

Criminal compliance policy



Index

1. Criminal compliance policy	3
2. Appendix I	6
2.1. Definitions	6

1. Criminal compliance policy

Created in 1982, the mission of **Delta Tecnic, S.A.** (hereinafter, “**DELTA**” or the “Organization”) is to continue offering innovative solutions in the production and distribution of colour concentrates, with a firm commitment to quality of service. This mission represents a commitment to customers, teams, shareholders, suppliers and all **DELTA** employees.

Through this policy, the objectives of our Organization in terms of criminal regulatory compliance are defined and expressed, with the aim of achieving the maximum degree of effectiveness in compliance with criminal law, thus reaffirming the values established in our Code of Ethics and that we must bear in mind in the exercise of our activities and in the relationships with our stakeholders. For all these reasons, **DELTA** has assumed the following commitments:

- The effective implementation and development of ethical behaviour and compliance with current legislation by all members of the Organization regardless of their place in the organization chart and the geographical scope of the more than 60 countries where **DELTA** operates.

To achieve this aim, **DELTA** implements a Criminal Compliance Management System covering all the activities carried out by the Organization related to the marketing, distribution and technical advice of raw and specialized materials for the plastics, dyes, paints, cables, etc. cosmetics and the design, manufacture, grinding of concentrates, colour additives (masterbatch) for the plastic processing industry. Therefore, **DELTA** has a process matrix of in which the crimes defined in the Penal Code that could entail criminal liability of **DELTA** as a legal entity are analyzed based on the different strategy, operations and support processes identified.

- "Zero tolerance" for any illicit or criminal act related to our business activities or contrary to the values and principles contained in our Code of Ethics, both by the members of the Organization and by our business partners or, in general, by any interest groups.
- Thus, the development of our trading and masterbatch manufacturing activities will be governed by our ethical principles and values, for example, compliance with the law, objectivity, transparency, maximum professionalism and commitment, especially our commitment to create products that are useful to our customers.

In particular, behaviours that could be considered detrimental to the environment, as well as any form of corruption or bribery, shall not be tolerated, either when an official or public authority, such as a company, is involved and whether in national or international transactions. They should at all times act with respect for fair competition between companies and the public sector. Finally, we do not permit behaviour that supposes the commission or the risk of commission of any of the crimes that are contemplated in our map of criminal risks.

- Appoint a Compliance Officer, to supervise the operation and compliance with our Crime Prevention Model and the Criminal Compliance Management System (“SGCP”) that develops it. DELTA has appointed a Compliance Officer appointed by the Board of Directors who enjoys authority, independence and autonomy in the exercise of their functions. Said CO will be provided with sufficient material and economic resources to be able to carry out their functions, promote and respect their autonomy and independence and facilitate their training in order to provide them with the necessary authority and leadership to exercise their functions.
- Train and raise awareness among the members of the Organization and, eventually, the business partners as a means of promoting a true culture of ethics and compliance in DELTA and spreading it among our internal and external stakeholders. These include shareholders, Board Administration and Management Committee, employees, customers, suppliers. These trainings will deal with the key elements of the criminal liability of the legal person and criminal compliance, the crimes associated with the Organization’s activities and map of criminal risks, the consequences of non-compliance, as well as the roles and responsibilities of the members of the Organization in relation to the SGCP.
- Enabling and maintaining an Ethics and Consultations Channel, which can currently be accessed through the following link: [Ethics Channel - DELTA \(ethics-fortunylegal.com\)](https://ethics-fortunylegal.com). Likewise, DELTA has developed the Ethical Channel Regulation, in which it develops the aforementioned Channel, regulating the rights and obligations of users, guaranteeing rights such as confidentiality and protection of personal data, objectivity and independence of criteria in decision making and, in particular, the presumption of innocence and the guarantee of non-retaliation. This guarantee extends to individuals who report facts in good faith or to those who refuse to participate or reject any activity in which it can reasonably be considered that there is a criminal risk. Said Channel must be used by any employee when a non-compliance or risk of non-compliance with the Code of Ethics, the SGCP, the internal regulations and controls or

before the commission (or the risk of commission) of an illegal act or crime is detected. DELTA undertakes to also make it available to its interested parties.

- Creation of an SGCP, developing the Crime Prevention Model adopted, with the aim of seeking the maximum effectiveness of the model. In addition, indicators will be established, in order to carry out the monitoring of the SGCP, ensuring its effective implementation, development and continuous improvement.
- Adoption of the appropriate disciplinary measures in the event of infractions of the Code of Ethics, the SGCP, of internal regulations and controls or in the event of the commission of an illegal act or crime, which will be considered a very serious infraction of contractual good faith in art. 54.2 of the Workers' Statute and other applicable and concordant legislation, for whose sanction the General Collective Agreement of the Chemical Industry applicable to DELTA will be considered. This is without prejudice to the responsibilities of any other nature to which the acts committed could have given rise.

This policy will be reviewed periodically, being mandatory for the members of the Organization, as well as for those people who act in the name or on behalf of DELTA, business partners, and other interest groups, within the normal exercise of their activities and transactions for our Organization.

Furthermore, attached to this policy is an Appendix with the glossary of different definitions that are used and that are applicable to the different materials and documents that are part of the Crime Prevention Model.

