



# Code of Conduct 2021



- 1**
  - **Introduction | 4**
  - What is a code of conduct and why is it important?
  - Mission
  - Our ethical commitment (Values)
  
- 2**
  - **Behavihour | 8**
  - The behavihour we expect
  
- 3**
  - **Operating with Integrity | 10**
  - Health and security
  - Respect at work
  - Asset Care
  - Be careful in the use of money
  
- 4**
  - **Privacy policy | 17**
  - Intellectual Protection Defense
  - Information Protection
  - Protection of information and communication systems
  
- 5**
  - **Responsibility to our stakeholders | 22**
  - Customer Relations
  - Relations with Suppliers
  - Social and Environmental Commitment
  - Communities
  
- 6**
  - **Law compliance | 28**
  - Anti-corruption
  - Gift Policy
  - Conflicts of interest
  - Sanction Mechanisms and Disciplinary Measures
  
- 7**
  - **UN's Sustainable Development Goals and Glossary | 35**

# Message from our CEO

When the vision of building and launching a project like Fibertex arose in 2001, I did it with great enthusiasm in my heart, but above all believing, it would be a different company. One in which innovation and commitment to the environment, its employees and the entire community would allow it to thrive in a global world.

It is a great honour and pleasure to be where we are today, generating employment and collaborating with the environment by recovering more than 100,000 tons of textile waste, reducing the carbon and water footprint and pollution. Making sure we create a positive impact.

From the start, our company established its base in its institutional values, in its business philosophy, which promotes ethics and integrity. Everything we do, think and do has a coherent line of action.

Therefore, it is necessary to have an ethical benchmark that guides the behaviour of all of us who collaborate with our organization. This code of conduct will serve as a guide for the behaviours expected of all our collaborators, be they internal or external. It applies to every work centre or business office that belongs to the company in any country.

I invite you to make this Code of Conduct your guide to understand our way of acting on a day-to-day basis, both inside and outside of work, making FIBERTEX a model company in integrity, respect and trust.

Cordially,

The image shows a handwritten signature in black ink, which appears to be 'Sandra Chinchilla de Ayala'. Below the signature is the FIBERTEX logo, which consists of the word 'FIBERTEX' in a bold, sans-serif font, with 'SINCE 2001' written in smaller text underneath. The logo is partially enclosed by a stylized graphic element.

Sandra Chinchilla de Ayala  
CEO.



# Introduction



# What is a code of conduct and why is it important?

A code of conduct is a tool that allows us to formalize, establish and communicate ethical expectations within our organizational culture. This document, also known as the “code of ethics”, is designed to detail the company’s commitment to social responsibility and identify the expected behaviour of both our managers, employees, and any third party that is directly involved with us.

The code of conduct not only allows Fibertex to set ethical standards but is also a source of information for all existing and potential employees, managers and board members. Our code also permits investors, clients and other interested parties to understand how we operate.

This code is the basis of our policies towards social responsibility within Fibertex and its impact on the environment, being essential to create and maintain an ethical organizational culture.

## Fibertex’s code of conduct applies to the following parties:

- Board of Directors
- Administrative and operational collaborators
- Providers
- Customers
- Commercial representatives.



# Mission

Fibertex is a leading textile recycling company committed to supporting the improvement of the environment and communities. Through textile recycling and the creation of local employment. Our clients have the opportunity to obtain competitive products, which manage to meet the required quality standards, simultaneously guaranteeing eco-friendly and sustainable products.

## Our Corporate Culture

**Our corporate culture is focused on values; we put these values into practice in our daily work and personal life, and they allow us to be better people every day.**

### Discipline

We commit to offer our clients the best products, always following our standards, and helping the planet and the environment as much as we can.

Honesty and respect go hand in hand. Offering quality products, honest prices, and always having a transparent relationship with our clients, suppliers, and collaborators is essential to achieve our objectives.

### Honesty



## Flexibility

It corresponds to the ability to adapt, mould, adjusts quickly to circumstances depending on which one faces, modifying our attitudes and behaviours to improve understanding, harmony and coexistence with others.

