



CODE OF ETHICS

Version 00



MESSAGE FROM THE CEO

Responsible conduct strengthens our business



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CEO

At PRODIEL we are determined to operate within the framework of a management model based on business ethics being one more asset of the company, one that is essential for ensuring the relationship of trust between PRODIEL and its internal and external stakeholders. PRODIEL committed to the United Nations Global Compact, which contains guiding principles on human rights, labour standards, the environment and the fight against corruption.

PRODIEL's ethical commitment is one of the pillars of our strategy. For us, there is no way of doing business other than a firm commitment to the strictest ethical standards and full compliance with our legal obligations. We are committed to acting fairly and honestly with contributors, customers, partners and third parties in general who are involved in our business; as well as ensuring, in all cases, respect for the legal framework in each country.

This Code of Ethics is designed to aid understanding of our responsibilities and the principles we must all observe. **It is essential that all of us are familiar with our Code of Ethics;** it must be a guideline that enables dialogue between us all with the ultimate purpose of doing the right thing in each decision, every day.

Lastly, it is also key that anyone at PRODIEL, when looking for advice or raising a concern in the context of the Code of Ethics, feels comfortable and safe. If you find yourselves in a situation where you consider that the Code of Ethics is not being respected, or if you are unsure how to act, I encourage you to share it. All the information received about questionable activities or possible infringements will always be treated with the utmost confidentiality.

Content

1. Introduction	1
2. Scope	2
3. General Principles	3
4. Specific Principles	5
4.1. Integrity and Personal Honesty	5
4.2. Integrity and Business Ethics	8
4.3. Human Rights and Labour Standards	11
5. Supervision of Compliance and Reporting of Incidents	13
6. Validity	15

1. Introduction

PRODIEL's **mission** is to contribute to economic and technological progress in a sustainable manner through a highly competitive, constantly growing organisation that specialises in executing engineering and equipment projects in the power, infrastructure, industrial and environmental sector, striving at all times to satisfy its customers, suppliers and the people who make up the company by offering a comprehensive service based on quality and safety.

PRODIEL aspires to be a leading company that is constantly growing and expanding internationally, and is highly competitive in terms of human and technological resources and profitability for its shareholders, so as to deliver efficient solutions in the field of engineering and equipment that contribute to sustainable development, ensuring quality, safety, and the satisfaction and trust of our customers, as well as generating opportunities for professional and personal development for our employees.

The PRODIEL Code of Ethics is a core element in our strategy and is made up of the following elements:

- ▶ General principles which define the reference values upon which the company's activities are based
- ▶ Specific principles of conduct which must be respected by the entire organisation
- ▶ A monitoring mechanism to supervise and monitor compliance with the Code of Ethics and the continual improvement thereof.

The purpose of this Code of Ethics is to implement values and principles of good governance within a framework of Corporate Social Responsibility, thus satisfying the commitment undertaken by PRODIEL, as signatory of the United Nations Global Compact. These principles are part of its business culture and will contribute to ethical and responsible behaviour in all the labour, commercial and professional relations of the people who make up the company.

In addition, the aim of the Code is to help us to recognise ethics and compliance issues before they occur and to handle them appropriately. It is not intended to be a compendium of policies or an exhaustive list of legal and compliance requirements.

2. Scope

This Code of Ethics is applicable to all PRODIEL companies and to all the countries where they operate, albeit taking into account the legal, cultural, social and economic differences in each of the countries where we are present.

The **Code of Ethics is applicable to all the people who make up PRODIEL, including employees, executives and directors**, as well as any other related natural or legal entity and any whose actions may affect PRODIEL's reputation. All of the foregoing is in the exercise of their functions within all the professional fields in which they serve the company.

Nobody has the authority to order or approve any action which contravenes, or is any exception to, this Code or which is against the law. This Code and its standards can never be compromised for business or results purposes.

In addition, PRODIEL will call on its suppliers and contributors to adopt conduct which is in accordance with the general principles of the Code of Ethics. When selecting suppliers, whenever it is technically and economically possible priority will be given to those which are committed to the principles of the United Nations Global Compact or those which are most committed to sustainability.

All PRODIEL employees have the following **obligations**:

- ▶ To become familiar with, understand and comply with the Code of Ethics;
- ▶ To work at all times to ensure compliance with prevailing legislation and the applicable regulations, as well as the Management Policy and the Stop Work Policy to prevent accidents from occurring and to minimise risks;
- ▶ To act in accordance with the content and spirit of the Code of Ethics and other corporate policies;
- ▶ To report unethical conduct and illegal behaviour, preventing participation in the aforesaid acts.

