



cojali

INNOVATION & TECHNOLOGY

CODE OF CONDUCT

www.cojali.com



INDEX

Introduction	1
1. Commitment to the regulatory compliance	3
2. Commitment to human rights	4
3. Commitment to equality	5
4. Commitment to product safety	6
5. Commitment to the environment	7
6. Commitment to sponsorships and donations	8
7. Commitment to communication	9
8. Commitment against conflicts of interests	10
9. Commitment against corruption	11
10. Commitment against money laundry and terrorist organisation	12
11. Commitment to taxes, customs duty and exports	13
12. Commitment to free competition	14
13. Commitment to safety and health at work	15
14. Commitment to data protection	16
15. Commitment to the protection of business secrets, intellectual and industrial property	17
16. Commitment to the security in computer systems	18
17. Commitment to the use of the company assets	19



INTRODUCTION

Cojali Group, based on the commitment acquired to establish unified action criteria for all companies that form our group and that contribute to the improvement of the physical, social and the environmental setting on which, we have influence, directly or indirectly, we emit the present Code of Conduct and Responsible Practices.

This code, promoted and approved by the administration of several companies that form the Cojali group, aims to develop and consolidate our Policy of Corporate Social Responsibility and to provide our companies with ethic and responsible principles and values so that both all our employees and our business acts are imbued with the philosophy of the group.

Our group and, therefore, all companies affected by this Code of Conduct, is formed by the following societies:

- **Cojali:** Main company of the group, dedicated to the Investigation, Development and Innovation, to the manufacture of components for commercial vehicle (cooling systems, valves, clutch servos, spring brakes, automatic levers, etc.) and to the development of multi-brand diagnosis and telematics solutions under the Jaltest brand.
- **Cojali Francia:** Company that commercialises all brands of Cojali group (Cojali, Jaltest and Cofan) in French territory and French-speaking countries. It also provides support and offers services as training, technical

assistance and customer service. It is located in Martillac (France).

- **Cojali Italia:** Company that commercialises all brands of Cojali group (Cojali, Jaltest and Cofan) in Italy and other bordering countries. It also provides support and offers services as training, technical assistance and customer service. It is located in Milan (Italy).
- **Cojali USA:** Company that commercialises all brands of Cojali group (Cojali, Jaltest and Cofan) in North America and Latin American countries. It also provides support and offers services as training, technical assistance and customer service. It is located in Miami (USA).

The present code establishes the principles that must be followed in the companies of our group, for both actions that are carried out in the group itself and actions that are carried out with third parties, and the commitment to it is an essential requirement to work with us.

The aim of the Cojali group is to become a benchmark in the sector of commercial vehicle, especially in the diagnosis and telematics area, without forgetting our division of manufacturing and development of parts for commercial vehicle, and for that, we make easier the troubleshooting, the error detection on diagnosis level and fleet monitoring. Therefore, we strongly believe that in order to achieve this ambitious goal, some criteria that regulate this code are neces-

sary, and those are:

- Strengthen the position of our group with honesty and integrity, protecting the group reputation, complying with the regulations in force and unifying the conduct of all our companies.
- Reconcile the physical-social and environmental setting with the business activity, so that our activity implies an improvement in the setting on which we act.
- Offer sustainable and safe products by means of innovation and development in order to offer products

that are respectful with the environment and safe for the final users.

- The structure of the present Code of Conduct is divided in X fundamental commitments that Cojali hereby strengthens and that will be divided in three sections: what actions the group carries out for the commitment, what actions are demanded from our employees and what requirements are demanded from the third parties (commercial partners, suppliers, clients, collaborators, etc.) that have relations with any entity of the group.

2



COMMITMENT TO THE REGULATORY COMPLIANCE

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The regulatory compliance, also called “Compliance”, is the basic and essential foundation of every great company and also the starting point of our Code of Conduct. It is vital for an international group to comply with the legislation in each and every country where its activity is developed. Nevertheless, in the present Code of Conduct, we want to likewise extend this concept to the compliance of the norms and procedures of our group by all employees, being the Code of Conduct itself, together with the Policy of Corporate Social Responsibility of the group, the core and the foundations of all internal regulations.