In Fibertex, this value is essential and promotes a flexible team that knows all the tasks in its areas and has a positive attitude towards learning.

Respect generates trust, security and well-being. We are committed to respecting our customers by providing quality products to meet their different needs. Seeking to maintain the best possible relationship with our surroundings and all those involved in that process. It is also extremely important to take care of our employees, providing them with a safe and comfortable environment to work.

## Respect

## Integrity

Integrity is a pillar of our business model. We are committed to doing the right thing in our entire line of work, from how we collect textile waste to treating clients. It is a pride to have an international reputation for always working under this value, and it is our mission to maintain this standard.

## Proactivity

We aspire to always grow as a company in all the activities we carry out. For us, that also means always thinking about the future, planning and preparing for the future. Anticipating the expected in order to better deal with the unexpected. And always respond in a timely and appropriate manner to problems that cannot be avoided, thus reducing their negative impact.



Behaviour

2





# The Behaviour we Expect

Both our employees and commercial representatives are the faces of the company. Therefore they too are expected to lead by example and be guided by business values. Their integrity should not be questioned. When faced with a difficult situation, ask yourself these questions:

## Ask yourself :

- Are my actions or decisions legal?
- Do they comply with the values and code of conduct of Fibertex?
- Are you free from any personal or interest conflict?
- Could I justify my action or decision if they were made public?

All these questions should be answered with a "Yes". Otherwise, it means a breach of the code of conduct and could which will be sanctioned accordingly.



All personnel must behave in an honest, fair and respectful manner in their relations with other members of Fibertex and in the same way with all third parties they interact with it. Including clients, suppliers, contractors, interested government officials, the media and any other person or organizations, as appropriate.

All personnel must comply with the laws and regulations in all areas and countries where we carry out our activities.

Being a company that deals with global markets, our operations may have to comply with different policies and laws abroad; in these cases, we expect personnel to follow the most rigorous rule or standard.

# Operating with Integrity



3

# Health and Safety

Following health and safety regulations is a priority for us. To our best ability, we must minimize any risk in advance by acting safely in compliance with the laws, procedures and necessary measures. Otherwise, it is our duty to be prepared to deal with any situation.

It is worth noting that personnel must perform their duties at the workplace in the right way. Fibertex provides its personnel with the procedures, training and safety equipment necessary to carry out their job responsibilities. We must follow protocol and use protective equipment correctly at all times.

For more information regarding this subject everyone can refer to the following documents:

- **Health security and containment protocol for Covid-19**
- **Risk Prevention Management Program**

## **Sanctions will be taken accordingly whenever:**

- Employees do not use the security equipment provided by the company
- Hygiene and industrial safety procedures are not followed.
- When individual actions threaten and put the group at risk.

## **Remember:**

Uniform is mandatory, and employees must make proper use of it.



# Respect on the Workplace

Staff should be respectful to all company members regardless of their hierarchical level and avoid any action that may lead to the provocation or incitement of violence or offence of any kind in your workplace. The language used must avoid offensive or profane words. Mutual respect is a crucial element of our teamwork and in creating the synergies of our company.

It is the responsibility of all stakeholders to preserve a safe and respectful work environment, free from abusive or unprofessional conduct. Which follow respectful and ethical practices, avoiding inappropriate situations both in the workplace and in rest areas.

## Harassment, discrimination and inclusion

Respect is a crucial value at Fibertex, therefore, no offensive, abusive, discriminatory and illegal behaviour will be tolerated between our employees or any third party that may interact with the company.

FIBERTEX does not tolerate workplace abuse or harassment of any kind:

- Physical (aggression)
- Visual (cartoons, notes, offensive emails)
- Verbal (slander, yelling, disqualification, threats)
- Sexual (requests or advances of a sexual nature in the workplace)
- Psychological (harassment, impairment)

### Verbal and Sexual Abuse

#### Verbal Abuse

Verbal abuse can be comments made by co-workers or superiors which are degrading or life-threatening for the victim. Verbal abuse can be expressed but is not exclusive to, verbally, email, text messages or phone calls.

