

# CODE OF CONDUCT AND RESPONSIBLE PRACTICES FOR EMPLOYEES



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**BABY PLANT SL**

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## 1. Definition and objective of the Code of Conduct and Responsible Practices:

The Babyplant “Code of Conduct and Responsible Practices” (hereafter “the Code”) is defined as an ethical commitment which includes basic principles and standards to be adhered to in relationships between Babyplant and its main stakeholders wherever it carries out its business. The Code was approved by the Board of Directors at Baby Plant, SL on 10<sup>th</sup> January 2017.

The Code sets out the behaviour criteria that must be observed by Baby Plant SL (hereafter “Babyplant”) when carrying out their professional responsibilities.

The objective of the Code is to ensure the professional, ethical and responsible behaviour of Babyplant and all of its employees when carrying out their activities. This should be seen as a basic element of its business culture upon which the training and personal and professional development of its employees is based.

To this end, the Code defines the principles and values that govern Babyplant's relationships with its stakeholders (employees, customers, shareholders, business partners, suppliers and other companies involved in its business model).

## 2. Scope of application:

The Code applies to all Babyplant staff, regardless of their position or the function they carry out.

The Code may totally or partially apply to any natural and/or legal person related to Babyplant, wherever appropriate for the fulfilment of its purpose and the nature of the relationship.

### 3. General principles:

The Code is based on the following principles:

- All Babyplant operations shall be carried out in an ethical and responsible manner.
- There shall be full compliance with current legislation.
- Employee behaviour shall meet the standards set out in the Code.
- All natural and legal persons who maintain any direct or indirect working, economic, social and/or industrial relationship with Babyplant shall be treated fairly and with dignity.
- All activities shall be carried out in a manner which respects the environment, promoting the conservation of biodiversity and sustainable management of natural resources.

#### Team Values

Babyplant's philosophy is based on teamwork, humane treatment and accessibility irrespective of position or function. We are a responsible company that accepts its mistakes and always looks to find ways to accommodate diversity.

Babyplant prides itself on being committed, approachable, hard-working and responsible. Babyplant would not be what it is without its people. As a result, it is fundamental that we aim for the whole Babyplant team to share certain basic values such as respect, a positive attitude, trust, communication and commitment.

Through this approach, we will be able to learn and improve in order to achieve our goals, not just as a company but as a team.

That goal is to always be “**one step ahead**” in the nursery sector.

And this can only be achieved by working as a team.

### **Employees**

- No employee shall be the subject of discrimination based on race, physical disability, illness, religion, sexual orientation, political opinion, age, nationality or gender.
- Any form of physical, sexual, psychological or verbal harassment or abuse is forbidden, as well as any other conduct that might create an intimidating, offensive or hostile work environment.
- Babyplant employees have the right to organise themselves and the freedom of association and collective bargaining.
- Weekly working hours and extra hours shall not exceed the legal limit set out by Spanish legislation.
- The salary paid to employees shall be in accordance with their function whilst respecting any collective agreement applicable to our sector.
- All employees have the right to carry out their work in a safe and healthy workplace.

### **Customers**

Babyplant is committed to delivering excellence. We aim to provide all our customers with high-quality, healthy, safe products and to communicate clearly and transparently. Our products shall be made ethically and responsibly.

### **Shareholders and business partners**

Babyplant carries out its business in line with the public interest, looking to ensure the long-term viability of the company and to maximise its value in the common interest of

all shareholders. Business partners are obliged to comply with the provisions set out in this Code.

### **Suppliers**

Babyplant suppliers are obliged to comply with both this Code and the "Code of Conduct for Suppliers" as applicable.

### **Society**

Wherever Babyplant carries out its business, the company is committed to collaborating with the relevant local, national or international communities.

## **4. Commitments relating to conduct and responsible practices:**

### **4.1. Compliance with applicable legislation and internal rules**

All Babyplant staff must comply with the company's rules and procedures, as well as any instructions that may be necessary for their compliance.

Babyplant is committed to taking the necessary steps so that employees know and understand the internal and external rules which apply to their work and responsibilities.