3. General Principles

Integrity and Honesty

We must all act with integrity and honesty. This means going about our work with honesty, dignity, solidarity, coherence and respect, guaranteeing the physical and moral integrity of all those with whom there is a relationship and preventing episodes of intimidation or harassment occurring in the workplace environment. In addition, it is inherent in compliance with the legislation in force and with the company's internal policies and regulations.

Under no circumstances can the pursuit of PRODIEL's interests justify dishonest conduct.

Sustainability and Corporate Social Responsibility (CSR)

The environment is an asset which PRODIEL is committed to protecting. To this end, the company ensures the reduction of the environment impact stemming from its activities and fosters initiatives which encourage environmental responsibility, not only by respecting the legislation in force but also by promoting the development of best practices and environmentally friendly technologies designed to prevent risks to communities.

PRODIEL is also committed to its social and economic environment; it contributes to the creation of wealth and fosters cooperation with NGOs, local entities, schools, universities, etc., to support the communities in the areas where the projects are executed.

Human Rights and Labour Conditions

PRODIEL has joined the United Nations Global Compact and, consequently, supports the protection of fundamental internationally recognised human rights, applicable in the sphere of its activities, thereby ensuring that PRODIEL companies are not directly or indirectly complicit in violating human rights.

Compliance with labour legislation, equal opportunities and work-life balance will be ensured by PRODIEL.

PRODIEL contributors will not foster child labour or any form of forced labour or labour performed under duress. For this purpose, in contracts entered into with suppliers from countries at risk clauses will be included on protection against child exploitation, equal treatment and forced labour.

Health and Safety

All the activities performed by PRODIEL workers and suppliers must be carried out under the maximum safety conditions, as the safety of our team is of paramount importance.

4. Specific Principles

4.1. Integrity and Personal Honesty

Conflicts of Interest.

A conflict of interest arises when private business or a personal interest of an individual interferes, or appears to interfere, with PRODIEL's interests. For the purpose of illustration only, some examples are given:

- ▶ Having a job, providing services, acting as a director or consultant or having a financial stake with regard to an existing or potential competitor, customer or supplier of PRODIEL;
- ▶ Hiring or supervising a family member or partner as an employee or supplier;
- ▶ Having a second job or performing services for another company if it means a reduction in commitment capability;
- ▶ Using PRODIEL resources for activities of a political nature.

The general principles are the following:

- ▶ Any action where those involved are or may apparently be involved in a conflict of interest is prohibited;
- ▶ It is essential to always act in accordance with PRODIEL's best interests: we must avoid any situation in which private business or personal interests may, or may appear to, come into conflict with the interests of the Company;
- ▶ If any situations occur in which it could be considered there is a conflict of interest, they must be immediately reported in accordance with the rules established in the Code of Ethics.

Bribery and Corruption

PRODIEL does not participate in commercial or business relationships where there is bribery or corruption of any type, either in the private or in the public sector, or whether direct or indirect.

The large majority of the countries where PRODIEL is present have created specific regulations to fight bribery and corruption. It is essential that people who are engaged in commercial work, with either customers or suppliers and subcontractors, become familiar with these regulations.

At PRODIEL, we base our relationships with third parties on the fundamental principles of justice, honesty and mutual respect. We have policies and procedures that ensure these third parties also meet the ethical and legal requirements. We comply with all the laws and regulations that prohibit bribery and corruption, and we do everything possible to try to guarantee that our customers, suppliers, contractors and partners do the same.

In particular, the following principles must be observed:

- ▶ No gifts, payments, entertainment, donations or other advantages should ever be requested, accepted or received from any person (directly or indirectly) as compensation or an incentive;
- ▶ All types of bribery are prohibited, regardless of their form, including kickbacks, on any portion of a contract payment, or the use of any other routes or channels that might provide improper benefits to any stakeholder.
- ▶ These rules are also applicable to any persons or agents who act on behalf of and to the benefit of PRODIEL.
- ▶ The procedures put in place regarding procurement in relation to supplier selection and approval must always be respected.

Presents and gifts

The general rule is that neither accepting nor giving presents, gifts, favours or other types of services is permitted if they are excessive or inappropriate or if they are offered at an inappropriate time.