#### Sexual Harassment

Unwanted sexual actions or demands for sexual favours in the workplace fall into this category. Sexual harassment can involve inappropriate requests from superiors to subordinates, men to women, and vice versa. Sexual harassment can occur between all genders.

## Discrimination:

Discrimination means treating a person unfairly because of who they are or because of their characteristics. Types of discrimination not tolerated by the company include, but are not limited to, discrimination for

- Racial or ethnic origin
- Skin color
- Religion or beliefs
- Nationality,
- Sexual orientation
- Gender
- Age
- Ancestry
- Civil status
- Physical disability

FIBERTEX has a no-tolerance policy for discrimination. We commit to offering equal opportunities to current workers and anyone who desires to join our team. For this reason, it rejects arbitrarily discriminatory conduct based on racial, religious, sexual preference, age, nationality and marital status. During the recruitment and hiring process, individuals are selected by their merits and the company needs.

## Remember:

We all come from different backgrounds and therefore have different points of view.

---

All decisions made in the organization must be based exclusively on evaluations to activity and performance

---

## Scenario

Carla works on the same team as Santiago. They are both supervised by Julia. However, it is evident that Santiago does not feel comfortable being led by a woman and feels superior because of his gender. Therefore, he ignores Julia's orders and makes sexist comments about her clothes and body parts behind her back.

Since her comments are not directed directly at her, Carla is not sure what she should do.

Carla should speak up and report Santiago's behaviour promptly as this is unacceptable and could create a hostile or offensive work environment. His comments or behaviours do not need to be made directly at her for her to speak out and take action.

# Asset Care

The Company's assets, tangible or intangible, must be used and protected professionally at all times and exclusively for FIBERTEX operations. These assets include, but are not limited to:

- Equipment
- Fuel and lubricant stocks
- Real estate
- Vehicles
- Tools
- Money and values
- Furniture
- Information and communication systems
- Trademarks / Patents
- Confidential information
- Voice communications
- Emails

To preserve their values and efficient use these assets should be protected against lost, damage, inadequate use, theft or sabotage

## Examples of inappropriate use of assets:

- Lending assets outside the company or using assets for personal matters without formal authorization. Including:
  - \* Making use of company vehicles for purposes other than those expressly authorized.
  - \* Using office equipment, computers, cell phones, and other assets that the company has assigned to the worker for tasks outside of their work.
  - \* Making use of stationery and cleaning supplies for personal use and activities outside the company.
- Inappropriate use of documents, physical or electronic data records and software, among others, without authorization. Even if workers have generated such information (especially documents stored in computers or electronic work devices).

# Proper Money Management

## **Fibertex's Commitment:**

Fibertex's team will be cautious in money and asset management. Employees should take care of assets as if they were their own. Upper management is responsible for implementing the proper measures to avoid any loss, misuse, inefficient use, theft, theft or risky financial investments.

The team should follow strict compliance with the procedures established by FIBERTEX for its custody, registration and use, properly documenting and supporting all transactions under its charge.

Produce accurate and timely account of the sums of money that they receive to cover expenses of the FIBERTEX operation, accompanying the documents that support them and complying at all times with the policies and procedures established for that purpose.

In no case may a collaborator make use of company money for a purpose other than that defined by the Company

## Account accuracy, records and presentation of financial and administrative information

- The information used or made available by collaborators because of their function or position must be treated and administered in a confidential, trustworthy manner in compliance with accounting and tax legislation.
- Under no circumstances is omitting any information or provide inaccurate or incomplete data in any record allowed. Be it Human Resources, Sales, Logistics, administration, Production, Marketing or Finance.
- Those responsible for maintaining accurate, complete and transparent records are not only the collaborators in charge of recording and approving transactions but anyone who contributes to support and prepare documents and reports that serve as the basis for the execution of payments, accounting records, inventories, among others.
- All must register their operations under the established processes, guaranteeing traceability, that cooperates to attend to claims or disagreements due to differences in amounts or quality of the materials purchased or sold.
- Before carrying out or approving a transaction, collaborators must ensure that they have the corresponding authorization and do so within the limits of their powers defined by the different policies already established. Any doubts in this regard should be clarified by your immediate boss or area management as appropriate.



