

Code of Conduct and Ethics

Code of
Conduct

Ethics



CEO

Message from the



As part of the commitment we have made in line with our corporate philosophy, it gives me pleasure to share with you our Code of Conduct and Ethics, a document that sets forth the regulatory framework that enables us to develop and maintain relationships marked by honesty, respect and trust, both with each other and also with all those with whom we have a business or professional relationship.

Since the ethical tenets set forth in this Code of Conduct and Ethics are ones our company lives by, we are all bound to observe them.

I am sure that this Code will provide us all with tools that will enable us to pursue our professional aims in harmony with those of our company.

Sincerely,

A handwritten signature in black ink that reads "J. Angeles". The signature is written in a cursive style and is positioned above a horizontal line.

Juan Angeles Uribe
CEO

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Introduction

Carnot® Laboratorios (hereinafter `Carnot´) has a commitment to its shareholders, clients, suppliers, business partners, collaborators and consumers to carry out every business operation in strict compliance both with current regulations and with its corporate values.

For the above reasons, Carnot is issuing this Code of Conduct and Ethics in order to orient the behavior, at both the company and individual levels, of each and every one of its collaborators and also of those who have a relationship, whether direct or indirect, with Carnot, setting forth guidelines and creating a framework of principles to ensure that they exercise good judgment and personal integrity.

Via its guidelines and its Mission, Vision and Values statements, the said Code sets out to ensure that we all comply with our company's aims and create value for our shareholders, clients, suppliers, business partners, collaborators and consumers.

We all need to familiarize ourselves with the Code, which will enable us to ensure that our behavior is strictly aligned with Carnot's Guidelines, obey the law and prevent offenses from being committed, as well as identifying and forestalling risks.

We must not forget that we are all responsible for complying with and enforcing this Code of Conduct and Ethics, whose values Carnot also exhorts us to put into practice in our personal lives.





Introduction



Mission, Vision and Values



Mission, Vision &

Mission

We exist in order to help people to live longer, happier, fuller lives by creating innovative, high-quality health products and services.

Vision

We seek to be an enterprising company that can attract and retain talent in order to produce new products and services in special niches of the Mexican and international markets based on its own technology.

Values



Leadership:

We develop leaders who are able to help people to reach their optimal potential so as to live a full life.



Innovation:

We come up with new ideas and convert them into competitive edges that give us a bigger share of market.



Integrity:

In everything we do, we believe in and live by truth, respect and ethics.



Discipline:

Both individually and at the team level, we pursue specific goals in an orderly and consistent way.



Efficiency:

We seek to optimize our use of time and resources in accordance with strict quality standards.



Observance of the Code

Carnot's Code of Conduct and Ethics applies to—and is compulsory for—all our collaborators, including their officers, directors and executives, regardless of their level in the hierarchy or their geographical location.

All third parties who have any relationship with Carnot, whether direct or indirect, are also governed by the principles set forth herein, since all entities doing business with us are required to subscribe to the aforesaid Code.



Legality

Legality



Carnot carries out all its business activities in strict compliance with the pertinent regulations, in this way promoting a culture of legality in the said company, with zero tolerance for money laundering and all other corrupt behavior.

For the above reasons, those of us who work for and with Carnot must comply with all the pertinent regulations when doing our jobs and report any potentially illegal activity via the Authorized Complaint Channels.

Hence, we understand that, in all our relationships with our shareholders, clients, suppliers, business partners and collaborators, as well as with the authorities, we have a responsibility to carry out all our activities in compliance with the Code of Conduct and Ethics, with all pertinent laws, with the codes of the chambers and associations of which Carnot is a member, and with all the internal policies that Carnot issues, including its Integrity Policy and its Felony Prevention Policy.

We should not forget that we are all part of Carnot and that our actions affect the perceptions of third parties and society in general about our company.

"My boss asked to do something that I think might be illegal. Should I do it because he's my boss, or who should I talk to about it?"

If you're not sure whether something is legal, you should talk to an expert about it while also reporting any possible violation that you are aware of via the pertinent channels.

