



Code of Ethics





Xignux Code of Ethics

Table of Contents

I. Message from our CEO

II. Our Mission

III. Our Values

IV. Purpose of this Code

V. Scope of this Code

VI. Ethical Standards

- A) With respect to the person
- B) Relationships with customers, suppliers and competitors
- C) Relationships with the authorities and the community
- D) Conflict of interest
- E) Handling of Information
- F) Gifts and courtesies
- G) Protection of Assets
- H) Environment and ecology
- I) Occupational health and safety

VII. Administration

- A) Publication and updating
- B) Ethics Committees
- C) Certification of compliance with the Code
- D) Sanctions
- E) Complaint system

VIII. Summary

IX. Annexes

- A) Statement format
- B) Proof of delivery



I. Message from our CEO

At **Xignux**, we are the sum of companies focused on providing solutions in two major industries: energy and food.

In the energy industry we have **Viakable** to produce electrical conductors; with **Prolec**, we focus on the transformation and energy supply; and with **Voltrak**, we stand out in electrical infrastructure: transmission and distribution.

In the food industry, we are comprised of **Qualtia**, to offer a wide portfolio of foods; of **Food Service Group**, to provide integral supply solutions; and of **BYDSA**, to produce salted snacks.

On the other hand, at **Xignux Avanza**, we focus on promoting new businesses with growth capacity, to complement and enhance our development strategy.

We operate in Mexico, the United States, Colombia and Brazil, which allows us to provide solutions to energize life in more than 40 countries, thus promoting what we started more than 60 years ago.

The development we have promoted together until today is based on the values we proudly share at Xignux. In addition to being put into practice by our collaborators, they are equally appreciated by our customers, suppliers, partners and by the communities in which we operate our businesses. These values are also the foundation of the trust that shareholders have placed in all of us who collaborate in this organization.

Abiding by them and maintaining a positive reputation for Xignux is a commitment that concerns us all, as it is through our daily actions that we give life to our business philosophy.

In order to support each other and join forces to comply with this important responsibility, this Code of Ethics was prepared for those of us who collaborate at Xignux to have clear guidelines and criteria to guide our personal performance and behavior, regardless of our position, area, company or the place where we work.

I invite you to read and reflect on the content presented here; to ask any questions you may have, and, above all, I urge you to let this Code guide your day-to-day actions.

If all of us know this document, spread it and, above all, turn it into a way of life within the organization – including the spirit of integrity that motivates it – we will be fulfilling the commitment we have to ourselves, to our families, to Xignux and its shareholders, and to our society.

Juan Ignacio Garza Herrera
CEO Xignux

II. Our Mission

**We manage
companies that**



**and society to
contribute to a
better world.**

III. Our Values



Being **trustworthy**

- **Always fulfill** your commitments, completely.
- **Always speak the truth**, no matter what the implications. Never hide relevant information or provide confusing data.
- **Never discredit** or speak badly of someone in their absence, whether or not what you say is true.
- **Listen carefully** in order to understand, not to respond. Never interrupt.
- **Never take advantage** of your position for profit or personal gain.



Striving for **excellence** in everything we do

- Perform every **action with the highest quality**.
 - **Constantly challenge the process** and improve it.
 - **Act proactively** to exceed expectations.
 - Consider what has worked before and **show openness to new ideas from others**.
 - **Accept your mistakes**, learn and try again.
-



IV. Purpose of this Code

In Xignux, we understand that the success of our businesses lies in the trust and confidence of our clients, personnel, financial institutions, suppliers, shareholders and, in general, all of our stakeholders.

To that end, the purpose of this Code of Ethics is to communicate to those who work together with us in Xignux, the values and ethical responsibilities that should guide our actions, allowing us to maintain that trust and safeguard the reputation and prestige of Xignux.



V. Scope of this Code

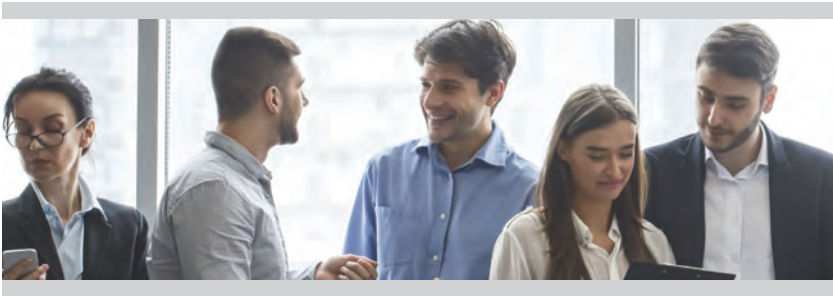
This Code of Ethics is mandatory for all of us who are employed in any of the Xignux companies and constitutes a declaration of basic principles and ethics.