Group: We comply with the regulatory framework of all places where we have business activity. Our Legal and Compliance Department counsels all the group areas so that all documents that are signed and all corporate events are in harmony with the regulations applicable to them. From the group, we also make sure to respect and comply with any external regulations that we have accepted from third parties with which we maintain business relations. In addition, the group makes available for its employees the regulations, on an internal and external level that they must take into account when developing their activities.

Employees: The employees must comply with the norms and procedures of the com-

pany. If they suspect at any moment that any internal or external regulation of any legal provision is being infringed, they must inform their manager about it immediately.

Third parties: Those who work with our group must comply with the present Code of Conduct, as well as with the legal regulations in force from the places where they work, especially those on which, by extension, our group has influence. Any failure to fulfil the present code or the corresponding applicable regulations by one of our clients, suppliers or collaborators, will imply a warning from our group to regulate the situation and, if that conduct persists, it will entail the termination of the relations with the group.

2 COMMITMENT TO HUMAN RIGHTS

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The Human Rights, regulated in the Universal Declaration of Human Rights by the United Nations and extended and reinforced by several international regulations as the European Convention on Protection of Human Rights and Fundamental Freedoms or the Universal Declaration of Emerging Human Rights, is one of the most important international regulations. People are the biggest and most important asset that a company possesses and, therefore, their wellness must be one of the priorities of any company. The respect and compliance with human rights is the foundation that defines the relation between the group and all natural persons around.

Group: The protection of human rights is present at each and every corporate event. We reject child exploitation, forced labour, human trafficking and any other form of modern slavery. We also comply with and promote the regulations in force regarding this matter, protecting not only the third parties' rights, but also, our own employees' rights.

Employees: The employees of the group must help to respect the human rights and, therefore, they must consider that respect a fundamental pattern in their relations in the working environment, taking care of

the relations with their co-workers and with any third party. Furthermore, if an employee detects any sign of violation or abuse of these rights in their working environment or in actions of third parties, they will inform their manager about it immediately.

Third parties: Third parties that work with us are demanded to comply with and promote, in the same way as our group, the regulations on the protection of human rights. The failure to fulfil these regulations will entail the immediate cessation of the relations with our group and the opportune report to the competent authorities.



3 COMMITMENT TO EQUALITY

This is one of our fundamental rights that we work every day from our group to apply and spread equality of opportunities and treatment, regardless of their origin, gender, ethnic group, nationality, sexual orientation and, ultimately, all aspects protected by law. This allows us to obtain the maximum competitiveness since in Cojali group people are what matters the most.

5

Group: When hiring staff, the group only takes into account the aptitudes and qualifications of those people selected to work in our group. We do not tolerate any discrimination due to the above-mentioned reasons and we practice diversity and integration with, among other measures, an integration program for disabled people.

Employees: It is essential that the employees respect other co-workers and that they encourage the others to act in the same way. If an employee detects the non-compliance of these equality principles (as harassment, abuse or discrimination in the working environment or with third parties), they must inform their manager about it immediately.

Third parties: Those third parties who work with us must respect, in the same way as our group, the equality of opportunities and treatment. If our group detects the non-compliance with the commitment, the third party will be required to remedy this situation and, in this remedy does not occur, it will entail the termination of the relations with our group.



4 COMMITMENT TO PRODUCT SAFETY

6 Our services and products are commercialised and used in the whole world, therefore, it is our responsibility to ensure the implementations of the necessary mechanisms to prevent, as much as we can, risks and damages that are derived from the use of our products and services.

Group: Our Quality Department is in charge of complying with the regulations that apply to our products and services so that they fully comply with the safety and conformity standards, both internal and external. Furthermore, in our development and manufacture processes, they are continually checked, through simulations and physical tests, to ensure that we offer safe and reliable products and services. Regarding this matter, our group offers a Customer and Aftersales Service that implements the necessary measures to satisfy our clients.

