

# Code of Ethics



**Our Code of Ethics applies to ALL employees  
in our organization, worldwide.**

# Code of Ethics



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## Message from our Chairman

In the dynamic and globalized world where we live, day to day, we undergo changes that may impact consumer habits and our interactions as individuals and as an organization. Even so, our Code of Ethics guides our conduct as we strive to be considered an organization of excellence in all we do.



It is necessary to govern our actions and decisions based on our corporate values to maintain and grow Bio Pappel's leadership in an ever-changing environment. This document is a set of norms and policies guiding our company-wide activities with investors, employees, customers, suppliers, authorities, and communities where we operate. Our Code outlines our business principles aligning our world class standards to create long-term relationships with our group of interest, thus our continuity in the market.

From the Board of Directors, employees, and all persons acting on behalf of Bio Pappel and its subsidiaries; we require that these guidelines be followed in all of our operations around the globe. This Code of Ethics is written with strict adherence to corresponding laws and aligns with the highest corporate ethics, standards, quality, sustainability, and social responsibility.

I encourage you to read and acknowledge this document to execute every activity and decision based on our corporate values depicted here. I invite you to use the Ethics Line to report any violation of the Code of Ethics and express concerns.

I know we can count on your commitment and support in continuing to be a model in the international business community.

Kind regards,

A handwritten signature in black ink, appearing to read 'Miguel Rincon Arredondo'. The signature is stylized and written over a white background.

**Miguel Rincon Arredondo**

Chairman of the Board of Directors of Bio Pappel



**McKinley is part of Bio Pappel, our holding company.**

**Bio Pappel is the leader manufacturer of paper and paper products with operations in Mexico, Latin America, and the United States.**



Our Code of Ethics establishes a general operating framework by aligning our Vision, Mission, and Values with what is expected of us. It requires a commitment from the entire organization to its observation, implementation, and excellence during the management.

McKinley and its employees are committed to laws and regulations applicable to the operations, products, and facilities world-wide.

#### The Code of Ethics applies to:

- Board Members.
- All McKinley employees across all its business units and/or subsidiaries.
- Third parties (including customers, suppliers, contractors, etc.)
- Other groups of interest.

#### Employee responsibilities:

- Understand and adhere to our Code of Ethics in their daily activities.
- Avoid any action that is illegal or unethical.
- Report negligence, conflicts of interest, or unethical business practices, via Ethics Line, either directly or anonymously. Failure to report such actions is a breach of this Code.



## Supervisors, Managers, and Directors responsibilities:

We all share a significant role in upholding our Code of Ethics. However, since you have direct reports, you have additional responsibilities:

- Cultivate a positive and inclusive workplace fostered by respect.
- Promote our values setting an example.
- Encourage an open-door policy, ensuring employees feel comfortable asking questions and sharing concerns.

The compliance, communication, and proper application of this Code of Ethics is the responsibility of all of the following: Executive Officers, Business Groups Heads, Operation and Area Directors, General Managers, and Human Resources within our operations.

Any personnel with questions related to the interpretation and application of this document should speak with their immediate superior and/or Human Resources Department.



## Our Vision

To be a leading enterprise in the creation of shared values based on a strong culture of learning, innovation, productivity, environmental protection, and social responsibility.

## Our Mission

To competitively produce sustainable paper, paper-based products, and packaging in order to efficiently contribute to our customer's success, as well as to ours and the environment.

## Our Values



# Integrity



We are committed to operating with honesty and in a fair manner, always consistent with our words and actions, which align with our Code of Ethics to become a role model inside and outside the company. We conduct ourselves with integrity in all organizational relationships.

## Conflict of interest

A conflict of interest can arise when a gift, favor, or invitation is offered to an employee, which could compromise their judgment, decisions, or actions in the workplace. Also, we must not accept business partnerships or activities that directly or indirectly conflict with our Code of Ethics.

We are required to report any instances immediately where our personal, professional, or financial interests conflict with the company's interests. We will not participate in any activity where our relationships could influence or hinder making objective decisions or lead to decisions against the company's interests.