# Privacy Policy

4



All personnel must avoid disclosure, either directly or indirectly, of the information owned by Fibertex either for their benefit or that of third parties. The only exception whenever information is made public or has management level authorisation to be disclosed.

Staff must report any third party attempt to obtain restricted or secret information to their immediate superiors. Likewise, if it comes to an individuals attention that their coworker discloses company information; it must be reported as soon as possible

The term patented information includes, but is not limited to, any data, idea, concept, improvement, discovery, development or invention related to Fibertex. Including information on internal operations, names of customers or suppliers, prices, strategies and policies; while performing tasks for Fibertex. Either developed or acquired by an employee. During or after business hours and both inside and outside the work environment.

### Workers must:

- Maintain custody and discretion of all information stored in physical and electronic files in the company. Including any document, they access to through their position and all non-public information provided confidentially by third parties.
- Return all confidential information to FIBERTEX at the end of the employment relationship.

Using or disclosing Company information for their benefit or that of third parties; use inappropriate mechanisms to learn confidential information of employees and the company. **Will not be tolerated.**

## Protecting Information

FIBERTEX is the owner of all the information created by its workers. Regardless of where it is stored or whenever workers cease to belong to the Company.

Workers who access or process private information of other workers or third parties are responsible for maintaining their confidentiality and revealing it only to those who must know it because of their functions or position. Personal data is considered private information. Including, but not limited to, any data relating to workers, clients, suppliers, commercial representatives and others related to it. Such as name, address, telephone number, date of birth, salaries, loans and business history.

## Confidential Information

### Strategic Information:

That which gives Fibertex competitive advantages or is not yet appropriate to disclose to the market.

Including, but not limited to, any data of interest to the competition, new projects, agreements with clients and suppliers, client and worker records and litigations.

## Intellectual Property

Workers must protect the intellectual property rights of FIBERTEX.

Intellectual property includes but is not limited to:

Patents, trademarks and service marks; domain names and copyrights (including software); design rights, database extraction rights, technical knowledge or other confidential information and rights under intellectual property contracts. Any improper use of the Company's intellectual property, such as illegal or unauthorized duplication of copyrighted materials, is prohibited.

---

Workers are obliged to keep strict confidentiality of any confidential information. They will not obtain direct or indirect advantages, or for their benefit or that of third parties.

---

### **Inside Information:**

Data regarding FIBERTEX, its businesses, subsidiaries which has not been disclosed to the market. As well as any positive or negative information whose knowledge may influence an investor to buy, sell or retain shares or securities of its parent company.

## **Scenario**

Javier receives an email from the competition, in which they ask him to exchange Fibertex information, prices, customers and suppliers, in exchange for a sum of money.

Javier should not reply to this email. He must immediately report this event to human resources and general management since it attempts to obtain confidential information. The proper departments will handle this problem. A reckless action on the part of Javier in these circumstances can have legal consequences. The company's data is privileged and must be kept safe without being exposed.

# Information and Communication System Protection

All data files created, received or sent through the Company's systems are the property of FIBERTEX, which reserves the right to access them and, if necessary, destroy them.

**The use of the internet and email offered by FIBERTEX to its workers is intended for matters related to their professional position or function.**

All workers are obliged to protect confidential information inside the company.

## It's Prohibited to:

- Copy or share the software provided by FIBERTEX to third parties.
- Carry out any activity that may damage or impair information and communication systems (unauthorized use of software or contamination of systems and networks with computer viruses).
- Violate confidentiality of communications and data of other workers or third parties. Trying to infiltrate their systems, read their records and decryptor use their passwords.
- Connect incompatible devices to communication services and equipment.
- Allow or facilitate unauthorized access to third parties to the Company's information systems.
- Workers are responsible for protecting their passwords and should not share them under any circumstances.
- Use Fibertex's communication systems to send or forward content that violates laws, regulations or internal rules. Such as discriminatory or harassing content, as well as any dishonest, offensive or illegal content.