VI. Ethical Standards

A) Respect for the individual

- a. In Xignux, we respect the dignity of each individual and we recognize his or her freedom and privacy; we reject any form of discrimination, whether based on sex, marital status, religion, race, social status, political affiliation, ethnic and national origin, disability or any other condition protected by law.



- b.** We who work in Xignux are committed to:
1. Comply with all applicable laws and regulations, with the principles set forth in this Code of Ethics, and with all internal rules and control procedures that may be established by the company.
 2. Conduct ourselves in an honest, respectful, collaborative and innovative manner.
 3. Abstain from divulging confidential company information, including that related to organizational structure and employee personal data, processes, methods, strategies, plans, projects, and technical and market data.
 4. Avoid conducting outside activities that could affect our performance and responsibilities within the company.
 5. Abstain from involving the company when we participate in political activities, making sure to establish clearly that we are acting in a personal capacity.
 6. Conduct ourselves respectfully, always treating our fellow workers and those with whom we relate with dignity.
 7. Avoid any type of labor or sexual harassment.
 8. Use systems, e-mails and electronic or telephonic conversations in carrying out our duties at work properly.
 9. Make effective and efficient use of our working hours.
- c.** Those of us who work in Xignux have a duty to denounce in good faith any action or omission that constitutes a violation of this Code of Ethics. Therefore, no action that would harass or in any way affect the rights of employment of any person will be permitted for cooperating in any investigation regarding the possible violation of this Code of Ethics.



B) Relationships with customers, suppliers and competitors

a) Relationship with customers

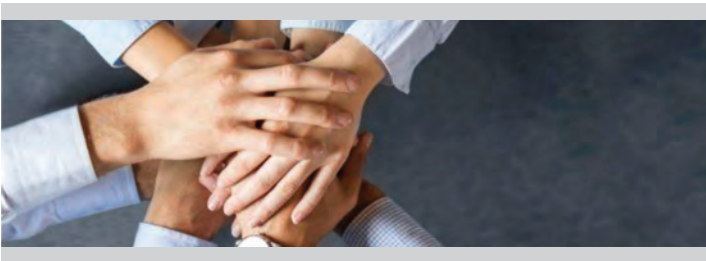
1. Those of us who must serve customers because of our functions are committed to always treat them with professionalism, transparency and honesty, providing the agreed products and services with the highest quality and punctuality within our reach, always adhering to applicable laws and the internal regulations of our company.
2. The promotion and sales techniques and advertisements that we use must be free of false or misleading information about the availability, punctuality or quality of the products or services that we offer, as well as the terms of sale.

b) Relationship with suppliers

1. Consistent with our values, we will at all times ensure that our supplier portfolio is comprised only by those who share the ethical values of our organization and have a solid reputation for fairness and integrity in their business dealings.
2. Those of us who are responsible for negotiating the acquisition of goods and services must offer and demand from suppliers professional and honest treatment, always seeking the best interests of the company, within the framework of the law.
3. The processes for the acquisition of goods and services must be carried out in a transparent manner, ensuring the fair and equitable participation of suppliers, based on objective criteria of quality, solvency, specialization, opportunity, profitability and service. In this way, we comply with the established internal control guidelines at all times.

c) Relationship with competitors

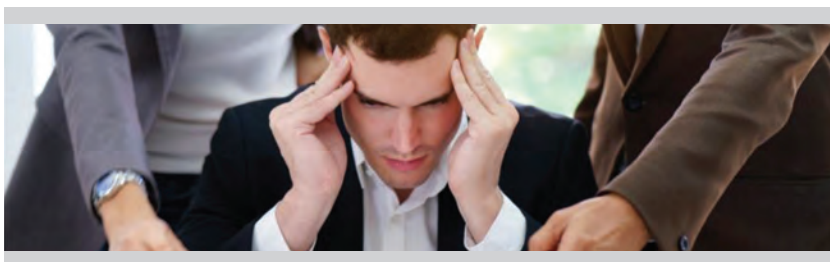
1. In the course of our activities, those of us who collaborate with Xignux must fully comply with the laws and regulations that apply to us in matters of fair competition in all countries where we have a presence. We are committed to competing in the marketplace based on price, quality and service within a framework of integrity.
2. We will conduct our operations in a professional and honest manner, and avoid any activity that could affect the image and reputation of Xignux.
3. Those of us who collaborate with Xignux have the responsibility to report to our legal department – or through the reporting lines – any improper business practices, current or potential, of which we become aware, as well as to consult our legal department if we have any questions about a specific practice or activity.