It is prohibited for all employees to demand or solicit gifts or entertainment of any kind, including items and all sorts of advantages.

Unsolicited gifts or entertainment may only be accepted if they do not go beyond common courtesy and are an accepted local business practice.

## Gifts that we CAN accept:

- Promotional items, such as pens, books, notebooks, cups, and magnets.
- Gift baskets or similar items.
- Congratulation cards or thank-you notes for provided service.
- Moderate value dinners or entertainment activities that are infrequent as long as they will not bring negative consequences to the company reputation.

## Including but not limited, the gifts that CANNOT be accepted are:

- Cash or equivalents such as paychecks, cards, or gift certificates, or gift cards.
- Luxury items, including fine wine, watches, pens, or high-cost electronics, etc.
- Free services.

If in doubt about the appropriateness of accepting an unsolicited gift or entertainment, you must consult Human Resources Department or your Supervisor / Manager.





## Free market access

We abide by laws and regulations related to free-market access that forbid anti-competitive behaviors and the misuse of a dominant market position.

We do not participate in any arrangement, understanding, or agreement with competitors which may affect the pricing, selling terms, and the products we manufacture and sell.

## Financial statements and accounting records

We guarantee the accuracy and reliability of our accounting, operational, and administrative records. We utilize the applicable financial information standards, but not limited to policies, diagrams, and procedures. All business transactions are truthfully, promptly, and accurately reflected in our financial statements.

## Use of company assets

We are responsible for the proper use and safeguard of the company assets and services, which are available for employees to utilize for work-related activities. We must protect them against theft, damage, or misuse.

An asset is defined as every tangible and intangible good or property of McKinley, such as buildings and facilities, vehicles, equipment, tools, materials, inventory, electronic communication equipment, etc.

## Data protection

All employees should use all McKinley electronic resources for business purposes only, which include: computers, software, services, cellphones, e-mail systems, remote access tools, internet connectivity, and any device that stores the company's information. We must protect our passwords, and be careful when downloading or opening attached files or software from unknown sources. Also, we have to safeguard and protect proprietary information.

Proprietary information is defined as any restricted or confidential information belonging to McKinley, such as business plans, patents and brands, corporate identity or image, information technology, accounting information, investment plans, technical product plans, business strategies and commercial plans, price lists, customers, suppliers, input costs, and employee data, among others.



## Bribes and corruption

McKinley follows all regulations regarding bribery and corruption. We do not offer, directly or indirectly, any type of benefit, either monetary or non-monetary as a way to obtain, retain or assure an improper business advantage. We must avoid any appearance of this type of behavior or action.

It is strictly forbidden to execute or conceal bribery, corruption, collusion or any other activity that involves cash, or in-kind payments, and, or contributions to a government official, private or public entity.

## Contributions for political aims

It is forbidden to make or request indirect or direct individual donations or contributions to political, government entities, or government officials on behalf of McKinley. Only contributions approved and made by Corporate are permitted.

# Competitiveness



We align, focus and build actions, to maintain and improve sustainable advantages allowing us to achieve specific goals by identifying our customer's needs, fulfilling and exceeding their expectations, anticipating changes, and always taking actions to be the best choice for our CUSTOMERS.



## Our customers

We have a solid commitment to maintaining the highest quality standards in the production and distribution of our products. We offer our customers a just, equal, and honest experience in each transaction, in strict accordance with the company's internal processes and controls.

McKinley guarantees its products and services, promptly addressing customer complaints and looking for their satisfaction beyond mere compliance.

McKinley commits to maintaining our customers preference and loyalty and keeping a long-lasting and ethical customer-company relationship. We build long-term alliances with our customers as we consider them our strategic partners; moreover, we contribute to their growth and development; in part because of our Values and Code of Ethics.

## Our employees

The company knows its success relies on our staff. For this reason, we are committed to fostering their development and the highest level of values and ethical standards. We provide a work environment built on respect, dignity, and trust, where learning is fostered, and motivation is shared.

