

deoleo

CODE OF CONDUCT

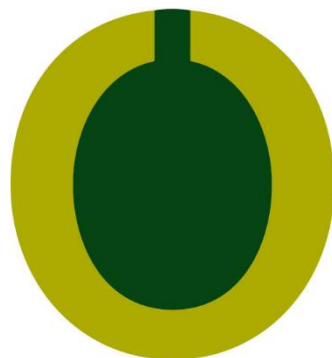


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MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Madrid, May 16, 2017

Dear colleagues,

On a daily basis, we all strive for a common project, Deoleo, which we must protect and grow.

Regardless of our duties and place of work, individual acts by any of us always have a repercussion on the company and on our colleagues. Due to this, it is fundamental that we all commit ourselves to the principles of integrity, professionalism, safety and fulfilment of the law in our professional tasks.

I am aware that these principles have been historically respected by all, due to which Deoleo is now a leading group on the market. However, the management wishes to renew that commitment by approving a new Code of Conduct to govern the way in which we act.

We must all accept and adhere to this Code of Conduct as it is vital to ensure sustainable growth of our company. Due to this, I request your commitment and involvement to fulfil all its provisions.

The management of Deoleo firmly believes in this new initiative that will undoubtedly reinforce the ethical culture of our company, providing benefit for each one of us and our common project.

Thanks to you all for your effort and for the commitment you show by taking this important initiative on board.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Pierluigi', followed by a stylized flourish.

Pierluigi Tosato, Chief Executive Officer

0. OUR VALUES

The Deoleo is dedicated to offering its clients the best quality, respecting tradition and developing products that satisfy the needs of any family in the world.

However, the success of the Group also requires all those of us who form part of it to have a flawless ethical behaviour, for which we must embody the following values in all our actions:

Integrity

Integrity requires us to make honest, loyal decisions in performing our professional activity. We all have the duty to act correctly, especially in the event of conflicts of interest arising between ourselves and the Group or third parties.

Sincerity and confidence must be our sole calling card to create solid, advantageous, lasting relations with our interest groups. We never interact with clients, providers, shareholders or third parties with deceit or in bad faith.

Professionalism

Excellence and efficiency in performing our professional activity are essential to guarantee success for the group. All initiatives to improve the quality of the product, as well as to optimise work processes and use of group resources give rise to a competitive advantage that we all take advantage of in terms of profitability.

Safety and well-being

Maintenance of optimum working conditions, that guarantee security, health and safety in all the work posts within the group is one of the main concerns the Deoleo has. We must all respect the measures implemented and contribute to their on-going improvement.

Compliance with the law

We maintain a firm commitment to compliance with all the rules and regulations applicable to activity by the Deoleo Group, regardless of the place where we perform our professional tasks.

Likewise, the internal regulations applicable to the different processes within the group guarantees performance of our activity according to criteria of legality, quality and profitability. Due to this, fulfilment thereof has become indispensable.

Integrity, professionalism, safety and fulfilment of the law, key values for Deoleo group.

1. INFORMATION MANAGEMENT

1.1 Confidential information

Information is one of the main assets for companies and people, so its treatment and use must always adapt to the legal requisites and best practices.

As a general rule, all information we handle within the setting of our professional activity is considered confidential information: personal data of employees or clients, commercial information of providers and collaborators, on reserved economic-financial information on our own group, are some examples of sensitive information whose treatment requires us to proceed with the greatest care.



1.2 Treatment and keeping of information

Confidential information, by its very nature, requires custody under intense security measures. This requires compliance with the filing and recording mechanisms for information currently in use by the Deoleo group, which assure the veracity and

integrity of the information and prevent access by unauthorised persons.

The conservation period for information varies according to its nature. As a general rule, information shall be kept during the time when it may be subject to review by a third party, such as auditors or administrative or judicial authorities.

No employee or executive may disclose confidential information accessed during professional activity. This confidentiality obligation shall subsist even when the relation between the employee or executive and the Deoleo Group has terminated.

