


# **CODE OF ETHICS AND CONDUCT**

**Association of Small Banana Producers of El  
Guabo**



<b>Association of Small Producers</b> <b>Banana growers "El Gato"</b> 	<b>CODE OF ETHICS AND CONDUCT</b>	<b>CODE OF ETHICS AND CONDUCT</b>	
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## PRESENTATION

From the beginning, Asoguabo and Fair Trade have understood that only companies that incorporate ethics into their culture, strategy, and daily practices will be sustainable and exemplary.

We aspire to be one of the most exemplary associative endeavors in the world. For this reason, it is essential to clearly define our commitments according to our Ethical Principles (Transparency and Accountability, Fair Business Practices and Prices, Commitment to Non-Discrimination, Gender Equality and Freedom of Association, Respect for Labor Rights, and Respect for the Environment).


This will allow us to continue to be an association that inspires confidence.

We must all work together respectfully and openly. We must acknowledge each other's ideas. We must listen generously and share information as needed, while keeping in mind our confidentiality rules.

Ethical issues are always difficult to address. The point in our favor is that we have the courage to do so. Don't keep these matters to yourself: speak freely and ask for advice. You will always find support throughout this process.

We must all adhere to the Code of Ethics, regardless of our position or work, whether we are a member, a member's employee, a new employee, a subcontractor, a member of the Board of Directors, a Supervisor, or an Administrator. The Code of Ethics is our reference document. It inspires our decisions and guides our daily actions.

The guiding principles established in this document are not optional: you must adhere to them. You will be valued not only for what you do, but also for how you do it. Read the Code carefully. Make it yours. Pass it on. Respect it, and make sure those around you do the same. Asoguabo needs everyone's example to lead by example.

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## Art. 1 Objective.-

The Code of Ethics does not replace any existing policies, so you must follow any standards established by Asoguabo. The purpose of this code is to provide guidelines for these policies and standards, so you can more easily understand the rationale behind them. It is true that no document can anticipate and address every situation that may arise. So, if you ever face this type of decision, ask yourself the following questions:

1. Is it in line with the Code of Ethics?
2. Is it legal?
3. Is it in line with our ethical principles of (Transparency and Accountability, Fair Business Practices and Prices, Commitment to Non-Discrimination, Gender Equality and Freedom of Association, respect for labor rights and respect for the Environment).
4. How might my actions affect all stakeholders? Can I justify my decision?
5. Will I be comfortable if my decision is made public internally or externally?

If you answered no to any of these questions or if you have any questions about it, the golden rule is to consult the appropriate person (your immediate supervisor, internal auditors, Board members, Oversight, or administrator) and discuss the matter openly before taking action.


Asoguabo recognizes that the Code of Ethics is not exhaustive and that its content may change over time. Asoguabo reserves the right to modify the Code of Ethics at any time, as well as the right to take any measures it deems appropriate in a given situation, provided they do not contravene Asoguabo's Ethical Principles.

## Art. 2 Reporting mechanisms.-

Asoguabo fosters a culture of honesty where everyone can express their genuine concerns.

We encourage everyone to express their views, defend their opinions, and report unacceptable behavior and demands.

Partners and employees may be concerned about certain practices and need advice and guidance to help them resolve them. Our policy dictates that any report of professional misconduct by the company, any of its employees, or even any external entity with which

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the company has contact will be thoroughly investigated, and appropriate action will be taken, regardless of who is involved.

The normal way to raise these issues is through immediate supervisors, but you can also go to the Head of Human Resources. Any partner or employee who raises concerns in good faith will be protected from retaliation. Similarly, an employee who believes they are being retaliated against should report this through the same channels mentioned above.

"In good faith" means that you believe the information you provided is complete, truthful, and accurate at the time, even if it is later proven that you were mistaken.

We will guarantee a fair process in the event of an investigation and respect the principles of confidentiality and presumption of innocence. Furthermore, any investigation must comply with applicable local laws, particularly with regard to the formal process. During an ethical investigation, full cooperation is required from all involved, and all information must be provided immediately upon request.