## These systems include:

- Computer equipment and mobile devices
- Operating systems and databases
- Applications that support business processes
- Data files
- Data network
- Mobile and landlines
- Email and internet

## Scenario

Carolina, who is in charge of checking financial accounts, is working on her computer and sending emails. She is called to a meeting and must get up. At the same time, Juan Carlos arrives at his office and sees her equipment turned on.

Juan Carlos begins to check the company's emails from Carolina's account. Finally, he reviews documents that he has opened on her desk, leaves and leaves her a note with a happy face, and the phrase "I came to visit you."

This is an improper action as it not only violates her privacy but because of her position it also exposes sensitive information of the company which she handles on a daily basis. Human resources and the area manager can sanction this type of behaviour accordingly.



# Responsibility to our Stakeholders



5

# Our Customers

Fibertex works hard and constantly to ensure our customers the best quality of products, at the best price, under a system of integrity and conscience for the planet.

We encourage our clients to adhere to the standards of Our Code and laws. For any reason, should any client become involved in illegal or unethical problems, it is our job to stop business relationships with said client.

We will not omit any information regarding the quality or availability of our products. Including information on delivery dates and terms of payment.

Our products and services are offered, produced and sold with honesty and offering the best satisfaction to our clients, and we expect customers to act with the same integrity.

As a company with global markets, it is important to always conduct our business respectfully with our clients, which includes respecting their customs and traditions of each region.



## Our Suppliers

Fibertex is committed to managing business ethically and legally, always seeking to protect the environment and human rights. All of our suppliers are expected to commit and adhere to our Code of Conduct. The requirements of our Code of Conduct apply to the entire supply chain.

We expect our suppliers and customers to restrain from the following behaviours:

- **Forced labour**
- **Child labour**
- **Discrimination, harassment and abuse**
- **Inadequate policy regarding the health and safety of its workers**
- **Unlawful and unacceptable wages, benefits and conditions of employment**
- **Excessive working hours**
- **Appropriate customs compliance**

### **Implementing our code of conduct:**

Although we expect that all our suppliers and clients share the values we promote, they each possess their business philosophy, and each one will have its standards and values. We seek to do business with companies that are compatible with our Business Philosophy; honest communication between the parties, respect and trust; will serve as pillars to build the long-term relationships we intend to have.



## Scenario One

Jorge works in logistics; today, he must support the material recollection team. Due to timing, he was unable to use his uniform and fix his appearance. Upon arriving at the destination, the security officer in charge calls his attention and indicates that he cannot access the cargo port until the warehouse manager shows up.

Upset, Jorge tells the security officer that the team collects here frequently; they already know them.

When the Warehouse manager arrives, he asks Jorge to please write down his ID number. Jorge has forgotten his document at home, but he memorizes the number and continues; the Chief tells him to remember that it is required to show a form of ID and asks him to improve his appearance next time.

This action is improper since it goes against the company's values by violating the respect we must have towards our suppliers, including their internal procedures. Additionally, our employees represent our company; in this scenario, the collaborator generates a bad image for the company.

## Scenario Two

The company ABC is asking us to help them load materials into a truck. Mr Sánchez suggests helping speed up the process.

He tells us that he can hire two minors who will carry out the work efficiently. We would speed up the process; we would also save money as they would be paid less and would not receive employment benefits.

Accepting his suggestion is unacceptable because the company only employs adults and does not use child labour. Therefore, we must avoid associating ourselves with any organization or service that does the opposite.

# Our Social and Environmental Commitment

At Fibertex, Corporate Social Responsibility (CSR) guides our behaviour, our business model and seeks to benefit all our stakeholders. We pursue to generate value, to support the environment as well as our surrounding communities.

## Environment

Creating a positive impact on the environment is at the core of Fibertex's mission. Our products come from the textile waste produced in the entire textile supply chain, from yarn production to finished garments manufacture.