1.3 Computer resources

Computers, telephones and similar devices made available to employees and executives are the property of the Deoleo Group and must be used exclusively as work tool, excluding any personal or illicit use or that which is contrary to the internal rules of the Group.

It is fundamental to use computer protection mechanisms (anti-virus, passwords, etc.) to avoid security failures that may cause information leakage.

2. CORRUPTION PREVENTION

2.1 Gifts and courtesy items

Acceptance/delivery of gifts and courtesy items to clients, providers and third parties is limited to promotional gifts or courtesy items with an intangible value.

It is prohibited to accept/deliver gifts and courtesy items, regardless of amount, when the intention is to improperly influence the decision making process of the party receiving, or in relation to such.

2.2 Relations with the Public Administrations

Principles of respect for legality, co-operation and transparency shall govern all relations with the Public Administrations. The Deoleo Group shall decisively co-operate with the authorities within the setting of inspections or verifications performed on the business processes or activities.

Nor is it allowed to deliver, offer or promise gifts and attentions to people who participate while holding public office, including authorities and civil servants, either Spanish or from other countries.

Nor does the Deoleo Group allow delivery of donations or contributions, on behalf of the company, to political parties, federations, coalitions, or electoral groups.

2.3 Provider selection

The Deoleo Group considers its providers to be an indispensable part of achieving the product quality and profitability objectives.

Provider selection requires application of the principles of impartiality, transparency and objectivity in the whole process, so the most convenient offer for Deoleo is selected, attending exclusively to cost and quality criteria.

2.4 Employee and executive hiring and promotion

The internal procedure in force regulates the recruitment and promotion process within the Group. The procedure guarantees the highest ethical standards, without exception, application of objective assessment criteria and equal opportunity for all the candidates.

2.5 Zero tolerance policy regarding bribes and corruption

The Deoleo Group ensures it prevents irregular payments taking place or laundering money from illicit or criminal activities through its business.

3. LABOUR RIGHTS

3.1 Rights of the workers

The activities by the Deoleo Group take place with total respect for the personal and collective rights of the workers. In that sense, the Group respects and promotes Trade Union and collective bargaining rights.

Deoleo also rejects all kinds of forced labour, slavery, child labour and any others that may be contrary to human rights.

3.2 Non discrimination and harassment

The Deoleo Group promotes proper treatment and polite behaviour among all its employees within the setting of labour activity and it absolutely prohibits all situations of discrimination or harassment inside or outside the workplace. No kind of discrimination shall be tolerated, be it due to gender, race, ideology, religion, culture, nationality, marital status, age, sexual orientation or others.

Conduct amounting to sexual harassment and discrimination, mobbing or any others, in order to humiliate, denigrate, intimidate or attack the dignity of an employee or third party is specifically prohibited.



3.3 Health and safety in the workplace

Labour risk prevention is a matter of maximum importance in which everybody working in the organisation must be involved.

We must all bear in mind the vital importance of preventing labour risks. Negligent behaviour may have severe consequences, not only for the physical integrity of the offending employee, but also for that of colleagues.

The Deoleo Group provides its employees a safe work environment and undertakes on-going improvement of the labour risk prevention measures on all its premises, be they factories or offices of the Group.

On their part, it is indispensable for the employees to abide by the health and safety rules in the workplace, including use of the safety equipment assigned.

4. THE IMPORTANCE OF QUALITY

4.1 Maximum quality guarantee for all our products

We must all show our greatest commitment to preparing quality products in all the brands we distribute. Client satisfaction with the end product is one of the essential aims of the Deoleo Group.

To that end it is inexcusable to comply with both the internal regulations in quality matters, as well as all the internal regulations regarding quality matters, and all food safety related regulations, especially among employees working in the Group factories.

Quality assurance for our products also requires application of strict controls for our providers of raw materials, auxiliary materials and semi-finished products.