Employees: Any employee that suspects or confirms that any of our products or services has any defect or can cause any risk to the final user, must inform the manager or the corresponding department about it.

Employees must not act on their own and they must know that every made claim is fulfilled through a checking procedure established by the group. Every and each of the claims are fulfilled by following that procedure without exceptions.

Third parties: The use of our products and services must be responsible and adequate, always taking into account our instructions, since their misuse can entail that the responsibility of the caused damages are not attributable to us. Our third parties must communicate any nonconformity with any of our products or services immediately so that the group can start the checking without further delay. Our clients are always notified of the result of the performed checks.



5 COMMITMENT TO THE ENVIRONMENT

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The care of the environment is everyone's responsibility, but as a big multinational company group, we have a huge environmental responsibility. Our group develops, produces and distributes, among other products and services, automotive components (cooling and pneumatic) diagnostic and telematic devices, apart from offering technical assistance and training services for clients all over the world, therefore, aiming to be a global sustainable supplier.

Group: Not only complies our group with the environmental protection regulations, but also, we make a responsible use of natural resources in our activity, minimising, as much as possible, the environmental impact. We also perform energy audits where the improvements to be implemented are detailed, having as goal the maximum energy efficiency on all our facilities. Likewise, we are innovative with our products in order to look for the greatest sustainability possible. Furthermore, the development of some of our divisions within our group, as Cojali Reman (a division for the remanufacture of electronics) and Jaltest Telematics (our division of telematics and predictive maintenance), favours the waste reduction and reduces the environmental impact

from the manufacture of new components and emissions of polluting gases.

Employees: Employees must make an efficient, adequate and non-abusive use of natural resources and energy, saving as much as possible and ensuring a minimum impact on the environment.

Third parties: An environmental commitment to the same extend as our group is demanded from all our collaborators, clients, suppliers and more people related to our group and, any complaint from the competent bodies in this field will cause, depending on its gravity, the application for the immediate regulation or the definitive suspension of business activities with that third party.



6 COMMITMENT TO SPONSORSHIPS AND DONATIONS

8 For Cojali group, our reputation is very important. We want to be a benchmark in those places where we develop our business activities, and for that, we must revert to the society part of the benefit that we have thanks to it. The best way of achieving this is through sponsorships and donations to support activities of social and cultural interest.

Group: Our group contributes to support both cultural, scientific, sports and environmental activities, and humanitarian causes. The business management board itself, evaluates the possible contributions so that they are related to the interests of our company. Furthermore, and so that those contributions comply with the corresponding legislation, Cojali group only makes donations to those non-profit entities or organisations or to those that are authorised by special provisions.

Employees: If the employee knows any sponsorship or any donation application or opportunity that can interests the group, they must inform the management board

so that the corresponding evaluation mechanisms are implemented. Our employees must never decide whether a sponsorship or donation will be performed or not, it will always undergo an evaluation procedure.

Third parties: Those that apply for or receive a donation, or agrees to a sponsorship with any entity of the group must be transparent with the aim of the contribution and confirm the reception of the donation. If the group finds out that any donation is used in an illicit way or that a sponsorship falsifies the purpose of the contribution, it will start the necessary procedures to defend its interests.



7 COMMITMENT TO COMMUNICATION

The transparency, the constant dialogue and the effective and true communication are essential elements that define the relation of Cojali group with our employees and all interested third parties. The aim of our commitment to communication is that the voice of the group is unisonous, honest and legal.

Group: Our group has a strict communication policy, only the management board and the Marketing Department have the legal authority to release communications. The group companies are coordinated to provide information that meets the objectives of our group and builds trust.

Employees: Our employees must, under no circumstances, talk on behalf of the company or about it without authorisation of the management board or the Marketing Department. Therefore, they must clarify that every comment performed in organised activities or in which the group or any of its companies takes part is a personal comment and, under no circumstances express they the group opinion. If misguided

critics or comments about our companies are received in social networks or any other media, the employees must inform their manager, who will activate the corresponding mechanisms.