The person involved will be informed of the nature of the allegations against them. They may not be informed immediately if, for example, it is necessary to verify facts, protect evidence, or contact the relevant competent authorities.

All information communicated will be shared only with those who have a legitimate reason to do so, either to ensure that the concern is addressed or that appropriate action is taken.


We will provide the results of the investigation to the person who raised the concern to the extent appropriate and without breaching legal or other confidentiality obligations.

Any accusation that is confirmed to be slanderous or made in bad faith may result in disciplinary action.

### **Art. 3 Compliance with Universal Declarations, Laws, Norms and Regulations.-**

We are committed to respecting and promoting human rights, taking as specific references the Universal Declaration of Human Rights of December 10, 1948, and the UN Guiding Principles on Business and Human Rights of June 16, 2011. We are particularly attentive to the issues addressed in the Fundamental Conventions of the International Labour Organization (prohibition of child and forced labor, respect for freedom of association), the promotion of diversity, women's rights, respect for the right of people to use their natural resources, and the right to health, as these are part of our ethical principles.

Asoguabo feels especially committed to the spirit and letter of the laws that regulate quality standards, health and safety, labor laws, the environment, corruption and money

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laundering, data privacy, taxation, accurate reporting of financial and non-financial information, and fair competition.

Asoguabo wants to share these principles with its partners and employees and wants to ensure, to the extent possible, that its partners and employees also respect these laws and regulations.

## Art. 4 Product Quality and Safety

Product safety and quality are essential at all times. Safety means freedom from physical, chemical, biological contamination, and illicit substances.

The quality and safety of our products demonstrate our dedication and respect for our consumers. They earn us their trust, support the reputation of our brands, and ensure that Asoguabo remains a leader in the international Fair Trade market. We are committed to marketing products with proven efficacy and safety, guaranteed by rigorous testing methods.

All Asoguabo partners, workers, and employees involved in the production, harvesting, post-harvest, packaging, container consolidation, and sales processes must commit to ensuring the highest quality of the product, from the field to after it reaches the market.

Must


- + Comply with all national and international legislative and regulatory requirements to ensure the compliance of all our products
- + Ensure that the highest hygiene standards and strictest quality controls are applied at every step, from the field to the production and distribution process
- + If you receive a complaint from a customer, ask them to contact the Quality Department.

We must not

- Limiting the free and open exchange of different points of view on product safety by ignoring potentially important safety issues
- Ignore any concerns about safety, tolerance, or quality control issues

## Art. 5 Selection and impartial treatment of partners and suppliers

Asoguabo's relationship with its partners and suppliers extends beyond the purchase and delivery of products and services. It is essential to the long-term success of our business.

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We will be judged on the quality of the relationships we have with our partners and suppliers. Specifically, we will be scrutinized for the method by which we select our partners and suppliers, and how they demonstrate their commitment to conducting business responsibly.

We are proud of our reputation for dealing with partners and suppliers in a mutually understanding and open manner. These relationships are based on the principles of fairness, equality, and loyalty, and we respect their independence and identity.

Must

- + Select partners based on the requirements mentioned in their Internal Regulations, without favoritism.
- + Select suppliers based on competitive bidding; ensure that all supplier bids are similar and are considered fair and without favoritism.
- + Be clear, transparent, and provide honest feedback in the processes of serving partners and suppliers based on objective elements.
- + Ensure that all partners and suppliers understand and comply with Asoguabo regulations and their customers' expectations.

We must not

- Continue working with a partner or supplier that insists on not complying with Asoguabo regulations or its customers' expectations.

## Art. 6 Conflicts of interest


We should all avoid situations in which our personal interests conflict with those of Asoguabo. Even the appearance of a conflict can tarnish Asoguabo's reputation, as well as our own. The golden rule when dealing with a conflict or a potential conflict is to openly disclose all the facts. This allows everything to be properly examined.

Must

- + Notify our management if there is a potential conflict of interest that could influence or appear to influence our opinions and actions (e.g., hiring relatives).