4.2 Encouraging research, development and innovation

The Deoleo Group bids for research, development, innovation and continual improvement in all its production processes, to increase the quality of the products offered to the clients.

All initiatives by employees for that purpose must be listened to, analysed and, if feasible, put into practice in our production processes.

4.3 Treatment of possible irregularities in quality matters

Any deficiency detected in the quality of the products must immediately be resolved, avoiding a product in bad conditions, or that does not comply with our quality standards, reaching our clients.

Likewise, the Deoleo Group provides its end clients a quality related complaint management channel.

Client satisfaction with our product quality is our main aim.

5. MARKET TRANSPARENCY

5.1 Transparent, honest communications

Communications with shareholders, clients, providers, analysts, regulators and other interest groups must be transparent and honest, avoiding illicit conduct, or that which may be considered deceitful or unethical.

This rule shall be applicable, without it being limiting, (i) to commercial and advertising communications related to our products and their characteristics; (ii) to relations arising from acquisition of raw materials and other assets required to carry out our activity; and (iii) to signing collaboration contracts with third parties, among others.



5.2 Complete, truthful economic – financial information

The Deoleo Group has the duty to prepare and publish precise, complete, understandable economic-financial information intended for interest groups and the market at large.

Due to this, it is fundamental for all employees who participate in preparing the economic-financial information or in its publication, including the internal control area, to perform their professional activity impeccably. To these ends, no professional shall conceal, distort or manipulate the information from the Group accounting records and reports, that must be complete, precise and truthful.

5.3 Stock market operations

The Deoleo Group is committed to transparency of stock market operations. All employees who have access to non public information, or that is decisively important in buying or selling Deoleo shares, shall abstain from using it and from conveying it to third parties, even within the company itself.

Moreover, we must all avoid spreading false news or rumours on the market, either through relatives or friends, or through open channels (press, social networks, etc.), that may alter the listed price of financial instruments, raw materials or by other similar means.

6. FAIR COMPETITION

6.1 Information on competitors

Relations between professionals in the Deoleo Group and competitors must be transparent and honest.

It is licit and necessary to gather market information in general, and on our competitors in particular (products, prices, distribution methods, etc.), for analysis, as long as such information is public in nature. However, the Deoleo Group rejects all information obtained illegitimately, by means of practices such as industrial espionage or other unfair, immoral or illicit procedures, rejecting any illegitimate use of creations, works, distinctive signs or, in general, of intellectual and industrial property rights of competitors and third parties. In that sense, new staff joining the group shall abstain from providing Deoleo confidential information from their previous employer.

We must also avoid irregular conduct on the market, such as spreading false information or rumours regarding the products or circumstances of our competitors.

6.2 With regard to market competition rules

The Deoleo Group promotes respect for the principles and rules of free competition, rejecting any behaviour that may amount to breach of the regulations on defence of competition.

As a general rule, one must avoid reaching – written or verbal – agreements with competitors or third parties, especially when the purpose of such agreements consists of coordinating the behaviour of participants in the market and, specifically:

- a) Setting prices that should be subject to free competition.
- b) Setting limits on the type of products that may be offered on the market, or linking products to be bought to other purchases.
- c) Setting limits to the type of products that may be offered on the market, or linking purchases of products to other purchases.
- d) Distributing territories of action, or the different client types for a product.
- e) Arranging production quotas.
- f) Performing boycotts.

6.3 Intellectual and industrial property

The professionals in the Deoleo Group shall abstain from any kind of illegitimate use of creations, works, distinctive signs or, in general, intellectual and industrial property rights of competitors or third parties.

7. PROTECTION OF THE ENVIRONMENT

7.1 Commitment to the environment

The Deoleo Group undertakes to make its economic activity compatible with sustainable development, guaranteeing future generations a prosperous, healthy environment.

To that end, the Group designs and performs its activities taking strict technical criteria into account, especially within the setting of production, to minimise the impact of its activity on the environment and to assure protection of the environment.