If there is a breach of the Code, the company has a consultation and notification procedure. This allows any individual related to the company to confidentially report any irregularity which, in their opinion, may constitute a breach of the Code.

### **1.2. Compliance with agreements and conventions**

As part of its internal rules, Babyplant accepts the content of all applicable national and international agreements and conventions and is committed to promoting and complying with such agreements.

### **1.3. Compliance with hygiene, health and safety regulations in the workplace**

Babyplant believes that its people are a key part of the business. Babyplant defends and promotes human rights and labour rights and is committed to applying rules and good practices with respect to employment conditions and health and safety in the workplace.

Babyplant staff shall also take part in the strict compliance with applicable labour standards and in preventing, detecting and eliminating irregularities.

All employees are responsible for fully complying with health and safety standards at work and for ensuring their own safety and that of people affected by their activities.

The consumption of any substances that could affect an employee's ability to comply with their professional obligations is strictly forbidden.

### **1.4. Relationships with employees**

In their working relationships with other employees, all employees are obliged to act in a respectful, dignified and fair manner. All employees must take into account the different cultural sensitivity of each person and shall not permit any form of violence, harassment or abuse at work. Employees shall not permit any form of discrimination based on race, religion, age, nationality, gender or any other personal or social factor not relating to their merits and ability. Employees must show special consideration for people with disabilities and their integration in the workplace.

### **1.5. Relationships with customers**

In their relationships with customers, all employees are obliged to act in a considerate, respectful and dignified manner. All employees must take into account the different cultural sensitivity of each person and shall not permit any form of discrimination based on race, religion, age, nationality, gender or any other personal or social factor

prohibited by law. Employees must show special consideration towards people with disabilities.

Babyplant protects its customers by establishing and implementing product health and safety standards that all employees and suppliers are obliged to comply with, thereby guaranteeing that the use of any marketed product poses no risk to the customer's health and safety.

Employees shall ensure that the aforementioned standards are met, as well as any other established rules and procedures relating to production, quality and other aspects of the business.

Any promotional activities carried out by the company shall be done clearly in order to not present false or misleading information to customers or third parties.

#### **1.6. Market practices**

Babyplant competes in the market fairly and does not permit deceptive, fraudulent or malicious behaviour under any circumstances.

Any search for commercial or market information carried out by employees shall always be done in a way which does not violate the rules protecting such information.

Company employees shall also avoid spreading malicious or false information about the company's competitors.

#### **1.7. Relationships with suppliers**

Babyplant employees shall interact with suppliers in a lawful, ethical and respectful manner.

The selection of suppliers shall be governed by objective and transparent criteria in accordance with the company's interest in order to obtain the best conditions whilst maintaining stable relationships with ethical and responsible suppliers.

All Babyplant suppliers must be committed to respecting human rights and labour rights of all hired employees and promoting these principles to their business partners. Violation of any of these principles shall not be accepted under any circumstances.

Babyplant staff are obliged to protect commercially sensitive information with respect to the conditions established by the company in its supply chain.

No employee may offer, give, request or accept gifts to or from any natural or legal person with a relationship with Babyplant. The only exceptions shall be occasional low-value gifts given on legitimate, socially acceptable grounds. Otherwise, their value or regularity could lead an independent third party to doubt the good faith of the employee or the company. Cash gifts are expressly forbidden.

#### **1.8. Relationships with authorities and officials**

Employees shall interact with public authorities and institutions in a lawful, ethical, respectful manner in accordance with international provisions for the prevention of corruption and bribery.

Staff who have relationships with public authorities shall require authorisation from the company, must document their decisions and prove their compliance with the relevant internal and external rules.

Babyplant employees shall refrain from making payments of any value to any judicial body, public authority or official organisation in order to facilitate or expedite procedures, whether in the form of money or other items of value.

#### **1.9. Conflicts of interest**

Babyplant employees are not permitted to use their position within the company for their own personal or financial benefit or to gain their own business opportunities.

Under no circumstances shall any employee be permitted to provide services as a consultant, advisor, manager or employee to another competing company, except for services provided at Babyplant's request.