Third parties: As everyone who has contact with the business group, they have the right to receive true and transparent information, those third parties that work with our group must transmit their information in the same way. Falsifying information or omitting any necessary information, as well as being contrary to the professional image of the company can entail the cessation of the activities with our group and, if applicable, the opportune complaints.



8 COMMITMENT AGAINST CONFLICTS OF INTERESTS

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In the current work world, which enjoys great freedom, the conflicts of interests are a problem quite common in big companies. We instil a group philosophy where personal interests must never be put ahead of the company interest, respecting always the private life and those personal interests.

Group: Objectivity is the key in order to avoid conflicts of interests, our group makes decisions taking into account the business interests and paying special attention to avoid conflicts of interests among societies from the other group or from a collaborator. Furthermore, although the group respects the personal life of its employees and their private sphere, our priority is to avoid conflicts among the individual interests of our employees and the group interests and, if any, we always look for a solution together with the employee that does not harm the interests of our group.

Employees: Although the group tries to filter the decisions to avoid conflicts, the employees must avoid any conflict of interests,

in both the decision-making at a corporate level and the performance of secondary professional activities that are in conflict with the company. The employees must inform their manager immediately if any conflict of interests arises, either apparent or real to look for a joint solution that does not harm the group.

Third parties: In some occasions, the third part might detect a conflict of interests inside our company and it is its obligation to inform us immediately. Contaminating the business interests with personal interests is harmful, in the long term, for all implicated parties, since it is a lack of honesty that can end up affecting the relations that we keep with third parties.



9 COMMITMENT AGAINST CORRUPTION

Corruption is unfortunately an endemic and toxic harm in commercial relations. Our group fights against corruption actively since, apart from being totally forbidden, it entails great damages for the society and the economy.

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Group: Our group has a zero-tolerance commitment to corruption. All transactions, economic advantages and commercial relations that our group maintains, are only carried out if they comply with the corresponding regulatory framework. Furthermore, suspicious transactions are thoroughly analysed and the response is quick and forceful when such an act is found out.

Employees: Our employees are not allowed to receive or send presents, incentives and invitations in the framework of the working environment without approval of the manager, who must also consult it with the corresponding person. Of course, if any employee detects that any act is suspected of being corrupted, they will inform the manager of the person who is committing the act immediately.

Third parties: The zero tolerance to corruption is also spread to all third parties that have working relations, directly or indirectly with Cojali group. If an act or attempt of corruption is detected or it is known, not only will any relation with the third part be cut off, but also, the opportune report to the competent authorities will be filed.

10 COMMITMENT AGAINST MONEY LAUNDRY AND TERRORIST ORGANISATION

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Cojali group makes the commitment to the international fight against money laundry and against financing of terrorism. Many regulations in most of the countries in the world fight to eradicate the money coming from illicit activities and the financing of criminal terrorist activities and our group is one more agent.

Group: In our group, we pay special attention so that our accounting is the tool that maintains the inlet and outlet capital flow completely transparent and clear, we always operate through banks, so that we can track the money that enters in the group. Furthermore, we previously analyse all third parties that maintain commercial relations with our group and we only start relations if we do not detect any irregularity.

Employees: Our employees must inform their manager immediately of any suspicious activity both from third parties and members of the group itself. Furthermore, the Accounting Department must be

especially careful when complying with the accounting regulations so that any irregularity is detected immediately.

Third parties: The third parties with which we work must have a good reputation, they must not use resources obtained in an illegal way or collaborate with terrorist entities or any other entity suspected of collaborating with the terrorism. As soon as we know that a third party, directly related to us, obtains irregular financing or collaborates directly or indirectly with terrorism, not only will we cease all relations with that third party, but also, we will report that situation to the competent authorities.