We must not

- Hide information or any conflict of interest

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## Art.7 Gifts and invitations

Exchanging gifts and entertainment can create a conflict of interest between personal interests and professional obligations. When receiving or offering gifts or entertainment, the golden rules are to communicate this openly to management, act sensibly, and consider how others will perceive it.

Must

- + Ensure that all gifts and invitations we offer are appropriate and in accordance with Asoguabo's ethical principles.
- + Ensure that, when we begin a business relationship, all parties are aware of Asoguabo's guidelines regarding gifts and invitations from the outset. In turn, inform ourselves about our partner's policy regarding these matters. This can help avoid any misunderstandings.
- + Immediately inform our supervisor of any gift or invitation we have received and, if necessary, comply with internal disclosure procedures.

We must not

- Accept gifts or invitations unless they have a clear symbolic value
- Accept or offer cash gifts


## Art. 8 Bribes and kickbacks

We believe that corruption is unacceptable, harmful, and detrimental to Asoguabo. Corruption is illegal in Ecuador. Our policy is zero tolerance for all matters related to corruption, which includes "kickbacks." These are sums of money or something of value illegally provided to access some type of benefit, preventing quality rejections or expediting routine legal actions.

Must

- + Immediately inform our immediate supervisor if we become aware of activities that may violate our corruption prevention policy.
- + Immediately inform the President of the Board of Directors or the Administrator if we are faced with extortion or attempted extortion, i.e., payments in cash or any other object of value, to prevent harm to an Asoguabo employee or representative, and properly document the request.

We must not

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- Offering, promising, or giving money to public officials, politicians, or representatives of other companies that could induce them to breach their duty of loyalty to their company.
- Accepting or requesting money or valuables that could induce us to breach our duty of loyalty to Asoguabo.
- Using third parties to do something we are not permitted to do or that we personally did not want to do. This means we must carefully select and monitor our advisors, lawyers, and subcontractors.

## Art.9 Confidential information

Unauthorized distribution of internal information can be detrimental to Asoguabo. We must ensure that internal information is protected.

Must

- + Limit the distribution of internal information to people with a legitimate "need to know" that serves the interests of Asoguabo.
- + Ensure that all internal information is securely stored, both on paper and digitally.
- + Before sharing internal information with third parties outside of Asoguabo (including our relatives or when using social networks), make sure you know what you can communicate.

We must not

- Discuss or work with internal information in a public area where someone could overhear the conversations or compromise the information.
- Keep internal information (including all copies of original materials) when we leave Asoguabo.


## Art. 10 Represent the Asoguabo

The reputation of Asoguabo depends on the behavior of each of us.

Must

- + Act with the interests of Asoguabo in mind.
- + Demonstrate the ethical principles of Asoguabo in our language and professional behavior



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- + Ensure that there is no confusion between our personal interests or opinions and those of Asoguabo.
- + Avoid giving opinions about colleagues and our workplace on social media.
- + Identify ourselves as Asoguabo employees and partners when using social media as part of our work activities.
- + Remember that there is nothing "secret" or "private" on the Internet.
- + Ensure that all digital communications we make regarding Asoguabo have been properly prepared

We must not


- Speak, write, or make any commitments on behalf of Asoguabo unless you have proper authorization.
- Talk or write about topics that are outside your personal experience.
- Use the Asoguabo logo in letters or emails to express personal views or for personal business.

## Art. 11 Privacy and Data Protection.

We all have the right to privacy. Asoguabo is committed to respecting the confidentiality of the personal information of its members, employees, and customers. Asoguabo only collects and retains this data because it is necessary for its effective operation.