McKinley understands how significant an employee's effort is to improve business results. And we encourage the acknowledgment of each individual's performance, initiative, and creativity. We also recognize that trust is the foundation of a close relationship based on integrity.

We provide a work environment focused on the safety, health, and wellbeing of our employees. To do so, we follow all mandated government regulations.

**To get more information, please contact the Safety Department or Human Resources Department at your location.**



## Ethical competition

At McKinley, we compete respectfully, ethically and responsibly in providing products and services which allow competitive advantages to our customers.

We compete vigorously, abiding by anti-trust laws and regulations, ensuring our customers trust and preference in the marketplace by offering quality service and commercial strategies in accordance with our principles and values. We always respect our competitors.

Whenever we refer to our competitors' products and services, we do so fairly and objectively.

# Teamwork



We collaborate proactively and constructively to reach a common goal, recognizing we are part of a team, taking on our role, and sharing responsibilities, results, and ideas with a high-performance perspective.

## Equal employment

McKinley maintains equal employment opportunities in all policies affecting, among other things, recruiting, hiring, training, promotion, compensation, and other benefits and conditions of employment. These policies and practices will be administered in compliance with any applicable State or Federal laws which prohibit discrimination on the basis of race, color, religion, sex, national origin, age, physical or mental handicap, medical condition, veteran status, spousal affiliation, gender identity, sexual preference, genetic information or any other protected status, except where a bona fide occupation qualification applies.

We support the rights of all employees to a work environment free from discrimination, retaliation, intimidation and harassment based on their race, color, religion, sex, national origin, age, physical or mental handicap, medical condition, veteran status, spousal affiliation, gender identity, sexual preference, genetic information or any other status of condition protected by applicable law.

Suspected violations of this right must be reported immediately to your immediate supervisor, Human Resources Department, any member of management, or the Ethics Line.



## Suppliers

In compliance with free market regulations, we select our suppliers based on the suitability of their products, services, prices, delivery abilities, and quality conditions.

We only seek and select suppliers whose business practices reflect our values.

We have a commitment to developing business relationships in an ethical, lawful, honest, fair, and long-lasting way with our suppliers, without discrimination or impositions.

# Innovation



We identify areas of opportunity which help us achieve more efficient processes, products, and services for our customers. We welcome suggestions and specific improvements that support company growth.

## Our quality creed

We incorporate state-of-the-art technology in our productive and administrative processes. Cutting-edge technology and intensive training allow high-quality, differentiated products, lower production costs, and minimum re-processing of waste, giving our customers competitive advantages to increase their satisfaction and loyalty to McKinley. Quality is the central axis of our competitive strategy and the shortest bridge to excellence.

### We understand by QUALITY:

A product that satisfies customer needs better than others available in the market.

A product that, because of its advantages and benefits, allows more value and service than other similar product.

A product that is worth the purchase price and that is successful in how it is used.

A product that is true to the producer's commitments and the buyer's expectations.

A product that is produced with pride, credibility and integrity.

This is what we are striving to do when we talk about manufacturing QUALITY products.



**Quality will never be an accident; it is always the result of high expectations, sincere effort, brilliant direction, and skilled execution. At McKinley, high quality and consistency represent the best and the most economical choice in the markets that we operate.**

# Sustainability



Environmental conservation and sustainability are our priorities. We ensure our operations are financially, socially, and environmentally sustainable, integrating into every activity with respect for each other, the community, and the environment.



At McKinley, we strive to preserve the environment for future generations, pursuing a balance between economic development, environmental protection, and social responsibility. We are committed to bio-sustainable and eco-efficient productivity.

We are environmentally responsible for the products we make, starting with the procurement of goods, to the manufacturing process, and ultimately maximizing the recycling process. For this reason, we focus our efforts on intensive paper recycling to save trees and increase the forest mass.

Through our Circular Economy Model, the company multiplies both the life cycle of paper and paper products: they are reclaimed to recycle them as new high-quality paper products, allowing us to save trees and capture CO<sub>2</sub> emissions from the atmosphere.