Babyplant respects the private lives of its staff and the privacy of their decisions. As part of this policy of respect, employees are asked to inform the company of any personal conflicts of interest, whether individual or their family environment, which may compromise the objectivity or professionalism required for their role at Babyplant, so that the appropriate measures may be adopted with respect to confidentiality and the privacy of the people concerned for the good of both society and the people affected.

In particular, the following situations represent potential conflicts of interest and should be communicated to the company:

- Any situation where an employee or a person connected to them directly or indirectly carries out activities, whether alone or through a company or institution, which are the same, similar or complementary to activities carried out by Babyplant.
- Any situation where an employee or a person connected to them directly or indirectly carries out activities, whether alone or through a company or institution, which leads to an exchange of goods or services with Babyplant, regardless of the agreed remuneration.

#### **1.10. Exercise of other activities**

Employees are only permitted to carry out work and professional activities outside their role at Babyplant on the condition that such activities do not negatively affect their ability to effectively perform their duties.

Any work or professional activity that might affect the employee's working hours must be previously authorised by the company's management.

Babyplant recognises the right of employees to participate in legally recognised political activities on the condition that such activities do not interfere with their performance within the company and are carried out outside working hours and away from any Babyplant facility so that they may not be attributed to the company.

### **1.11. Use of company goods and services**

Employees shall use company goods and services efficiently and shall not use them for their personal benefit. Under no circumstances may employees use equipment provided by Babyplant to install or download programs, applications or content whose use is illegal, breaches company rules or could damage the company's reputation. Under no circumstances may employees use company funds or cards to pay for activities that are outside of their normal professional activity.

### **1.12. Confidentiality of information and the protection of personal data**

Babyplant staff are obliged to protect any information and knowledge generated within the organisation, belonging to the company or under their custody.

Employees shall abstain from using to their personal benefit any data, information or document obtained during the course of their work. Employees shall not communicate information to third parties, except in compliance with applicable regulations or company rules or when expressly authorised to do so. Employees shall not use third-party data, information or confidential documents without their written authorisation.

Babyplant staff shall maintain confidentiality and shall only make use of any data, information or document obtained during the course of their work in accordance with the applicable internal rules. Generally, unless otherwise indicated, any information that

employees have access to should be considered confidential and should only be used for the purposes for which it was obtained.

Similarly, employees may not duplicate, reproduce or make excessive use of information when carrying out tasks and must not store said information on systems not owned by Babyplant except when expressly authorised to do so.

The obligation to maintain confidentiality shall remain in force once the employee's relationship with the company has ended and shall include the obligation to return any company-related material that the employee might have in their possession.

Babyplant staff must respect the personal and family privacy of all people, whether employees or otherwise, to whose data they have access. The authorisation to use any such data shall require specific and justified requests.

Employees must strictly comply with established internal and external rules in order to ensure the appropriate handling of information and data provided to the company by third parties.

Where personal data has been gathered about customers, employees, contractors or any other person or entity with whom Babyplant maintains a relationship, whether contractual or otherwise, all Babyplant staff shall obtain consent, where mandatory, and use said data solely for the purposes authorised by the party giving consent.

Similarly, Babyplant staff must know and respect all internal procedures relating to the storage, security and access of data and which guarantee the different levels of security required.

Employees shall notify the relevant department of any incident they detect relating to the confidentiality of information or the protection of personal data.

### **1.13. Protection of intellectual and industrial property**

Babyplant is committed to the protection of its intellectual and industrial property and that of other parties. This includes, among others, copyrights, patents, trademarks, domain names, reproduction rights, design rights, database extraction rights and the rights to specialist technical knowledge.

Babyplant staff are expressly forbidden from using works, creations or distinctive signs of intellectual or industrial property belonging to third parties without the proof that the company possesses the relevant rights or licences.

Any intellectual and industrial property relating to Babyplant's present and future business resulting from an employee's work during their employment with the company shall be owned by the company.

Babyplant shall only make use of brands, images and texts which have been duly authorised in its marketing and communication.

