering a working environment in which integrity, respect and equality are promoted. The Management are convinced that the best interests of Sidenor and the other companies that it manages are best served in the long term by a policy of strict observance of the requirements of law, high ethical standard and social responsibility in all corporate operations.

## 2. SCOPE

This Code applies to all workplaces, member companies and offices of the Sidenor Group, and is compulsory for the whole Workforce in all functions. Accordingly, all references herein to Sidenor are understood to apply to all Sidenor Group companies.

This Code of Ethics is written in inclusive language in the spirit of Sidenor's firm commitment to inclusivity and equality in its treatment of the Workforce in all actions taken at the Group.

All persons within the scope of this Code have a duty to be aware of and comply with the rules of behaviour set out herein.

## 3. FUNDAMENTALS

Mission, Vision and Values.

Sidenor is a steel producer which seeks to meet the needs of its customers and create value for its shareholders, and which is committed to the fulfilment of its people and to development.

- Sidenor's mission is to **generate value sustainably in the specialty steels business.**
- Its current and future vision is focused on **being a benchmark for innovation in products and processes.**
- Sidenor also works according to certain values set out in this document and in other corporate policies, which can be summed up in the following points:

- Meeting the needs of customers.
- Safety.
- Respected, committed people.
- Innovation in all that we do.
- Results orientation.
- Economic, social and environmental sustainability.

<b>CUSTOMER</b> Meeting customer needs	<b>PEOPLE</b> Respected, committed people
<b>SAFETY</b> Personal safety	<b>INNOVATION</b> In all that we do
<b>RESULTS</b> Results orientation	<b>SUSTAINABILITY</b> Economic, social & environmental

#### **4. BASIC PRINCIPLES OF BEHAVIOUR**

##### **4.1 Respect for the Law**

Corporate and work-related activities at Sidenor must be carried out in strict compliance with the law in force at the relevant location.

##### **4.2 Ethical Integrity**

Corporate and work-related activities carried out by Sidenor and its Workforce must be based on integrity, and must be conducted in line with the principles of honesty, avoidance of any form of corruption and respect for the specific circumstances and needs of all persons involved.

Sidenor seeks to encourage its Workforce to recognise and value behaviour consistent with the principles set out in this Code.

##### **4.3 Respect for Human Rights**

All actions by Sidenor and its Workforce must be taken with the utmost respect for the human rights and civil liberties set out in the Universal Declaration of Human Rights.

##### **4.4 Commitment to Preventing and Eradicating Child Labour**

At Sidenor, we are aware of the importance of the personal and emotional development of minors and of respecting their rights. We therefore rigorously comply with the legislation in force which, pursuant to the Statute of Workers' Rights, prohibits the employing of children under the age of sixteen. We also comply with the legislation on the working of overtime,

night work and/or work tasks or positions subject to recruitment limitations under Act 31/1995 of November 8 on the prevention of occupational risks and the applicable regulatory provisions.

## **5. RELATIONSHIP WITH AND BETWEEN WORKERS**

Sidenor's relationship with its workers and relationships between workers themselves must be based on compliance with the commitments set out here and the specific points detailed in the Procedure for Intervention in Cases of Mobbing.

### **5.1 Commitment on the part of the Company**

#### **5.1.1. Respectful treatment and no discrimination**

Sidenor undertakes to maintain a working environment free from discrimination of any kind and from any behaviour that entails personal harassment.

All Sidenor workers must be treated fairly and respectfully by their superiors and by the rest of the Workforce. No verbal or physical abuse, hostility or offensive behaviour will be tolerated. Such behaviour is in breach of the principles of equality and non-discrimination enshrined in Article 14 of the Spanish Constitution.

The principle of equality is recognised in both domestic and international legislation. Specifically, it is set out in Public General Act [*Ley Orgánica*] 3/2007 of 22 March on the effective equality of women and men, which seeks to enforce the right to equal treatment and opportunities among women and men, in particular by eliminating discrimination against women in all spheres of life.

Sidenor fully concurs with this important principle of equality between women and men. As part of its commitment in this matter, it has therefore set up an equality plan tailored to the current circumstances of the company that sets out specific measures intended to help attain this goal.

#### **5.1.2 Trust**

Sidenor's relationship with its Workforce must be based on good faith and characterised by mutual understanding, trust and commitment.

Sidenor attaches absolute priority to a direct, trust-based relationship with its employees and resorts to the intervention of third parties to resolve conflicts only when necessary and in the specific cases of harassment detailed in the Procedure for Intervention in Cases of Mobbing.

### **5.1.3 Transparency and Freedom of Expression**

Sidenor values and seeks to assure transparency in working relationships and freedom of expression.

### **5.1.4 Fair Working Conditions**

The development of the Company depends directly on the development of its people. Every member of the Workforce has a duty to strive for self-improvement, and it is Sidenor's job to provide the conditions for them to do so.

All members of the Workforce must be given equal opportunities for career development. To that end, Sidenor undertakes to set up an effective equal opportunities policy so that its employees can develop their careers based on the principle of merit. Promotion decisions must always be based on objective assessments and circumstances.