As a result, offering and accepting business gifts or presents is acceptable when what is being offered is modest, reasonable and legal, and it is not being delivered at an inappropriate time.

All PRODIEL employees who participate in the processes of selecting contractors, suppliers and external collaborators must act impartially and objectively, applying quality and cost criteria and avoiding any conflicts between their personal interests and those of the organisation.

At PRODIEL, accepting or giving presents or gifts is permitted provided that all the following requirements are met:

- ▶ It does not contravene the regulations of the country where the present or gift is given and it is consistent with commercial practices;
- ▶ It is not in breach of the policy on this issue established by the other party;
- ▶ It cannot be interpreted as a bribe, reward or undue influence;
- ▶ Receiving or giving presents in cash or cash equivalents is never permitted;
- ▶ The reasonable value of the gift or present received is under 100 euros (or equivalent amount);
- ▶ The present or gift is not given as part of a bidding or supplier selection process.

Any exception to these requirements must be approved in writing in advance by the Ethical Management Committee.

4.2. Integrity and Business Ethics

Corporate Governance

PRODIEL's governance and management bodies are the Shareholders' Meeting and the Board of Directors, respectively. At executive level, there is also a Steering Committee and an Executive Committee.

In general, the objectives of the governance and management bodies of PRODIEL are to:

- ▶ Ensure transparency in management;
- ▶ Ensure value creation for shareholders;
- ▶ Boost the quality of the service for customers;
- ▶ Promote the reconciliation of interests of all shareholders;
- ▶ Promote increased awareness of the social relevance of PRODIEL's activities and how it is considered in the pursuit of its business activities.

The Board of Directors has delegated certain duties to the Audit Committee, which are essentially those relating to supervision of the financial reporting and of the annual accounts which must be presented to the Board of Directors. The Audit Committee performs its supervisory and control functions through the Internal Audit area.

Transparency and Financial Reporting

The reliability of the financial and non-financial information is essential to PRODIEL's reputation and its ability to meet its legal, tax, auditing and regulatory obligations and to back up the commercial decisions.

Any errors when recording transactions precisely, or falsifying or creating misleading information, or influencing others to do so, could constitute fraud and lead to fines or sanctions for the employees and/or for PRODIEL. The following principles must always be respected:

- ▶ The applicable accounting standards and internal reporting procedures must always be complied with;
- ▶ All critical records must be managed in accordance with these procedures. The records of the Company cannot be destroyed unless it is permitted by law;
- ▶ PRODIEL's consolidated annual accounts are audited by an external auditor on at least an annual basis, in accordance with applicable legislation. Full cooperation with the external auditors, internal auditors and any type of supervisor is essential.
- ▶ PRODIEL acts with total transparency, ensuring the accuracy and truthfulness of social communications (advertising, periodic reports, etc.) in the interest of preventing corporate crimes and/or market abuse.

Confidentiality and Information Security

All "non-public" information about PRODIEL, its activities, businesses, employees, customers and suppliers is confidential. PRODIEL trusts in the appropriate use of this information for the intended business purposes. This information cannot be used for purposes other than those linked to its activities.

Any person who, for professional reasons, is in possession of confidential information must act with the due diligence to preserve that confidentiality. Confidential information may not, under any circumstances, be shared with friends, relatives or work colleagues.

In addition, PRODIEL undertakes to respect the privacy of all stakeholders, ensuring respect for the legislation on the protection of personal data. All individuals may exercise their rights of rectification, cancellation and objection in accordance with the applicable legislation.

All the communication networks, equipment and systems are the property of PRODIEL and have been assigned to their users exclusively for the purpose of the performance of their work. Therefore, use of this equipment for other purposes must be avoided, excluding reasonable personal use of media.

PRODIEL has put in place specific policies and rules regarding use of computer and telecommunications resources (equipment, programs, data, email, Internet, corporate social network, etc.) which must be complied with by all employees.

Protection of the Environment, Sustainability and Social Commitment

All PRODIEL employees and contributors must ensure compliance with the Environment Management System and apply environmental measures in their jobs, such as prioritising the use of digital tools, rational use of air conditioning and heating systems, and efficient printing of documents, etc.

Additionally, to foster the social and economic development of the areas where its most significant projects are located, PRODIEL develops Social Plans, which focus on:

- ▶ Fostering the hiring of local workers and selecting local suppliers, provided that these meet the approval criteria defined by PRODIEL and the legal and quality requirements.
- ▶ Fostering protection of and respect for the environment in the vicinity of the projects to safeguard its natural assets.
- ▶ Collaborating with the community to develop it at a cultural and social level and improve cohesion. The term "community" is understood to include both villages and communities close to the projects and entities in the vicinity which are conducting activities that affect society, such as NGOs and training centres.

