

AZUD

CODE OF ETHICS

SISTEMA AZUD, S.A.



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1. INTRODUCTION

1.1. OBJECTIVE and SCOPE

The **Code of Ethics** of **SISTEMA AZUD S.A.** (hereinafter **AZUD**) includes the principles of business culture and ethics that the organization must follow. Its purpose is to raise awareness and sensitize **AZUD** personnel, as well as stakeholders related to our activity.

This code is the foundation of the *Quality and Environmental Management System (QEMS)*, *Occupational Health and Safety (OHS)*, and **Compliance** implemented in the organization; promoting its dissemination, monitoring, and control, with the goal of preventing irregularities or breaches of our ethical principles, internal norms, as well as other legal and contractual requirements that affect the development of our activity.

Based on this code and through the management system, we define and keep up to date all the necessary responsibilities, procedures, and management tools.

1.2. MISSION, VISION AND VALUES

Aware that **water** is an invaluable resource, our mission is to transform **water** into a vector of growth and sustainability for humanity.

At **AZUD**, our vision is to ensure that our customers are more profitable and sustainable, guaranteeing universal access to water resources, adding value to every drop to maximize productivity and environmental care.

AZUD's purpose is to innovate in the efficient use of water for a more profitable and sustainable agriculture. Therefore, we are firmly committed to aligning with the Sustainable Development Goals (SDGs), contributing to the social, environmental, and economic progress of our stakeholders. Thus, the principles and values of **AZUD** are:

Human Factor

We believe in people as the main asset and driving force of the organization. Consequently, we seek safe and healthy environments, offering opportunities to develop their human and professional potential.

Customer Orientation

We are prepared to adapt to demanding and dynamic markets; offering security, trust, and innovative solutions that strengthen the quality, efficiency, and excellence of our products and services.

Shareholders

At **AZUD**, we conduct our activities through good management practices, aiming to increase long-term trust and value in the interest of our shareholders.

Suppliers

Our goal is to advance together by building lasting relationships based on integrity, transparency, and mutual benefit. Therefore, we invite our suppliers to adhere to the provisions of this **Code of Ethics**, thereby promoting good practices.

Society

At **AZUD**, we are committed to the development of society, paying attention to the personal, social, and environmental needs of the communities where we operate.

2. GENERAL ETHICAL PRINCIPLES OF AZUD CONDUCT

At **AZUD**, we aim to build trust with our stakeholders. Therefore, we act with responsibility and transparency, fostering genuine relationships based on the trust, enthusiasm, and consistency that characterize us, in order to achieve common objectives. We approach projects with creativity and innovation; skills essential for tackling challenges with agility and effectiveness.

The **Management of AZUD**, along with the **AZUD Ethical Committee**, are primarily responsible for promoting the values contained in this Code, ensuring its compliance, and overseeing the functioning of the **Criminal Compliance Management System (CCMS)**.

The following constitute essential principles in **AZUD's** actions:

2.1. INTEGRITY

Good practice and honesty have always been part of our culture. Acting with integrity in every decision and in relationships, in accordance with current legislation, is one of our most valuable assets.

2.2. TRANSPARENCY AND PARTICIPATION

Acting transparently means providing the necessary information that both our team and collaborators should receive, taking into account the quality of the information, which should always be clear, complete, and accessible.

Aware that transparency is also a means of improvement, at **AZUD** we involve our clients and collaborators in our culture and commitment to the quality of products and processes, promoting guided tours of our facilities and direct observation of the various activities we carry out.

2.3. TEAMWORK

Every individual in the organization is part of the project that **AZUD** represents. Therefore, we promote cooperation and teamwork, creating spaces for mutual learning.

Following this approach, we provide resources to improve skills that enable personal and professional growth, promoting integration and the contribution of different perspectives, which consequently leads to new ideas.

2.4. EFFICIENCY AND INNOVATION

Investments in R&D+i (Research, Development, and innovation) are one of the main pillars in **AZUD's** strategy. We support innovation and research to develop new technologies that enable more efficient processes, products, and services, better tailored to market needs, and at the same time, improve their life cycle for greater environmental sustainability.

3. BEHAVIORAL GUIDELINES

In accordance with our principles and values, we commit to behaviors that reaffirm the **AZUD** culture, based on:

- Respect for People, Society, and the Environment.
- Compliance with applicable regulations.
- Fulfillment of our responsibilities and commitments.

3.1. Commitment to Society and Human Rights

At **AZUD**, we conduct our activities in locations that have the approval of the community where they are situated.