Contact the Law Department for guidance about the regulations or laws that govern your activities, or, if necessary, report the situation via the Authorized Complaint Channels.



Work environment

Is it considered disrespectful to make disparaging remarks about a colleague's physical appearance, even if he's my friend?

Yes, such comments violate people's emotional integrity. In Carnot, we have zero tolerance for all types of disrespect.

As a company that protects human rights, Carnot does not permit any kind of discrimination (including but not limited to any health condition related to COVID-19 and / or to people who have been in contact with a family member suspected or confirmed to have contracted any disease), bullying, sexual harassment, violence or other behavior that affronts human dignity, either on or off its premises.

Carnot is committed to providing its employees with a safe work environment in which good interpersonal relations are fostered through respect, and where gender equity, diversity, professional development and quality of life are promoted.

Likewise, as collaborators we must enforce these principles both inside and outside the company.

Since Carnot is committed to providing a healthy work environment, it is forbidden to consume alcoholic beverages or take drugs on our premises or work while under the influence of drugs or alcohol.



Working hours must be respected in the company and no undue activities may take place during them.

Tools or equipment provided for work-related purposes may only be used for the purpose for which they are issued; improper use of such resources harms us as a company and negatively affects our performance. Carnot will constantly reinforce its policies governing the provision and proper use of working tools and equipment, ensuring that they are enforced.

We have an obligation to take care of our company's property in order to achieve better results by avoiding unnecessary expenditure.

"My wife owns a business and I help her to run it, even answering phone calls related to it during working hours. Would this be considered a misuse of working time?"

Yes, since the working hours established by Carnot must be respected, you must not engage in any non-company activities during them and use your own resources for such activities.



The environment



and social responsibility



The environment

Carnot promotes sustainable development, encouraging the rational, efficient use of resources so as to minimize environmental impact.

Social responsibility

Carnot is committed to supporting social causes that foster the all-round development of society in accordance with the guiding principles of social development established by the company.



Business practices



Carnot strives to grow in line with its Mission, Vision and Values, based on good business practices with all those with whom it maintains commercial links.

Carnot behaves honorably towards its business partners, seeking to ensure that they also behave ethically and in strict compliance with the law.

Carnot and its clients, suppliers, business partners and other collaborators must comply with the Carnot business policy (CRPO-001).

The medical community and its patients are very important to Carnot, since our growth depends on their loyalty. Therefore, Carnot endeavors to offer them high-quality products that fulfill their expectations so as to build a long-term relationship.

Business practices



Carnot strives to grow based on good business practices

Anticorruption

“A supplier has offered to take care of some red tape for me in half the time stipulated by law in exchange for bribing a government official. This would benefit the company in many ways. Should I accept the offer?”

No; it's illegal. Since Carnot does not tolerate corruption in any shape or form, such offers must always be turned down.

In accordance with its Integrity Policy, Carnot does not allow any sort of corruption either on or off its premises, and so we must avoid engaging in any kind of corruption or influence-peddling whatsoever.

Hence, all collaborators and all third parties related to Carnot are forbidden to promise, offer or provide incentives to any third party, either personally or through an intermediary, as well as being barred from using personal, institutional or business relationships, or economic or political clout to have a third party carry out—or refrain from carrying out—any action aimed at obtaining or keeping an unfair benefit or advantage, regardless of the incentive received or accepted, or of the result achieved.

We are also obliged to report any act of corruption or influence-peddling having to do with Carnot, any of our collaborators, or any third party with whom we do business.

Any action contravening the aforesaid stipulations may be deemed to constitute a felony punishable under law.

Since Carnot does not have any political bias or affiliation whatsoever, none of its actions may have political ends or be based on any sort of political position or preference.

One-off payments and gifts

We at Carnot are aware that we are open to being offered one-off payments and gifts by third parties that we work with, with the phrase 'one-off payment' being understood to mean any cash or in-kind payment other than —or additional to— our wages. A gift may take the form of a free item, service, meal, travel fee, promotion or form of entertainment.