C) Relationships with the authorities and the community

- a) In the course of our activities, those of us who collaborate with Xignux must fully comply with the laws and regulations that apply to us in the countries where we carry out our operations, including, but not limited to, those concerning anti-corruption, money laundering, fraud and fair competition.
- b) We must collaborate at all times with the competent authorities, always acting in accordance with the law and in defense of the legitimate interests of Xignux.
- c) We must treat the authorities with respect, recognizing their character as such.

- d) All dealings, proceedings and relationships with government agencies or officials on behalf of the company must be carried out in accordance with applicable laws. Those of us who collaborate with Xignux are not allowed to offer or make bribes (directly or through third parties) with the intention of inducing them to use their position or power to in order to help the company secure unfair conditions.
- e) The social norms and good customs that promote healthy coexistence with the communities where we operate must be observed and respected by those of us who collaborate with Xignux, seeking to safeguard the good image and prestige of the company.



D) Conflict of interest

- a. Those of us who collaborate with Xignux must abstain from having an interest in businesses that buy, sell or provide products or services to Xignux companies, or compete with them, unless previously authorized by the Ethics Committee.
- b. Those of us who collaborate with Xignux must abstain from carrying out – or influencing the carrying out on behalf of the company – purchase and sale operations or the provision of services with relatives or family members, or with companies owned by them, unless such persons or companies are competitive in terms of price, quality and service, are outside our area of responsibility and this fact has been previously justified to the Ethics Committee so that it can validate compliance with said requirements.
- c. Those of us who collaborate with Xignux must abstain from having in our organizational unit and under our direct responsibility, relatives or close family members, as well as people with whom we have close emotional ties, except in cases previously authorized by the Ethics Committee of their company.
- d. When Xignux personnel are required to perform surveillance, supervision, audit

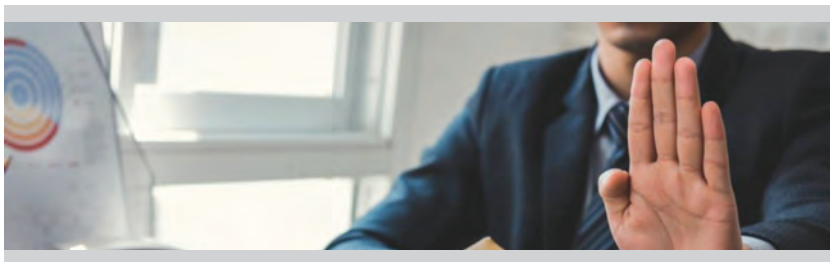
or control work in an area under the responsibility of a family member, they must inform their supervisor so that they can be replaced for such responsibility.

- e. When a person feels influenced in their capacity to fulfill their responsibilities with objectivity after receiving pressure from third parties that are using their position, authority or influence in the organization, they should immediately report it to their supervisor or to the Ethics Committee of their company.
- f. Interceding to satisfy requests from supervisor, subordinates, co-workers, family members or friends should be avoided if it would be detrimental to Xignux companies.



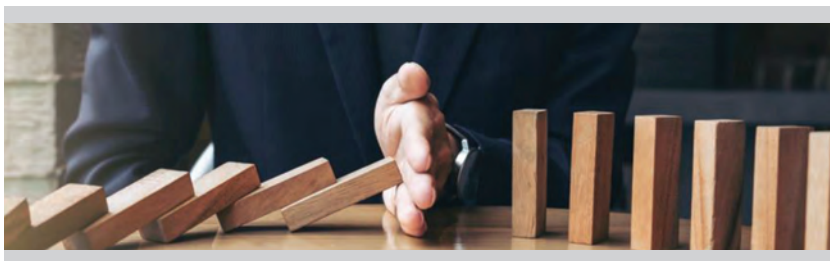
E) Handling of Information

- a. It is prohibited to alter accounting or financial information and/or records, or to falsify operations and/or their results, either to simulate the fulfillment of goals or objectives, or for personal gain.
- b. Persons who have access to privileged or reserved information, or to information that due to its nature – or due to it having been so classified – must be considered confidential, must take the necessary measures to maintain absolute reserve and extreme care, avoiding its disclosure or leakage to unauthorized persons. Upon learning of any loss or leakage of information, for whatever reason, it must be reported immediately to the immediate supervisor.
- c. Collaborate in a professional, truthful and objective manner with the internal and external auditors of the company in the performance of their duties.
- d. Those who perform complementary external activities, such as professors, conference speakers, students, specialists and/or technicians in events of their competence, must abstain from using confidential Xignux information. Only the use of public information is allowed.