11 COMMITMENT TO TAXES, CUSTOMS DUTY AND EXPORTS

Our group exports products to the whole world, therefore, we are obliged to meet the regulatory compliance of customs duty and taxes. This compliance is essential and it must be rigorous, since any error in this sense would entail delays in the deliveries and consequences in the reputation of the group.

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Group: Our group is authorised exporter, simplifying the customs duty formalities for the sending to certain countries outside the EU. We strictly and thoroughly comply with the regulations of customs duty and taxes and our Accounting and Compliance Department offers counselling to all its commercial areas for any matter regarding that field. Regarding exportations, our group analyses the prohibitions, restrictions and necessary approvals to export and import and accepts any monitoring measure that may be required. Complying with these obligations is our social responsibility and, therefore, we are extremely careful to comply with the regulations of customs duty and taxes. Furthermore, our group will collaborate, if necessary, with the competent authorities to clarify the facts related to this commitment.

Employees: Our employees must under no circumstances make any decision regarding customs duty and taxes if they are not sure, they must verify that all sending and models are correctly fill out. If the Legal or Accounting Department cannot respond to a certain confusing situation, they must work together with the tax authorities to stablish the approach.

Third parties: Our group does not collaborate or have absolutely any relations with any third party that has tax liability of any kind. If we are aware that any client of supplier owes money to the public treasury, this one must regulate the situation immediately or the relations with the group will cease until that regulation takes place.

12 COMMITMENT TO FREE COMPETITION

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The free competition is protected by national and international laws that control the vertical agreements, the competitions and the monopolies. Any failure to comply with these laws, such as the inappropriate fixing of prices and the abuse of dominant positions, falsifies the free market and restricts the free competition among its different agents.

Group: Our group studies each and every agreement with the third parties so that they comply with the applicable laws in this matter and inform its sales representatives about what points can be negotiated and what points are against the mentioned regulations. Therefore, it is forbidden to sign agreements that violate the free competition or that abuse any dominant position in the market. Furthermore, our group will collaborate, if necessary, with the competent authorities to clarify the facts related to this commitment.

Employees: Our employees must follow the guidelines that are facilitated to them for the negotiation of contracts, avoiding contracts with third parties about relevant matters regarding free competition (prices

fixing, market sharing, privileged delivery times, etc.), moreover, they must inform the manager if any third party deals with matter of this kind.

Third parties: Our third parties must likewise comply with the regulations applicable to vertical agreements, competition and monopoly. No conversation about risky topics regarding free competition will be accepted or included in an agreement. Furthermore, it will be not tolerated that any third party abuses its dominant position over any company of our group, client or supplier of ours, or violates the established laws for free competition, providing the corresponding authorities with all information we have in our possession in that regard.



13 COMMITMENT TO SAFETY AND HEALTH AT WORK

As we mentioned, our employees are our most important asset, therefore, it is our duty to comply with the health and safety norms at work that affect us. One of the maximum interests of the Cojali group is to protect our employees.

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Group: We train our employees in Risk Prevention and Health Care. Furthermore, we constantly promote, through the continuous improvement of our facilities, prevention measures so that the environment at work is as safe as possible. For that, we have an external service of occupational Risk Prevention, an internal Prevention team and a Safety and Health Board.

Employees: Our employees are obliged to comply with the Safety and Health regulations, taking all necessary precautions so that the workplace is safe, also preserving

the Health of the co-workers and other third parties. If they detect any preventive or protection measure that is necessary, or if any of them needs an improvement, as well as any incident or failure that put the Safety at risk, they will duly inform the Safety and Health Board.

Third parties: Third parties that work with us are demanded to comply with the Safety and Health requirements established at Work. Any failure to fulfil this commitment might result in the definitively suspension or cessation of the relations with our group.



14 COMMITMENT TO DATA PROTECTION

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The personal-data protection is necessary to ensure the right to privacy of all natural persons that work with us, and for the adequate protection the requirements laid down by the regulations in force must be met.