In view of the above, all one-off payments offered by a third party must be refused and reported in strict compliance with the pertinent Carnot guidelines; likewise, Carnot and its collaborators must at all times refrain from offering one-off payments, though they may indeed offer and receive gifts that comply with the pertinent Carnot guidelines so long as these cannot be swapped for cash, are not worth more than USD 75.00, and do not influence any decision made by Carnot's collaborators or by third parties that work with Carnot.



"I'm a member of the Purchasing team who is responsible for selecting a vehicle-fleet supplier; one potential supplier has offered to give me a car if I award it the contract. Can I accept?"

No. You may at no time receive any kind of payment from a third party, since such a gift could influence your decision-making criteria to the detriment of the company.

Confidentiality

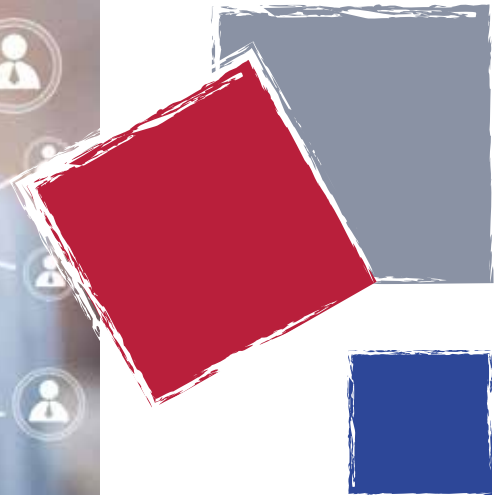
We must all keep any information or documents that we obtain in the course of our work confidential, refraining from disclosing such information to any party that is not authorized to share it, even when our relationship with Carnot has ended.

Confidential information belonging to Carnot may only be disclosed to a third party when the company wishes to share it to its benefit and for licit purposes. In such cases, all third parties to which confidential information is divulged must undertake in writing to keep the said information confidential, in accordance with the guidelines established by Carnot.

We must take whatever steps are necessary to classify and store information in accordance with its level of importance or confidentiality, so as to prevent it from being shared without due authorization or misused.

All the information that we produce or develop in the course of our work belongs to Carnot. Hence, we cannot use such information for personal ends and are obliged to keep it confidential and refrain from talking about it in public places or with unauthorized third parties, given that its unauthorized disclosure could harm the company.

As collaborators of Carnot, we are obliged to refrain from sharing any confidential information that has been entrusted to us by a third party with anyone else, since such sharing could give rise to conflicts and besmirch the company's image.



What is confidential information?

Confidential information is defined as all data or documents belonging to Carnot and useable for industrial or business purposes which, if disclosed without authorization, would seriously harm the company by preventing it from gaining a competitive edge in the course of business. Likewise, personal data are deemed to be confidential.

Some examples of the above are:

- Product formulas
- Processes
- Marketing strategies
- Product-launch plans
- Lists of clients and suppliers
- Anyone's address or information about their marital status or salary.

"One of my best friends, who works for a competitor, has asked me when Carnot's next product-launch is scheduled. I never hide anything from my friends. Can I share the information in question?"

No. No matter how close a personal relationship you have with a third party, you are obliged to keep all company information confidential. Violating this type of obligation is a crime.

Intellectual Property



Since Carnot is committed to protecting its intellectual property (trademarks, patents, trade secrets, etc.), we should be aware of how important the latter is and protect it at all times, using it only to further the company's interests.

Likewise, it is our obligation not to infringe the intellectual-property rights of third parties.

Remember that all intellectual property produced in the course of your activities within the company belongs to Carnot or to whomever Carnot designates as its owner.

Carnot's name, designs, logotypes and images containing both graphic symbols and words must always be used in suitable, authentic contexts, without diminishing their prestige or devaluing what they depict.



It is strictly forbidden to make negative comments about Carnot, its image, reputation, trademarks or other intellectual-property rights.

For further information about the proper use of the Carnot brand, please consult the pertinent guidelines on this topic (CRLI-0003).

If you have any queries about intellectual-property matters, you should contact the company's Law Department about them.

A conflict of interest arises when we seek to obtain a benefit for ourselves or for a third party related to us (i.e. a relative, friend, acquaintance, etc.) stemming from our activities in Carnot, or at the latter's expense.