F) Gifts and courtesies

It is against Xignux policy for employees to receive, at any time, either valuable gifts, advantageous conditions, free travel, commissions or any other form of courtesies from clients, suppliers, financial institutions, contractors, companies or persons with whom they are engaging in company business, with the exception of general purpose institutional items appropriately authorized by the employee's superiors. When doubt exists, the matter should be turned over to the division's Ethics Committee, or to someone designated by the committee, for proper resolution.



G) Protection of assets

- a. Xignux personnel are responsible for the custody, safeguarding and proper use of company assets under their control.
- b. All assets or items that are property of Xignux as well as the services available to those who work in the company are to be used in the performance of their job functions and for the benefit of the company. For no reason can such assets or items be used for any other purpose, unless there is a prior authorization to do so by the company.



H) Environment and ecology

- a. At Xignux we recognize the protection of the environment as part of our social responsibility. Our commitment is shared by everyone and no one at Xignux can assume that this is someone else's job.
- b. Those of us who collaborate with Xignux must take the necessary actions, within our respective functions, to ensure our respect for the environment and the efficient use of natural resources, fuels and energy in the areas where we work.



1) Occupational health and safety

In Xignux, we believe that the health and safety of our personnel, as well as the preservation of our premises and equipment is the most important aspect of our daily activities. There is no activity that justifies taking unnecessary risks.

We must fulfill our objectives and goals, but always acting in a safe manner. For that reason, we must all work in compliance with the following objectives:

- 1.** Fully respect the safety and health standards established by law, regulations, official and internal company rules.
- 2.** Propose and maintain an adequate work environment.
- 3.** Contribute to developing safety consciousness among company personnel.



VII. Administration

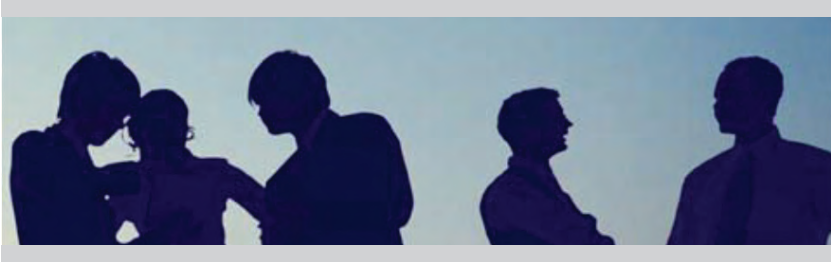
In order to achieve the effectiveness of the commitment we assume – and for it to be evident in each of the actions we undertake in our daily work – we will keep this document always up to date, accessible, easy to understand and we will seek in its application the channels of solution to the doubts and concrete cases that may arise. To this end, the following mechanisms have been established:

A) Publication and updating

The Ethics Committees of each company will maintain a process that ensures the communication and understanding of the Xignux Code of Ethics.

To that effect, all of us who collaborate in Xignux companies must be aware of the content and scope of this document, and once it is physically delivered to us, we will sign a letter of acknowledgement endorsing the above.

Experience in its daily application constitutes a source for continuous improvement; therefore, it is essential that the members of the Ethics Committee of each company collaborate with those who make up the Xignux Ethics Committee for its revision and updating. Likewise, the Ethics Committees will establish feedback mechanisms that will allow this document to be kept up to date at all times.



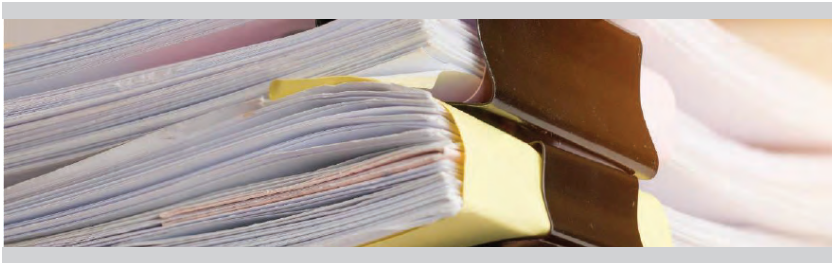
B) Ethics Committees

- a.** Each company, as well as the corporate office, will formalize their own Ethics Committee.
- b.** The Ethics Committees are governing bodies specifically instituted to deal with any matter related to the Code of Ethics and its application.
- c.** They will be made up of three to five persons, of which the Human Resources, Internal Audit and Administration areas must be represented; the rest will be chosen based on their background, knowledge and specialized skills, their objectivity, honorability and prestige.
- d.** For the fulfillment of its responsibilities, each Committee may resort to other areas or persons, who will help in the performance of specific tasks.