## Social responsibility

McKinley is a socially responsible company and is committed to the economic and social growth of the communities by generating employment opportunities.

McKinley respects employees' rights and civil liberties, and as a company, we maintain a political neutrality principle.

McKinley collaborates with organizations dedicated to improving the communities in which we operate.

## Our investors

McKinley is focused on protecting the legitimate interests of our investors and groups of interest. The best business practices and corporate guidelines are reflected and adhered consistently in our organizational structure, procedures, and competencies.

We seek competitiveness and profitability to maintain and protect the value of their investment, primarily through the prudent and profitable use of resources coupled with world class business practices.

**For further information regarding the policies and procedures in this document please see the Employee Handbook corresponding to your location.**

# Ethics Line



We believe that everyone's voice must be heard; for that reason, we have a mechanism to report concerns or violations regarding our Code of Ethics: McKinley Ethics Line.



It is imperative that everyone has access to report any violation or concerns about behaviors against our Code of Ethics.

McKinley has an open-door policy, which purpose is to encourage open communication, feedback, and discussion about any matter of importance for an employee. Employees can take their workplace concerns, questions, or suggestions outside their own chain of command without worrying.

All employees are welcome to bring ethical concerns to any member or management, including the Human Resources Department. If you are not comfortable talking about your ethical concerns with any member of the management team, we encourage you to use the Ethics Line.

Listed are the communication channels available for you:



Phone Line

United States  
+1 855 245 1355

Mexico  
800 7727 735

Colombia  
01 800 5189 191



WhatsApp  
+52 55 6538 5504



Live Webchat  
Within the Ethics Line site



Email  
ethics@biopappel.com



Mobile App

1. Download "EthicsGlobal"  
(available for iOS and Android)

2. Scan this QR CODE



You can find this information on our website:

<https://mckinleypackaging.com/ethics/>



### **Confidentiality and anonymity policy**

When reporting an ethics concern, your identity and information are confidential. Anyone reporting an ethics issue is protected by the non-retaliation policy.

According to this policy, it is strictly forbidden for any employees, suppliers, customers, or other business relations to take any retaliatory action against a person who reports, in good faith, suspected ethics violations or who cooperates in an investigation or audit.

McKinley takes these matters seriously and investigates each concern and issue. Appropriate measures are taken to safeguard the information provided and the parties involved. McKinley takes the highest priority in maintaining confidentiality. Information is shared strictly on a need-to-know basis.

### **Use of the Ethics Line policy**

The Ethics Line cannot be used to make intentional false allegations. Doing so would result in immediate corrective action, up to and including possible termination of employment.

### **Corrective measures**

After a proper investigation and conclusion for the Ethics Committee, breach of the guidelines contained in this document will receive corrective actions, according to the following:

- McKinley Ethics Committee must establish corrective measures.
- Corrective action will be appropriate to the severity of the violation.
- Any violation that results in criminal activity will be reported to law enforcement.



The following list includes, but it's not limited to, some examples of Code of Ethics infringements:

- 1.** Any illegal harassment.
- 2.** Any type of discrimination related to race, religion, color, sex, age, national origin, disability, military status, spousal affiliation, gender identity, sexual preference, or any other characteristic protected by applicable federal or state law.
- 3.** Violations of laws or regulations that lead to legal sanctions, proprietary damage, any risk for the company or its people.
- 4.** Intentionally hindering an investigation or audit.
- 5.** Falsification of any type of accounting or financial record, including expense reimbursements.
- 6.** Any activity that goes against the policies mentioned in this document.



### Code of Ethics confirmed receipt

I have read and understand the Code of Ethics and agree to abide by all of the policies and procedures expressed in this document.

Date .....

Name .....

Sign .....



# Ethics Line



## Phone Line

United States  
+1 855 245 1355

Mexico  
800 7727 735

Colombia  
01 800 5189 191



## WhatsApp

+52 55 6538 5504



## Email

ethics@biopappel.com



## Live Webchat

Within the website



## Mobile App

1. Download "EthicsGlobal"  
(Available for Android and iOS)

2. Scan this QR CODE