The company also undertakes to maintain a policy of investment in learning and personal and career training for its Workforce.

All members of the Sidenor Workforce must observe the equal opportunities policy in their job areas and support personal and job-related learning among the rest of the Workforce.

Sidenor is a socially responsible employer, and is against all types of modern slavery and/or forced labour at its facilities; it acknowledges that its Workforce is a highly valuable asset. Sidenor expects a high level of commitment from its workers, and in return shares its success as a business with them. Sidenor undertakes to provide a working environment in which diversity and the richness of an international culture are highly valued.

Sidenor's human resources policies and operations must help to create a working environment in which everyone has the opportunity to grow personally and in their careers.

### **5.1.5 Occupational Health and Safety**

Sidenor undertakes to provide its Workforce with a safe, stable working environment and continually to update risk prevention measures; it further undertakes to abide strictly by the regulations applicable in this area wherever it does business.

Each worker is responsible for complying strictly with health and safety regulations. Workers must also make proper use of the equipment assigned to them when they engage in activities that entail risks, and must pass on their knowledge to the rest of the Workforce, thus fostering compliance with health and safety practices.

#### **5.1.6 Respect for the Privacy and Confidentiality of Information on Employees**

Sidenor undertakes to request and use only such personal data on members of its Workforce as may be necessary for the effective management of its business or for compliance with applicable regulations.

Sidenor will also take all necessary measures to maintain the confidentiality of personal data in its possession and to ensure that those data are transferred when necessary for business reasons with the confidentiality required under the legislation in force.

Employees who, in the course of their duties, have access to information on other persons at Sidenor must respect and strive to maintain the confidentiality of that information and use same in a responsible, professional fashion.

#### **5.1.7 Promotion of work/life balance**

Sidenor undertakes to promote the work/life balance of its Workforce. Sidenor appreciates the benefits for workers and for the company of striking the right balance between work and personal responsibilities in its Workforce, and therefore undertakes to encourage measures to reconcile the two areas.

#### **5.1.8 Employers' Associations and Trade Unions**

Sidenor promotes a constructive atmosphere in its relations with employers' associations and with trade unions and other workers' representatives, seeking to foster continuous improvement in labour relations.

Sidenor's behaviour in bargaining with the representatives of the workers on its Workforce are characterised by frankness in dialogue, openness to argument and respect for the positions of others.

### **5.2 Commitment on the part of the Workforce**

#### **5.2.1. Due Care and Diligence**



In their day-to-day activities, workers must treat the property of Sidenor with the same level of care that they would apply to their own property. Each member of the Workforce must act at all times in accordance with the ethical standards laid down in this Code, both in-house and when representing the company.

#### **5.2.2. Personal Conduct**

Workers must behave in a way that reflects their personal and professional integrity. Workers may act as representatives of Sidenor outside the company and in the media only when expressly authorised to do so, and must maintain a positive image of the company in all that they do.

#### **5.2.3. Conflicts of Interest**

A "conflict of interests" is a situation in which the personal interests of an individual differ from those of Sidenor.

All members of the Workforce must strive to avoid situations that may give rise to conflicts between their personal interests and those of Sidenor. They must also not take on the role of representatives of the company, intervene in or seek to influence decisions in which they themselves or third parties directly or indirectly associated with them have any personal stake through financial links, family or work-related ties.

Workers who find themselves in a potential conflict of interest must inform their superiors so that it can be determined whether such a conflict actually exists, and if so the individual in question can be excluded from any intervention in the relevant matter. Conflicts between personal and company interests must always be resolved in favour of the interests of Sidenor.

#### **5.2.4. Information Technology**

When using information technology, members of the Sidenor Workforce must act in accordance with the relevant rules of law, standards of morality, integrity and good practices and must not use unauthorised resources.

All members of the Workforce must comply with the company's Information Security Policy when using IT resources.

## **6. COMMITMENTS TO THIRD PARTIES AND TO THE MARKET**

Sidenor and its Workforce must base their relations with customers, suppliers, competitors, shareholders and other organisations operating in its market on the principles of integrity, professionalism and transparency.

### **6.1 Fair Competition**

Sidenor prohibits any action that may be construed as unfair competition and undertakes to ensure compliance with the law on the protection of competition wherever it operates.

### **6.2 Honest Management**

Sidenor prohibits the bribing of authorities and public employees and forbids its Workforce from making to or receiving from third parties any undue payments, gifts, handouts or favours which are outside the scope of market practices or which, in view of their value, nature or circumstances, may reasonably be considered to jeopardise or appear to jeopardise the ability to make objective, fair business decisions.

### **6.3 Quality**

Sidenor is committed to quality in its products and services.

Sidenor has made the quest for quality in its products and services a guideline for its business operations, and undertakes to provide the Workforce with the resources needed to develop the most suitable quality management systems at any given time.

Sidenor strives to meet the expectations of its customers to the best of its abilities, and to learn and anticipate customer needs.

### **6.4 Confidentiality**

Sidenor assures that the confidentiality and privacy of all third-party data held by the company will be maintained.