Through the proper procedures, we ensure we provide textile waste materials with a second chance of life. We reduce the impact of its virgin production to 50%; we are talking about tons and tons that we have recovered over the years, generating a significant impact for the Central American region.

We conduct our business sustainably and responsibly, always keeping the environment in mind. Besides our product, we are also committed to mitigating the environmental and social impacts that our plants can create.

## Communities

Supporting its employees and the community is an indispensable commitment for Fibertex. For 20 years, we have worked hard to add value, and we will continue to support the development of the local communities to our maximum capacity.

Fibertex's social commitment materializes in the performance of social activities. Which we perform ourselves, with the help of non-profit organizations or charities



## Our Contributions:

- Offering job opportunities to the local community
- Developing events where both our workers and their families can participate
- Providing the opportunity for everyone to new topics and skills through training and workshops
- Donations
- Using as little electricity as possible
- Not creating any form of chemical waste
- We do not use water in our production processes.
- Ensuring any waste created is disposed of properly.
- Creating recycling points around the office.
- Providing the necessary resources to instruct, train and supervise our employees and our suppliers regarding recycling.
- We provide educational support and labour for our suppliers so that they have better management and understanding of textile recycling

# Legal Compliance

6



# Anti Corruption

Corruption is the act of directly or indirectly offering any bribes, gratuities or rewards to officials, employees or representatives of national, provincial or municipal governments, political parties or individuals or companies; as a means to obtain any benefit.

Fibertex, its collaborators and any third party of interest do not take part in or tolerate corrupt behaviour. Employees should report any unethical behaviour internally, including requests for kickbacks or bribes.

Bribes do not have to be monetary: they can be transferred through "anything of value", including gifts, hospitality, travel and lodging expenses.



## Scenario

Fernando Castro visits the facilities to make a purchase. He has contact with Mariano, assistant warehouse manager. Fernando suggests that if Mariano supports him with the cargo in a "good way", he will give him a small economic gift, according to the pounds he loads in the container without registration.

If someone else must help out, he will give them \$ 100.00 for every 300 extra pounds.

This action is incorrect, as no one can accept bribes; it would imply legal sanctions. If any client or supplier directly or indirectly communicates an intention to bribe a collaborator, they must report this to human resources or general management immediately.

Additionally, Fibertex's policy states that warehouse workers should not have direct contact with the final customer, they must allow the sales department to carry out their work without any interference.

## Scenario

Our customer Manuel is at the warehouse buying some product. After his purchase is successfully loaded into the trucks, he decides to buy lunch for the entire warehouse team to thank them for their agility.

Since our customers cannot offer any gifts to the warehouse staff, this action would be regarded as inappropriate and cannot be accepted.

# Gift Policy and Conflicts of Interest

**"Gift":** any good or service that may have value for the recipient, such as items or services delivered free of charge or at a discounted price.

Although a common practice, gifts and entertainment can create conflicts of interest as they can influence or appear to influence how company decisions are determined.

National or international public officials, workers, clients, suppliers, contractors or related third parties cannot be offered or promised any type of gift, prizes or hospitality.

To avoid any problems regarding corruption, it is of utmost importance to have a clear idea about what kind of gifts and entertainment are allowed within Fibertex.

## Conflicts of Interest

A conflict of interest exists whenever the personal interests of a collaborator, officer, director or executive who works at Fibertex oppose the interests of Fibertex or the duties and obligations of the company's personnel.

Conflicts of interest can arise in a wide variety of situations. Not all of them are risky, but they need to be disclosed in a timely and correct manner to manage them accordingly.

**To deal with conflict, this must be known. Disclosure means sharing the existence, nature, and relevant facts of a conflict of interest with the employee's line manager or human resources.**

---

Offering hospitality is a normal part of business in most cases; it will not be a problem.

---

## Therefore:

Our managerial workers and department leaders may only receive from our suppliers or clients gifts of values no exceeding \$ 50.00 for New Year's Eve or Christmas holidays.