Must

- + Ensure that the people from whom we collect data know the type of information we are collecting, what it will be used for, and how they can contact us if they have any questions.
- + Collect only the necessary personal data
- + Destroy or correct erroneous or incomplete data
- + Ensure that such data is stored securely
- + At Asoguabo, we ensure that we only provide such data to authorized persons, based on a strict "need to know" basis.
- + Seek legal advice before transferring such personal data if in doubt.
- + Respect the right to privacy of our partners and employees.
- + Ensure that third parties to whom we delegate information or who use the data comply with these principles

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We must not

- Collecting "sensitive" information (especially data on health, ethnic origin, sexual orientation, political ideology and religion) without the consent of the person involved or unless otherwise required by law.
- Provide personal data outside of Asoguabo, unless legally required, technical service providers are used, or we have authorization from the person
- Retaining that information longer than necessary to cover the legal or business reason for which it was acquired
- access or store personal data unless we have obtained the proper consent and its necessity for the good purpose of the company is proven

## Art. 12 Use of Asoguabo resources

The purpose of Asoguabo's resources is to help achieve its business goals. Misuse or waste of company resources, including the time of partners and employees, harms us all and damages Asoguabo's operational and financial performance.

Must

- + Respect and protect company assets by ensuring that they are not lost, damaged, misused, or wasted, nor loaned to others, transferred, sold, or donated without authorization
- + Recognize that all assets and documents belong to Asoguabo.


We must not

- Use Asoguabo resources for personal purposes.
- Inappropriate use of computer systems, Asoguabo email accounts, and the Internet

## Art. 13 Commercial and financial records and the fight against money laundering

We all have a duty to ensure that our records, financial or otherwise, are accurate. Accuracy is essential to a successful business. It's an essential part of running a business legally, honestly, and efficiently. It's especially crucial to be able to provide clear, regular, and reliable information to our partners. Finally, we must ensure that our activities do not serve to launder money derived from criminal activities.

Must

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- + Ensure accurate business and financial records, including financial and non-financial reports, are maintained at all times
- + Keep records secure and follow record retention guidelines
- + Follow proper internal procedures to ensure that we work with clients whose activities are legitimate and whose money does not come from illegal activities.
- + Cooperate with our internal and external auditors

We must not

- Sell, transfer or dispose of any Asoguabo resources without proper authorization and documentation.
- Accept any cash transaction. Unless otherwise possible, and only if subject to the legally authorized amount, cash transactions must be expressly authorized, properly recorded, and documented.
- Hide payments through third parties

## Art. 14 Taxes

Asoguabo complies with applicable tax laws and pays all local and national taxes required by law.

Must

- + Maintain accurate and complete books and records
- + Prepare tax returns

We must not


- Allowing Asoguabo to deliberately evade its tax obligations

## Art. 15 Health, safety and protection

All of us who work with and for Asoguabo have the right to a healthy, safe, and protected work environment, and workplace safety depends on each of us.

Must

- + Take all reasonable precautionary measures to maintain a safe and healthy work environment
- + Make sure we don't endanger ourselves and others with our actions
- + Make sure we know what to do in case an emergency occurs in our workplace

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+ Immediately report to the security officer of the premises or to our boss all accidents, even if they are minor, as well as any behaviors, facilities or objects that may endanger the safety of our work environment.

We must not

- Ignoring company rules on health and safety at work

## Art. 16 Sexual harassment and intimidation

We all have the right to respect and human dignity. At Asoguabo, this principle is fundamental to our way of working. Any behavior or action that may violate this right, and specifically any form of sexual harassment or intimidation, is unacceptable.

Must

+ Support and encourage Asoguabo's commitment to a workplace free from sexual harassment and bullying

+ Refrain from any type of sexual harassment

+ Be polite: treat our coworkers and partners as we would like to be treated

We must not

- To deliberately harm or harass a person or cause them to make a mistake

- Insist on any behavior that is considered undesirable

## Art. 17 Political activities

Asoguabo does not collaborate with political parties or political figures. However, Asoguabo, as a leading association in the Fair Trade banana sector, believes in its duty to actively participate in the public decision-making process.


Asoguabo respects its employees' right to participate as individuals in the political process, as long as they make it clear that they do not represent the company.

Must

+ Make it clear that we are not representing Asoguabo in any way if we participate in political activities.

+ Inform our immediate supervisor if we think that our participation in political activities may prevent us from fulfilling our obligations to Asoguabo or create confusion between our political and personal views and those of Asoguabo (see the chapter "Conflicts of Interest").