Every person involved in **AZUD's** activities must respect the principles of:

- The Universal Declaration of Human Rights
- The Charter of Fundamental Rights of the European Union
- Other applicable standards depending on where we operate.

At **AZUD**, we will ensure that our staff and collaborators respect these principles, with special attention to the following:

- Respect for human dignity
- Non-discrimination
- The abolition of forced labor
- The abolition of child labor

3.2. Respect for People

At **AZUD**, we act with respect for the freedoms and rights of both individuals and various groups, rejecting physical, psychological, or moral harassment and abuse of authority, including behaviors that may affect people's rights.

To prevent these behaviors, we convey to our staff and collaborators the importance of maintaining treatment based on respect and cordiality, promoting peaceful, healthy, and safe work and cooperation environments.

Our commitment to people and their development encompasses all activities at **AZUD**, therefore we facilitate the balance between professional and personal life.

3.3. Personal Development and Equal Opportunities

At **AZUD**, we promote environments of equality without discrimination among individuals within the organization. We are committed to the development of our employees with equal opportunities, applying selection and promotion criteria based on professional performance, merit, and abilities defined for each job position, as well as commitment to the principles of our **Code of Ethics and Equality Plan**.

At **AZUD**, through our implemented Management System, **QEMS and OHS**, we provide various channels to promote employee participation in different areas of the organization, such as training, safety, or change management.

3.4. Occupational Health and Safety

At **AZUD**, we recognize Occupational Health and Safety (OHS) as a fundamental right of employees and collaborators. Following this principle, we have implemented and certified an Occupational Health and Safety Management System (OHS) in compliance with the international **ISO 45001** standard.

This Management System identifies and assesses all hazards and risks in our activity, generating actions for their elimination or minimization, involving employees in these objectives to achieve safe, healthy work environments with zero accidents, and promoting this culture to our stakeholders.

Every person, internal or external, who performs their activity in the organization, must be aware of and comply with the norms established by the management system, **QEMS and OHS**, which are published and disseminated.

At **AZUD**, we foster a culture of **OHS**, promoting safe work methodologies and communicating any incidents that may affect both the safety of people and the facilities themselves.

3.5. Proper Use of Company Assets

Company assets are understood to be the set of goods, rights, and other resources owned by **AZUD**.

At **AZUD**, we provide employees with the necessary equipment to perform their activities. Likewise, employees must use these assets responsibly and appropriately for strictly professional purposes, with personal or private use being prohibited without authorization.

The custody and proper preservation of **AZUD's** assets is the responsibility of every member of the organization.

3.6. Conflict of Interest and Loyalty to the Company

A conflict of interest refers to circumstances where personal interests interfere with the fulfillment of professional responsibilities within the organization.

At **AZUD**, we ensure that employees and collaborators do not have conflicts of interest, promoting relationships based on trust, loyalty, and mutual respect.

Employees and collaborators of **AZUD** may engage in other financial and business activities, provided they comply with legal requirements, do not constitute unfair competition, or interfere with their professional obligations within the organization.

At **AZUD**, we maintain systems to manage any incidents that occur in this regard or anticipate them if we foresee that they might happen.

3.7. Corruption and Bribery.

At **AZUD**, we establish as a strategic principle the fight against these malpractices, which aim to obtain benefits both personally and for the organization.

To achieve this objective, we establish the following guidelines:

- No employee or collaborator of the organization will use their position to offer third parties, directly or indirectly, cash payments, in-kind or other unauthorized benefits, with the aim of obtaining favorable treatment. They will also not accept or request unjustified advantages for the purpose of obtaining purchases/sales of products or services.

- Similarly, no employee or collaborator may offer any benefit to authorities or public officials, in order to secure contracts, business, or other competitive advantages. Likewise, they may not use their personal relationship to obtain favors for themselves or others.
- For the exceptional cases where the giving or acceptance of gifts occurs, they will be regulated in the document **SGCP-002: Protocol on Gifts and Invitations**.

At AZUD, we maintain systems in place to prevent behaviors that could violate this section.

3.8. Money Laundering and Terrorist Financing

At **AZUD**, we are firmly committed to complying with the Law on Prevention of Money Laundering and Terrorist Financing, a key piece of legislation within Spanish law. We categorically reject any conduct that may be related to the non-compliance with this law.

Consequently, we will not establish relationships of any kind with those who fail to comply with international regulations in this regard, as well as the specific regulations of the country where we operate.

To ensure compliance with this section, we have established policies and procedures to detect, prevent, and report these malpractices in the organization and its activities.