They can only accept meals or events as long as they do not compromise the independence, impartiality or criteria to serve the Company when making decisions. For its acceptance, you should consult your immediate boss.

Gifts or entertainment that may lead to a conflict of interest is prohibited.

**In case of doubt, guidance can be requested from the immediate supervisor or the Human Resources department.**

## Common examples of conflict of interest situations include:

- Personal relationships in the workplace. Ex. hiring or supervising family
- External mandates. Ex. serving on a competitor's board of directors or advisory board.
- Outside employment. Ex. Having a second job with a customer, supplier or competitor.
- Promote personal financial interests. Ex. Owning part of a company with which Fibertex is making direct the business.
- Receive rates, commissions, discounts, gifts, entertainment or services. Ex. Receiving cash from a business partner.
- Possess directly or indirectly (through family, friends or other people) an economic interest or corporate relationship in any entity that works or tries to work with the Company or in the competition.
- Intermediate for the benefit of persons or entities in transactions that affect the rights, interests or other assets of FIBERTEX.
- Participate through third parties in any commercial transaction with the Company.
- Assisting others to use company property or other assets activities outside of their commercial activities.
- Personally taking advantage of or provide third parties with a business opportunity that involves the use of Company property or information.
- Compete or carry out any action to compete with FIBERTEX.
- Hire or supervise someone with which the individual has a personal relationship.
- Have relatives up to the second degree of consanguinity who work in the competition, subsidiaries or related.
- Maintain personal and intimate relationships between coworkers or boss and collaborator.

## Actions that involve conflicts of interest towards clients and suppliers:

- Discussing with a competitor or person related to him; prices, costs, production, sales volumes, products, services, sales territory, distribution channels or customers.
- Arbitrarily discriminate in prices or discounts.
- Condition the sale or purchase of a product or service through a reciprocal agreement with a customer or supplier.
- Work directly or indirectly with a client or supplier of our company.
- Sell the competitor's product to our same clients.
- Buy the same raw materials and divert them to the competition.

## Sanctions and Disciplinary Measures

Disciplinary sanctions help us prevent people from committing wrongdoing and educate them about the risks, dangers and consequences of engaging in illegal and unethical conduct.

- It will help us maintain the integrity and value of Fibertex
- It serves to educate and discourage others from committing similar violations in the future.
- Promotes, enforces and maintains high ethical standards





Any behaviour considered a breach of our code of conduct must accordingly receive a disciplinary response. The type of penalties will depend on the level of non-compliance caused by the individual, ranging from a warning to a temporary suspension, a permanent layoff, and even legal repercussions.

Department managers and the human resources department are the first to deal with behavioural problems. Whenever a situation escalates, both general management and legal advisors may be involved.

When taking any sanction or discipline measure, it is necessary to ensure that they are fair, effective, transparent and consistent.

Department managers, the human resources department, and general management should use their knowledge, experience, and professional judgment when making sanctions. They must also refer to previously implemented disciplinary policies to ensure that sanctions are reasonable, fair and consistent.

## Dismissal will take place whenever:

- There is abuse or discrimination
- By transferring or sharing confidential Fibertex information to people outside the company.
- Theft, fraud or bribery.
- In the event of any behaviour that seriously violates this Code of Conduct, after being evaluated by Senior Management.

### **Breaches of the code of conduct include but are not limited to:**

- Violations involving reckless misconduct, gross negligence, or unforgivable.
- Discriminatory or abusive behavior.
- Any attempt to assault a co-worker.
- Participation in fraudulent or manipulative activities.
- Hiding or attempting to hide misbehavior or otherwise misleading a customer, employer or regulator.
- Result in a loss of customers, loss of trust, or adversely affect Fibertex's ability to conduct business
- Manipulate data that serve as the basis for decision-making by senior management or area directors.

# Inquiries, Complaints and Claims

In case of questions regarding the implementation or interpretation of Fibertex's Code of conduct, staff can contact the HR department or their supervisor.