Group: We protect adequately personal data of which we are both in charge and responsible, we limit their use to what is legally allowed and always with the explicit consent of the interested party. Furthermore, we limit the processing and preservation of personal data in such a way that we only use those strictly necessary and during the time strictly necessary. We also have an action protocol in case of leak or accidental destruction of personal data.

Employees: Our employees are obliged to process only the data they need, always with prior authorisation of the interested party, and to maintain confidentiality the-

reof. In the event that any employee needs to consult or observes any irregularity regarding data protection, they must contact the Legal Department immediately.

Third parties: On a contractual basis, we regulate the obligation of the people in charge of data processing when a personal-data cession is necessary, committing these third parties to give this data the same protection that our group provides. Likewise, the people in charge of data processing for which we are responsible, must notify as soon as possible if there is any incident in the protection of this data.



15 COMMITMENT TO THE PROTECTION OF BUSINESS SECRETS, INTELLECTUAL AND INDUSTRIAL PROPERTY

A company is as valuable as the intellectual and industrial property it owns, either patented, registered or protected as a business secret. It is clear to our company that those assets are its main priority. Our patents, our Know-How, our Intellectual Property and our secrets are the foundations for our success.

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Group: Our group protects all its business secrets and confidential information through strong security measures and strict contractual control. Furthermore, it puts great emphasis on its licensing agreements of Industrial and Intellectual Property to avoid facilitating valuable knowledge in an accidental way, or non-regulated knowledge. We also apply the same protection measures to these secrets and confidential information that we are relinquished or licensed by third parties with whom we collaborate, so that they are as protected as ours, committing to the deletion of that information after fulfilling the purpose for which that information was transmitted.

Employees: Our employees must handle our information in the utmost care and diligence, always through a previous confiden-

tiality agreement and be especially careful with the technical knowledge. If any of our employees has doubts about whether certain information can be shared or not, they must contact the Legal Department in first the place, and they must never share that information without the consent thereof.

Third parties: In the same way as our group protects the external secrets, we demand the third parties, with which we collaborate, that they apply the same protection measures that we apply for those secrets or confidential information that we might license or relinquish to them, so that they have the same protection as the ones that we have. Furthermore, committing to the deletion of that information after fulfilling the purpose for which that information was transmitted.



16 COMMITMENT TO THE SECURITY IN COMPUTER SYSTEMS

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Computer systems entail many risks, as physical damages, external attacks, malware, data losses, failures, etc. In the age of technology, almost all the Industrial and Intellectual Property of a company is located in computer systems and therefore, it is necessary to protect them adequately.

Group: Our IT (Information Technology) and System Department is in charge of protecting our computer systems, so that not only can we comply with the standards and regulations in force regarding this matter, but also, we have a superior quality protection that allow us to be reassured. For that, we have uncountable security measures as periodical and remote backup copies, firewall, antivirus, active directory, etc. that are constantly updated to cover new threads and risks.

Employees: The employees must do a mandatory course about Computer Security when they start working in our group and they must follow the rules that the IT De-

partment establishes, being aware about the fact that, for example, installing an external software without previous permission is not allowed or that the exchange of non-encrypted data is not secure. Nevertheless, the System Department must always be notified of any doubts about an action of computer systems, and nothing must be done without its permission.

Third parties: In the same way as we protect our systems, we demand the third parties, which we provide information that is going to be hosted in external servers different from ours, that they protect those systems in the same way as we protect ours.



17 COMMITMENT TO THE USE OF THE COMPANY ASSETS

All assets of the company are available for our employees, as long as they are used for business purposes and not private purposes. The correct use of these assets allows us to save costs and avoid any security problem.

19

Group: As a rule in the group, all the Assets are used for business purposes, but the group can regulate in a special and extraordinary way the private use thereof.

Employees: Our employees are obliged to use the group Assets carefully and only and exclusively for business purposes.

Third parties: Those third parties that have access to the facilities of the group must take care of them and use any facilitated means only for authorised purposes. The failure to fulfil this obligation may result in a complaint from the group.