Sidenor undertakes to maintain the confidentiality of such data as it may hold on third parties, except in cases of orders under law or by administrative or judicial bodies that entail compulsory disclosure to individuals or organisations or the publication of data. Sidenor further guarantees the right of concerned third-parties to consult data and request their modification or correction when necessary.

The Sidenor Workforce must maintain the confidentiality of data on the terms indicated above and must refrain from any inappropriate use of same.

All employees of Sidenor and its subsidiary companies must apply these regulations even more strictly, insofar as possible, to intellectual property, to trade secrets, to patents and brands, to business, marketing and service plans, to specialist engineering and manufacturing expertise, to designs, to databases, to records and information on salaries and to all financial data or reports not in the public domain.

### **6.5 Transparency, Creation of Value and Corporate Governance**

As a guiding principle in its business dealings with shareholders, with the Workforce and with the market in general, Sidenor seeks to convey truthful, comprehensive information that gives a true picture of the company, its trading operations and its business strategies.

Communication must always take place as and when established in the legislation applicable in each case.

Sidenor's corporate actions and strategic decisions are focused on creating value for the business, on transparency in management, on adopting the best corporate governance practices at its companies and on strict compliance with the regulations in force on this matter at all times.

### **6.6 Safeguarding and Use of Company Property**

Sidenor and its Workforce must strive to provide the best protection for all the property and rights that make up the assets of the company, and to maintain the confidentiality of information on same, which must be used only in regard to the operations of the company.

The Workforce have a duty to protect Sidenor assets entrusted to them and to safeguard them from loss, damage, theft or unlawful or dishonest use. The Workforce have a collective duty to safeguard the property of Sidenor and to use it appropriately and efficiently.

Each individual worker has a duty to safeguard the property of the company from loss, damage, misuse, theft, malfeasance or destruction. Any situation or incident likely to lead to such a result must be reported immediately to a superior.

Members of the Sidenor Workforce must not use any financial or other resources made available to them for use in their work for personal or non-work-related purposes or for activities not directly aligned with the interests of Sidenor.

## **6.7 Use of Information on Sidenor**

Sidenor requires its Workforce to be discrete and professional in their use of company information to which they may have access in the course of their work and to use same only for company-related operations. It undertakes to set up management systems aimed at ensuring compliance with this principle.

Sidenor requires its Workforce to refrain from using insider information. This ban applies in particular to individuals who have access to information on Sidenor or on companies with which it does business which is not in the public domain. Accordingly, along with the provisions of this Code the Workforce is also governed by the specific provisions of the Information Security Procedure.

## **7. COMMITMENT TO THE COMMUNITY**

### **7.1 Environment**

Sidenor strives to maintain the utmost respect for the environment in the course of its operations, and to minimise any negative environmental effects that they may have.

Top priority is given to the health and safety of the Workforce and of third parties who may be affected by the company's operations, and to protecting the environment.

Sidenor undertakes to provide its Workforce with the most appropriate means of working towards these goals.

Sidenor further undertakes to help conserve natural resources and areas of environmental, landscape, scientific and cultural interest. To that end, it will establish best practices and foster knowledge and use of same by the Workforce.

Sidenor undertakes to comply strictly with applicable environmental legislation.

### **7.2 Commitment to Society**

Sidenor undertakes to behave in a social responsible manner, in compliance with the law, and in particular commits to respecting the cultural diversity and the customs and principles of the individuals and communities affected by its operations.

As just one more resident of the communities in which it operates, and in line with its social responsibility undertakings, Sidenor takes part directly or via recognised organisations in

programmes and activities to foster integration, development and improvements in the quality of life of communities.

That involvement may involve a direct presence, advice, management, sponsorship or other specific forms of support.

The involvement of the company must be aligned with the relevant corporate policies, and particularly with the provisions of Sidenor's Corporate Responsibility Guidelines.

## **8. INTERPRETATION AND COMPLIANCE**

This Code establishes the business ethics principles and commitments which are to be observed and complied with by Sidenor and its Workforce in the course of their activities

Sidenor seeks to foster an atmosphere of trust between workers, their superiors and the Head of Human Resources, in which any grounded suspicion of a breach of this Code and any doubt, concern or complaint about its content can be freely reported. Such reports may be made confidentially, anonymously or otherwise. Sidenor has provided the Workforce and third parties with the [codigoetico@sidenor.com](mailto:codigoetico@sidenor.com) e-mail address, and has set up a whistle-blower channel on its website so that anyone acting in good faith can submit anonymous, confidential queries and report any breach of this Code.

Sidenor will take such measures as may be necessary to avoid any adverse consequences or reprisals for persons who make use in good faith of the channels provided for reporting behaviour potentially in breach of the principles set out in this Code and in the policies and guidelines through which it is implemented.

Sidenor and its Workforce have a duty to comply with the regulations set out in this Code. Breaches of the Code will have consequences. In serious cases, those consequences may include the removal of an employee from their position and the termination of their employment at the company.

To supervise compliance with this Code, resolve any incidents or doubts as to its interpretation and take suitable measures to enhance compliance, an Ethics Committee is set up. Membership of this committee must be approved by the Executive Committee of Sidenor.