#### **1.14. Transactions register**

Babyplant is committed to implementing and maintaining appropriate systems of internal control regarding its financial information, thereby guaranteeing regular monitoring of its effectiveness. Financial accounts shall be available to internal and external auditors at all times.

#### **1.2. Social and environmental commitments**

Babyplant's Corporate Social Responsibility is a fundamental part of its business model and outlines the company's social and environmental commitments for the good of all stakeholders.

Babyplant's social commitment consists of activities involving sponsorship, patronage and social action, whether carried out by the company itself or in collaboration with social organisations.

Babyplant is committed to minimising its environmental impact throughout the entire life cycle of its products until disposal and to developing measures to reduce and compensate its environmental impact at each stage of the production, distribution and sales processes and at the end of use.

## 5. Compliance with the Code and the Ethics Committee:

In order to ensure compliance with this Code, an Ethics Committee exists made up of:

- A Shareholder Representative
- An Employee Representative
- The Director of Human Resources

The Ethics Committee may choose to act on its own initiative or at the request of any employee, manufacturer, supplier or third party with a direct relationship and legitimate commercial or professional interest through a complaint made in good faith.

To this end, communications pursuant to this Code, whether containing reports of non-compliance or inquiries relating to its interpretation or application, may be forwarded to the company via any of the following means:

- Standard post to: Carretera Santomera-Alquerías km.1, C.P. 30140 Santomera, Murcia (Spain), for the attention of the Ethics Committee.
- E-mail to: [etica@babyplant.es](mailto:etica@babyplant.es)

The Ethics Committee is supported by the Board of Directors through the Auditing and Monitoring Committee and has the following basic functions:

- a) To monitor compliance and internal communication of the Code amongst all staff.
- b) To receive all written communication relating to the application of the Code and handle their referral to the relevant body or department of the company where necessary.
- c) To monitor and supervise the processing of case files and their resolution.
- d) To address any doubts or issues raised by the application of the Code.
- e) To propose any necessary clarifications or measures to the Board of Directors, following a report from the Auditing and Monitoring Committee, required by the application of the Code and to provide at least an annual report assessing its application.
- f) To monitor the Whistleblowing Channel and compliance with its procedure.

In carrying out its functions, the Ethics Committee shall guarantee:

- a) The confidentiality of all data and records handled and of actions taken, unless sharing of such information is required by for legal reasons.
- b) The exhaustive analysis of any data, information or document which has an impact on its work.
- c) The instruction of an appropriate procedure depending on the circumstances of the case, in which the committee shall always act independently and fully respect the right to a hearing and the presumption of innocence of any person involved.
- d) The indemnity of any complainant as a result of the submission of reports or complaints made in good faith to the Committee.

The Ethics Committee will have the means necessary to guarantee the application of the Code. Decisions made by the Ethics Committee shall be binding for both Babyplant and the employee.

## 6. Publicity of the Code:

The Code shall be shared with all employees. It shall also remain published on the Babyplant website ([www.babyplant.es](http://www.babyplant.es)) and appropriate steps shall be taken to communicate, train and raise awareness about the Code so that it is sufficiently understood and implemented throughout the organization.

## Annexe 1: Global codes and commitments voluntarily assumed by Babyplant

### GlobalG.R.A.S.P.

The GlobalG.R.A.S.P. module, part of the GlobalG.A.P. certificate, demonstrates that Babyplant, as a plant nursery specialising in horticultural plant seedlings for outdoor cultivation, complies with good social practices with respect to the well-being and safety of its workers.

### United Nations Global Compact

Being conscious of the importance of acting responsibly, not just locally but globally, we have committed to the United Nations Global Compact as part of our Corporate social responsibility. This pact is the world's largest corporate responsibility initiative promoting sustainable development and corporate citizenship.

As partners of the pact, we are committed to aligning all our operations, strategies and business culture with ten universal principles.

The development of Babyplant's corporate sustainability strategy, based on the Global Compact, involves implementing, promoting and raising awareness of the ten universal principles with respect to human rights, labour standards, the environment and the fight against corruption.