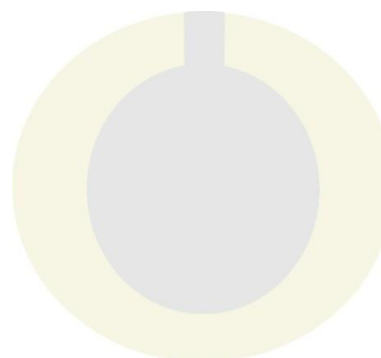


7.2 Protection of the environment in our operating processes

The commitment to the environment requires all people who work with the Deoleo Group to adopt the best practices in environmental matters when performing the different business processes and activities.

All the staff must promote fulfilment of the internal regulations in environmental matters, assuring:

- a) That the available techniques are used to control gas emissions, waste and residue generation, as well as prevent pollution;
- b) That the waste generated when performing their duties is managed safely, applying the appropriate recycling practices, in order to minimise the impact of our activity.
- c) For them to carry out efficient, responsible consumption, both of energy resources, as well as the raw materials and other products required in the processes of the Deoleo Group.
- d) They encourage collaboration by all members of the organisation, to promote a culture of respect for and care of the environment within the Group.



8. NOTIFICATION OF IRREGULARITIES

8.1 Ethical channel

All the employees of the Deoleo Group, regardless of the place where they provide their services, are bound to declare potential irregularities they notice within the company, that may affect the financial and accounting information, fraud, corruption, breach of the laws, of this Code of Conduct, or the internal rules, policies and procedures, as well as specifically the quality of the Deoleo products, regardless of the phase they are at in the process.

The reports must be issued by any of the following channels:

(i) Through the corporate Intranet.

(ii) By electronic mail to:

canal.etico@deoleo.com

(iii) By mail to:

Apartado de Correos, 99

28521 Rivas Vaciamadrid (Madrid)

Deoleo shall ensure the confidentiality of the report communication, analysis and investigation process, in all the phases thereof.

One must also note that although referral of irregularities to the hierarchical superior as a traditional reporting method continues to be a valid mechanism, this does not guarantee the necessary confidentiality, so

Deoleo heartily recommends the use of channels (i), (ii) or (iii).



8.2 Non reprisal policy

The Deoleo Group shall not allow reprisals against persons reporting in good faith.

In order to guarantee the indemnity of the party reporting, Deoleo shall supervise the evolution of their professional career, making sure they are never a victim of discrimination of any kind due to having filed such reports.

9. ON THE CODE OF CONDUCT

9.1 Scope of application

This Code of Conduct is applicable to all employees, executives and members of the Board of Directors of the Deoleo Group.

They all have the obligation to know and comply with this Code and to collaborate to implement it at the Deoleo Group.

Moreover, the scope of application of this Code may contractually cover third party natural or legal persons with whom we have commercial or business relations when, due to the nature of such, their activities may affect the image and reputation of the Deoleo Group.

9.2 Interpretation and updating the Code of Conduct

All doubts that may arise regarding application or interpretation of the Code of Conduct shall be submitted to the Supervisory and Controlling Body for the Criminal Risk Prevention Model (organosupervisionycontrol@deoleo.com), for appropriate decision.

The Supervisory and Control Body for the Criminal Risk Prevention Model shall be responsible for proposing the appropriate updates to this Code of Conduct to the Board of Directors of Deoleo.

9.3 Disciplinary regime

Breach of the provisions established in this Code may give rise to application of disciplinary measures against the offender by the Deoleo Group. This is without prejudice to the civil or penal consequences that might arise from such.

No member of Deoleo, whatever their hierarchical level or position, may ask another professional in the Group to perform an act that is contrary to the provisions of this Code, the internal rules of the Group or the laws in force.



9.4 Currency

This Code of Conduct shall come into force on the day following its approval by the Board of Directors of Deoleo, and it must be notified to all the employees and be available on the corporate Intranet.

This Code of Conduct repeals the corporate Code of Conduct approved on 27th February 2013.

deoleo