4. RELATIONSHIPS WITH THIRD PARTIES. Commitments to our stakeholders

At **AZUD**, we interact in an environment of transparency, seriousness, and professionalism, promoting that relationships with third parties are based on commitment and loyalty.

All members of **AZUD** will always act with integrity in relationships with shareholders, clients, suppliers, collaborators, and other stakeholders, this being an essential requirement for establishing lasting relationships.

4.1. Competition and Intellectual Property

Loyalty in competition is the principle that governs the activity of **AZUD**, complying with legislation on competition, market regulation, and consumer protection.

In particular, at **AZUD**, we will not engage in actions that constitute abuses of a dominant position and will avoid agreements with competitors, suppliers, or customers that aim to hinder, restrict, or distort free competition in the market.

Employees of **AZUD** must respect industrial property, know-how, and, in general, the work performed or created either by **AZUD's** activity or by third parties, always making responsible use of these assets.

At **AZUD**, we comply with national and international regulations on advertising which, in general, regulate its correct use, which must be lawful and truthful.

4.2. Commitment to Quality and the Environment

At **AZUD**, we are aware of the value of our environment and its resources; therefore, we have always been committed to Quality and the Environment for sustainable and responsible development. We were one of the first companies in our sector to implement and certify an Environmental Management System under the **ISO 14001** standard.

The principles and values of **AZUD** include environmental issues; criteria of sustainability, efficiency, and low impact, deeply rooted and developed in a significant water culture.

These principles and values are developed and implemented in our Quality, Environmental, and Occupational Health and Safety Management System (QEMS and OHS), based on our management policy, available on our website www.azud.com.

Under these principles, at **AZUD**, we aim for Customers, Workers, Suppliers, and other Stakeholders to recognize the added value of our commitments in terms of Product Quality, Service and Management, as well as Environmental Awareness and Occupational Health and Safety (**OHS**).

At **AZUD**, we request the involvement of workers and stakeholders, as appropriate, to apply this policy developed in the documents that make up our implemented Management System.

4.3. Pollution, Circular Economy, Prevention and Waste Management

With the implementation of the **ISO 14001** environmental management standard, we maintain knowledge of environmental aspects and legal requirements, applying measures for pollution prevention; waste management and separation; environmental emergency drills; acquisition of more efficient and environmentally friendly vehicles, machinery, and equipment.

In compliance with our **QEMS and OHS** policy, we establish actions and objectives to improve energy efficiency and the sustainability of our products and processes.

4.4. Confidentiality and Data Protection

At **AZUD**, we guarantee the privacy and protection of personal data or other confidential information in our possession. For this, we have security measures and procedures to protect the information against any unauthorized access, manipulation, or destruction, intentional or accidental, in order to safeguard the rights of our stakeholders.

Employees of **AZUD** may not disclose confidential information, except with express authorization or legal obligation.

5. ETHICAL CHANNEL

Our ethical values are complemented by providing an Ethical Channel where behaviors contrary to this Code or applicable regulations can be freely reported.

5.1. What is it and how does it work?

The Ethical Channel is an information system for communicating any act or conduct contrary to the values and principles established in this **Code of Ethics** or in the legal system, processing communications confidentially and impartially.

Stakeholders involved with **AZUD's** activities have the duty to:

- Report any situation or behavior that infringes the principles of this Code.
- Inquire about suspicious behaviors that may violate this Code or current legality.
- Inform about attempts to conceal such infringements.

All communications can be made through the email canaletico@azud.com.

Its management is regulated in the procedure **SGCP-003**: "Manual for the Use of the AZUD Ethical Channel".

6. ACCEPTANCE AND REGULATORY COMPLIANCE

At **AZUD**, we promote professional environments where the rights of individuals and compliance with current legislation are respected. Therefore, this **Code of Ethics** is mandatory for all **AZUD** employees.

The **Management of AZUD** prohibits any worker, based on their position or role, from requesting an employee or stakeholder to breach the rules and principles of this Code. Similarly, no employee can justify improper conduct by relying on a superior order or ignorance of this Code.

At **AZUD**, we communicate and disseminate this **Code of Ethics** to employees and stakeholders.

7. VALIDITY

The review, approval, and distribution of this **Code of Ethics** are carried out in accordance with the official procedures of the *Quality, Environmental, and Occupational Health and Safety Management System (QEMS and OHS)* implemented in the organization.

Reviewed and Approved:

AZUD Management

Alcantarilla, December 21st, 2023