C) Certification of compliance with the Code

- a.** At least once every two years, a document will be edited and distributed among all Xignux collaborators, in which each one states in writing that their personal actions were carried out in accordance with the Code of Ethics. If this is the case, it also applies to the deviation observed in the actions of third parties, or to raise doubts in its application. (See Statement Format).
- b.** This document will be designed by the Corporate Internal Audit area and distributed to the members of the Ethics Committees of each company and to the Xignux Ethics Committee.
- c.** The Ethics Committees of each company will ensure that the delivery of the document is channeled to each person, by their respective Human Resources area, compiling them once the term for their formulation has concluded and concluding their intervention by delivering to Internal Audit. The Internal Audit area will analyze, resolve, document and issue the respective situational report.
- d.** Internal Audit will turn over the situational report to the respective Ethics Committees of its company and to the Xignux Ethics Committee, with its observations and comments.
- e.** The Ethics Committees must observe the strictest confidentiality in the performance of their duties.



D) Sanctions

Violations of this Code will be subject to sanctions, which will be applied depending on the seriousness of the misconduct, and may range from a warning, suspension and dismissal up to filing criminal charges before the competent authorities.

E) Complaint system

- a. All of us who collaborate with Xignux must report any case that could constitute a deviation from this Code of Ethics, with the understanding that its handling will be confidential, objective and documented, always seeking strict adherence to our values and to the law.
- b. Open communication of situations and concerns by collaborators, without fear of adverse consequences, is vital to live in harmony with the provisions of this Code. Those of us who collaborate with Xignux are committed to assist in the investigations. The information presented in relation to reported cases will receive an expeditious, professional and confidential response.
- c. Those of us who collaborate with Xignux have the following instances to make reports:
 - The immediate supervisor, and/or.
 - The person responsible for the Internal Audit or Human Resources area of the company where the person interested in making such a report works, and/or.
 - The Ethics Committee of the company or any of its members, and/or.
 - The Xignux Ethics Committee or any of its members.

These reports may be made through the following means:

- In person or by telephone.
- In writing, in the mailboxes placed for this purpose.
- Through the Transparency Line of the company.
- Through the Intranet site or email account of each company.
- Through the website **www.xignux.com** or email account: **comitedeetica@xignux.com**

The respective Intranet or Internet sites explain in detail how to make the reports.

VIII. Summary

Ethics is the set of rules that govern human conduct; therefore, to be ethical is to be an upright person. If all of us at Xignux act uprightly, then our organization will promote the value of integrity; integrity to our customers, personnel, financial institutions, suppliers, shareholders and stakeholders in general.

In short, to live ethically is to walk the path of upright living and transcendence for us, for our families, for our company and for society. Let us then live this path together, by putting into practice what is expressed in the Xignux Code of Ethics.

IX. Annexes

A) Statement Form

Personal statement of adherence to Xignux's Values and Code of Ethics.

_____ on _____ of _____

Company:

FAO: Ethics Committee

I hereby acknowledge my identity and belonging to the organization in accordance with Xignux values. I understand the values at Xignux are our behavioral guidelines for creating an appropriate working environment, for the development of the organization and for achieving sustainable results. Therefore, I willingly sign this statement, which supports the way I live out and promote such values.

Furthermore, I hereby commit to using Xignux's Code of Ethics as one of the tools which will help us maintain the validity of our values at Xignux.

Lastly, I wish to state that after reviewing the provisions of the Code of Ethics, I currently: Have _____, don't have _____, knowledge of any aspects which should be communicated to the Ethics Committee.

In case of an affirmative answer, please explain hereunder:

Name: _____

Position: _____

Area: _____

Signature



B) Certificate of delivery

_____ 20____
Location Date

Company: _____

To Whom It May Concern:

This is to certify that I have received the document entitled **"Xignux Code of Ethics"**, which details the ethics standards set out by the company for which I work. I further affirm that I have been given a detailed explanation of the content and scope of this document.

I hereby express my agreement and conformity with the "Xignux Code of Ethics" based on the above declarations.

Sincerely,

Full name: _____

Employee number: _____

Notes

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Name: _____

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Area: _____

Signature



B) Certificate of delivery

_____ 20____
Location Date

Company: _____

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I hereby express my agreement and conformity with the "Xignux Code of Ethics" based on the above declarations.

Sincerely,

Full name: _____

Employee number: _____

xignux®

The logo for xignux features the word "xignux" in a lowercase, serif font. To the right of the text is a stylized graphic consisting of four curved, overlapping shapes that resemble a four-pointed star or a cluster of leaves. A registered trademark symbol (®) is located at the end of the word.



Code of Ethics



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