A conflict of interest is also deemed to arise when our judgment as collaborators of Carnot could be compromised by our personal interests.

In short, conflict of interest arises when our personal interests enter in conflict with those of Carnot.

We should not forget that all our decisions as collaborators of Carnot must be aimed at benefiting the latter.

conflict of interest

Conflict of interest

Since we at Carnot know that conflicts of interest may arise in the course of our activities, it is our duty to immediately report any potential conflict of this kind via the Authorized Complaint Channels.

Some examples of conflicts of interest are:

- a) Being involved with another company or other entity that requires us to work schedules that are not compatible to our working hours with Carnot.
- b) Investing or accepting shares in companies belonging to Carnot's business partners, suppliers or competitors.
- c) Interacting with collaborators who are relatives, are in some way linked to us, have some sort of sentimental connection with us, or are involved in activities related to our own, regardless of whether they report to the same line manager as ourselves.
- d) Failing to report the existence of family ties, in-law relationships or sentimental links with people who work for business partners, suppliers or competitors of Carnot.

It should be stressed that, since conflicts of interest can seriously harm the company, it is our responsibility to notify the latter about them so as to find the best way to deal with them.

The Ethics Committee must be informed about—and look into— all actual or potential conflicts of interest, deciding what steps to take in order to handle or prevent them, as the case may be. If you have any doubts as to whether a conflict of interest might exist in a given situation, ask for advice via the Authorized Complaint Channels.



“I’m choosing suppliers for the area of Carnot where I work; my uncle—who is a suitable potential supplier—has been unemployed for a long time, and I’m sure that he could adequately render the services that Carnot needs. Can I include him in the selection process?”

There’s no reason why your uncle shouldn’t take part in the selection process so long as you first disclose your relationship with him and the selection is carried out by someone other than yourself, which will not only make the process transparent and free of conflict of interest, but also ensure that the selection is valid, having been made impartially.

Complaints, consultations and comments

For any complaint, consultation or comment relating to the Code of Conduct and Ethics or to Carnot's internal policies, you should use the following Authorized Complaint Channels ('LDA'):

- **Ethics Committee:**
comitedeetica@carnot.com
- **LDA mailbox:**
Located on Carnot's premises all over the world.
- **Direct line manager**
- **Compliance Officer:**
compliance@carnot.com
- **Website for complaints:**
www.denunciacarnot.com
- **Phone line for complaints:**
+52 (55) 5488 7099

If you so wish, you can file an anonymous complaint.

All Carnot's collaborators have an obligation to report breaches of the Code of Conduct and Ethics or of Carnot's internal policies, and failure to do so is also deemed to constitute a breach.

All complaints will be analyzed and dealt with by Carnot's Ethics Committee, which may ask collaborators to help it to carry out an impartial, confidential investigation.

While there will be no reprisals of any kind against people who file complaints, complainants who are irrefutably proved to have acted in bad faith or with malice will be sanctioned. Likewise, anyone, regardless of Rank, who is shown to have taken reprisals against a complainant will be investigated and, where fitting, sanctioned.

Since we are committed to making this Code of Conduct and Ethics an effective tool for all our collaborators, we welcome all comments and suggestions aimed at enriching it.

Sanctions



Collaborators or third parties who breach either this Code of Conduct and Ethics or our internal policies will be subject to disciplinary measures that may range from a reprimand to the termination of their relationship with Carnot, apart from whatever legal penalties apply.

All sanctions will be decided on by the Ethics Committee after an impartial investigation.

Letter of Commitment

I, _____ hereby declare that I have read and understood the Carnot Code of Conduct and Ethics and am fully aware of its implications and of my rights and obligations under it.

I undertake to comply with, and enforce, the said Code of Conduct and Ethics and also to familiarize myself with, abide by and enforce each of the company's internal policies, reporting all breaches thereof.

Furthermore, I understand and accept that, if I violate the aforesaid Code of Conduct and Ethics, Carnot will take the pertinent actions against me.

Date: _____

Name: _____

Place: _____

Signature: _____



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