Regarding a particular situation or any violation of the Code, they should report this immediately to their immediate superior, human resources or general management

The human resources department is always open and must take into account, impartially, any information, complaints or concerns on the part of the employees.

If you want to communicate a situation anonymously outside of Human Resources, you will find a locked box where all employees can openly share their opinions and concerns. The key to this box is only under the Management position and at the end of each week all complaints will be evaluated by management and human resources impartially and completely.

## Implementation, Supervision and Control of application of the Code

Communicating the Code of Conduct to all personnel is crucial. Once read, employees must sign a statement of agreement which will be attached to their files.

### **A signature is required whenever:**

- The Code is read for the first time
- A new member joins the team
- When significant changes or amendments are applied to the Code

### **This agreement states the following:**

- The employee has read and understood the Code in its entirety.
- They have been allowed to ask questions about its content.
- He/She will observe and comply with the provisions of the Code and will:
  - \* Preserve the confidential nature of all information used in the performance of their duties or of which they may have knowledge
  - \* Comply with the applicable regulations that guarantee the safety of the company.

FIBERTEX requires its personnel to comply in all respects with the provisions of this Code.

Staff, shareholders and the general public must ensure that the transactions they perform follow ethical standards and business practices.

7

**SUSTAINABLE  
DEVELOPMENT  
GOALS**



# SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries, developed and developing, in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests.

UN (2021)





## Fibertex support(s) the Sustainable Development Goals



We make sure to offer our employees the support they need regarding both physical and mental health. Thanks to COVID -19 we have introduced an in site doctor which looks out for the well being of our employees daily and gives them the support needed.



At Fibertex opportunities are created for our employees regardless of their gender. Employees are compensated and promoted based solely on their merits and performance. We promote and empower the social, economic and political inclusion of all.



Fibertex's create the opportunity for decent work for our local communities. Employees receive equal pay regardless of their gender, religion, sexual orientation or disabilities.

We do not partake in an activity that condones forced labour, modern slavery or f child labour. This also applies to our suppliers and clients.



Fibertex's operations all run with the minimum amount of energy, we do not make use of harmful chemicals and avoid material waste at all costs.

Additionally we also support climate education, through seminars and workshops. We educate and raise awareness amongst our employees about this subject.

# G Glossary

---

**Forced labour:**

All work must be done voluntarily and not under threat of penalty or sanctions.

**Child labour**

Our suppliers must meet the national minimum age to work or the age of completion of compulsory education. Our suppliers will not recruit child labour or exploit children in any way.

**Discrimination, harassment and abuse**

Our suppliers will respect equal opportunities when hiring, compensating, training, promoting, termination or retirement. They will not participate in, support or tolerate discrimination in employment, including, but not limited to, the factors listed in the "Harassment, discrimination and inclusion" section. Our suppliers will treat all workers with respect and dignity. Our providers must not engage in or tolerate harassment, harassment, or abuse of any kind. Our providers will establish written disciplinary procedures and explain them clearly and terms understandable to your workers.

**Health and safety**

Our suppliers will provide safe and clean conditions in their facilities and health and safety. Our suppliers must take appropriate measures to prevent accidents and health damage that could occur in the course of work, minimizing them as far as possible.

Our suppliers will provide all workers with access to clean toilets and potable water and, if applicable, sanitary facilities for food preparation and storage.

**Salaries, benefits and conditions of employment**

Our suppliers must compensate their workers by providing wages, overtime pay, benefits and leave which meet or exceed the minimum legal or industry benchmark standards.

**Work hours**

Our suppliers will establish work schedules that comply with national laws or benchmark industry standards.

Overtime hours will be voluntary, will not exceed twelve hours a week and will not be requested regularly.

Our suppliers will respect workers right to rest during work shifts and to at least one day off after six consecutive days worked, as well as public and annual holidays.



El Salvador  
Teléfonos: PBX( 503) 2507-8700

Honduras  
Teléfonos: (504) 2617-0187/88 | (503) 2507-8715/16

Email: [gerencia@fibertex.com.sv](mailto:gerencia@fibertex.com.sv)