+ Strictly comply with Asoguabo's rules regarding gifts and invitations and bribery prevention (see the chapter "Bribes and Kickbacks").

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We must not

- Using Asoguabo resources and funds (such as company time, telephones, paper, email, and other property) to carry out or support personal political activities
- Turn the workplace into a political platform
- Imply that Asoguabo supports our personal political activities

## Art. 18 Environmental responsibility

Asoguabo respects the environment and strives to minimize its environmental impact. Our goal is to openly communicate our achievements in this field, as well as our challenges. Many of the activities required to bring our bananas to market have a direct impact on the environment. It's everyone's responsibility to try to reduce that impact whenever possible. Every little step counts.

Must


- + Put into practice Asoguabo's commitment to organic and sustainable production.
- + Give preference to the use of renewable raw materials and the development of biodegradable or compostable packaging.
- + Consider how our behavior impacts the environment in all aspects of our work, so we can reduce that impact wherever possible: for example, by avoiding unnecessary travel, saving water and energy, and avoiding generating waste. When waste is unavoidable, we must ensure that materials are recycled or disposed of responsibly. Even small gestures, such as separating organic waste in company dining areas, can make a difference.
- + Take all necessary measures to prevent and stop violations of Asoguabo's environmental policy.
- + Immediately report any unusual spills or emissions into the air, water, or soil to the producer or immediate supervisor.

We must not

- Ignoring company rules on environmental responsibility

It is the responsibility of the Ethics Commission to dictate the necessary measures to ensure full compliance with the above.

## Art. 19 Ethics Committee of Asoguabo

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The Association's Ethics Committee is responsible for monitoring and ensuring the application and compliance of the Code of Ethics of the El Guabo Association of Small Banana Producers.

In cases where there is conduct or action that contravenes the Code of Ethics, the mission, vision, values, and policies of the Association; ex officio or by filing a complaint, by email [denuncias@asoguabo.com.ec](mailto:denuncias@asoguabo.com.ec), which the Administrator will review monthly, the Committee will review, investigate, and issue a final report for consideration by the Administrator. It will also issue recommendations seeking to modify the Association's behavior and coexistence, in accordance with the instructions issued for this purpose by the Administrator of the El Guabo Small Banana Producers Association. It may also recommend, if appropriate, the application of sanctions for noncompliance with the Association's internal regulations.


## Art. 20 On the formation of the ethics commission.-

The Ethics Committee will be composed as follows: the General Manager's delegate, who will chair it, the President and/or his/her delegate, the Head of Human Talent, and the General Secretary of the company committee.

The Secretariat of the Ethics Committee may only be delegated in the event of unforeseen circumstances or force majeure, and occasional delegation shall be vested in one of the committee members, chosen by the General Administrator's delegate.

### MEMBERS OF THE ETHICS COMMISSION

POST	ROLE
General Administrator Delegate	President
President of the Association or his delegate	Member

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Member of the General Meeting	Member
Secretary of the works council	Member
Head of Human Talent	Secretary

### Art. 21 Grounds for excuses or recusal.-

If one or more members of the Ethics Committee have a conflict of interest regarding a fact or the person reported, they must state this, stating the reasons they consider necessary to request their excuse or the recusal of one of their members. As a result, the Ethics Committee will issue a resolution determining whether or not to accept the excuse or recusal presented. If the Committee accepts the excuse, it will notify the member so that, for this one time only, they may appoint a new delegate or act personally.

### Art. 22 Sanctioning Regime.-

If the Ethics Committee, having analyzed the reported case, considers that the member or employee has engaged in conduct that is subject to sanction, in accordance with the Association's internal regulations, it may recommend in its report that the Administrator forward the file to Human Resources so that the corresponding process can be initiated and the respective sanctions applied.

### General Provisions:

First: This Code of Ethics will come into effect upon its dissemination by email and in physical form to each of the Association's partners and employees.

Given in the canton of El Guabo on November 16, 2019.

**Engineer Cornelia Zoetewij**  
**ADMINISTRATOR**