Board of directors

2. Appendix I

2.1. Definitions

Without prejudice to the legal definition for each of the following concepts established by the laws applicable to the organization, as well as the definitions for identical concepts that are included in other internal regulations of the organization, the following are defined¹ below. They are concepts which are applicable to the set of documents and materials that are part of the Crime Prevention Model.

- **Corrective Action:** Action to eliminate the cause of a nonconformity and prevent its recurrence.
- **Senior management:** Person or group of people who direct and control an organization at the highest level.
- **Audit:** Systematic, independent and documented process to obtain evidence and evaluate it objectively in order to determine the degree to which the previously established verification criteria are met.

Note 1. An internal audit is carried out by the organization itself or by an external party on its behalf.

Note 2. Independence can be demonstrated by the absence of responsibility in relation to the activity being audited, or the absence of bias and conflict of interest.

- **Competition:** Ability to apply knowledge and skills in order to achieve intended results.
- **Criminal Compliance:** Compliance with the mandatory and voluntary requirements assumed in criminal matters by the organization.
- **Conflict of interest:** Situation in which external business, financial, family, political or personal interests could interfere with the judgment of the members of the organization when they carry out their tasks in the organization.
- **Compliance:** Fulfillment of a requirement.

¹Some of the definitions are extracted and adopted from the UNE 19601 standard, a high-level standard prepared by the CTN 307 technical standardization committee of the Spanish Association for Standardization UNE "Criminal compliance management systems. Requirements for its use", published in Spain on May 18, 2017 as a standard for the management of Corporate Crime Prevention Systems.

- **Culture:** Values, ethics and beliefs that exist in an organization and that interact with the structures and control systems of the organization to produce behavioural norms that lead to obtaining the objectives derived from the application of the Criminal Compliance Management System.
- **Performance:** Measurable result.
- **Due Diligence:** Operational process that aims to obtain and evaluate information to contribute to the assessment of criminal risk.
- **Effectiveness:** Extent to which planned activities are carried out and expected results are achieved.
- **Measurement:** Process to determine a value.
- **Continuous improvement:** Recurring activity or process to improve performance.
- **Organization members:** The members of the governing body or administration, directors, employees, workers or temporary employees or those under collaboration agreement and volunteers of an organization and the rest of the people under hierarchical subordination of any of the above.
- **Non-conformity:** Failure to comply with a requirement.
- **Criminal Compliance objective:** Result to be achieved in the execution of the criminal compliance policy and the criminal compliance management system.
- **Organization:** Person or group of people who have their own functions, with responsibilities, authorities and relations for the achievement of their objectives.
- **Criminal compliance body:** Body of the organization endowed with autonomous powers of initiative and control entrusted with the responsibility of supervising the operation and observance of the Criminal Compliance Management System.
- **Governing or administrative body:** A group or body that has ultimate responsibility and authority for the activities, governance, and policies of an organization and to which top management reports and is accountable. Although the definition includes a body or group, the role may fall directly to a Sole Administrator.

- **Interested party or interest group:** Person or organization that can affect, be affected or be perceived as affected by a decision or activity of the organization.

Note 1. By way of example, and for the purposes of this document, the members of the organization, business partners, the Regulator, administrative and judicial authorities, Public Treasury and Social Security are considered as interested parties or interest groups.

- **Criminal compliance policy:** Will of an organization, as formally expressed by its senior management or its governing or administrative body, in relation to its criminal compliance objectives.

Note 1. The criminal compliance policy can be contained in a single document, or in various documents that integrate the Criminal Compliance Management System.

- **Procedure:** A specific way of carrying out an activity or process.
- **Process:** Set of interrelated or interacting activities that transforms input elements into output elements.
- **Requirement:** Foreseen and mandatory requirement.

Note 1. These requirements refer to what is contained in criminal laws and complementary regulations that affect the organization.

Note 2. Also included are the requirements derived from the criminal compliance policy, the organization's internal regulations, as well as the criminal compliance management system that supports it.

- **Criminal risk:** Event related to the development of conduct that could constitute a crime, according to the criminal liability regime of legal persons established in the Spanish Penal Code.

Note 1. In the event of application of this MPD and the SGCP to foreign or Spanish organizations with activities abroad, the risk refers to the development of conduct that constitutes a crime, according to the criminal liability regime of legal persons established in the local legislation in which it operates.

- **Monitoring:** Determination of the state of a system, a process, procedure or an activity.

- **Criminal compliance management system:** Set of interrelated or interacting elements of an organization to specify and measure the level of achievement of objectives in matters of criminal compliance, as well as the policies, processes, procedures and associated controls to achieve said objectives.

Note 1. They are part of the Criminal Compliance Management System, the Code of Ethics, the compliance policy, the complaint or query channels, as well as the Criminal Compliance Body, and any other element that may be configured in the future in this matter.

- **Business partner:** Any party, other than members of the organization, with whom the organization has, or plans to establish, some type of business relationship.

Note 1. Business partners include, but are not limited to customers, joint ventures, joint venture partners, consortium partners, contractors, commission agents, consultants, subcontractors, suppliers, vendors, advisors, agents, distributors, representatives, brokers and investors.

- **Third party:** Natural or legal person or body that is independent of the organization.