4.3. Human Rights and Labour Standards

Protection of people's dignity and integrity

At PRODIEL we respect the dignity, privacy and human rights of all employees. In addition, we defend equality and diversity. Specifically:

- ▶ We do not accept any type of discrimination based on race, sex, religion, opinion or any other condition or personal or social circumstance;
- ▶ Any active or passive situation of harassment or abuse in any line of the work hierarchy is not allowed;
- ▶ Discrimination at work is unacceptable: equal opportunities in personal recruitment and internal promotion processes is guaranteed. There are Human Resources policies which elaborate on the criteria for recruitment, internal promotions, training, remuneration and management of personnel;
- ▶ An atmosphere of trust is encouraged, where employees are able to pass on queries, report violations or report irregularities.

Labour Conditions

PRODIEL committed to the United Nations Global Compact, whose principles derive from the Universal Declaration of Human Rights and the Declaration of the International Labour Organization regarding principles and fundamental rights in the workplace. In this respect:

- ▶ Forced labour is strictly prohibited. Work must only be performed voluntarily;
- ▶ Child labour is strictly prohibited. In all the countries where we are present, our employees and subcontracted personnel have reached the minimum legal working age.
- ▶ The work is always remunerated. Wages are fair and are in line with the employment legislation in each geographical region;
- ▶ The right to association of our employees is recognised in accordance with the employment legislation of each country;

- ▶ All employees have been hired by virtue of an employment agreement which complies with the applicable legislation.

Health and Safety

PRODIEL's commitment to the goals of Health and Safety is absolute. The Company has developed policies, procedures and rules on this issue with the goal of achieving its objective of "zero accidents". It also promotes initiatives aimed at improving working conditions and compliance with the regulations in force.

Specifically, all of us at PRODIEL must comply with the following rules and regulations:

- ▶ Management Policy
- ▶ Stop Work Policy
- ▶ Management and Security System Procedures

These rules and regulations develop procedures that make it possible to ensure all the work done has been assessed from the perspective of preventing accidents, and as a result the work has been planned by prioritising the safest methods, the necessary individual and collective protective measures have been provided to minimise the risks detected, and in the event of an incident or accident, corrective and preventive mechanisms have been established.

Ultimately, it is the responsibility of each employee to observe and following the rules established to prevent the occurrence of accidents or incidents.

5. Supervision of Compliance and Reporting of Incidents

Supervision of Compliance

The monitoring and supervisory body for compliance with the Code of Ethics is the **Ethical Management Committee**, which is made up of one representative from the following areas:

- ▶ Legal Advisory
- ▶ Human Resources
- ▶ Internal Audit

The principle duties of the Ethical Management Committee are:

- ▶ Reviewing and updating the Code of Ethics;
- ▶ Preparing, reviewing and updating other policies, procedures and protocols regarding Ethics and Regulatory Compliance;
- ▶ Promoting the dissemination of the Code of Ethics and related policies through regular communications and training activities;
- ▶ Dealing with queries, questions and issues related to the Code of Ethics;
- ▶ Receiving, analysing and taking other necessary steps with regard to reports received about non-compliance or irregularities;
- ▶ Proposing disciplinary measures, always in accordance with the applicable labour regulations;
- ▶ Preparing annual reports on level of compliance with the Code of Ethics;
- ▶ Reporting regularly to the Steering Committee and/or the Board of Directors on the action taken, improvements proposed, updates implemented and measures agreed, as well as on any other aspect deemed relevant in the performance of their function.

The principal rules of operation of the Ethical Management Committee are the following:

- ▶ To perform its duties, the Ethical Management Committee will hold meetings on at least a quarterly basis;
- ▶ The members of the Ethical Management Committee are obliged to treat all the information they have available to them with the utmost confidentiality;
- ▶ In addition, in the performance of their duties the members of the committee must have free access to all the documentation or places they need to perform their work.

Reporting Incidents

All of us at PRODIEL have **the obligation to report or communicate** any irregularities or non-compliance we are aware of. The established communication channels must be the following:

1. **Report it to your direct superior:** In most situations, your direct superior will be in a good position to address your queries. However, if you are not completely comfortable or not satisfied with his or her response, use the other channels available;
2. **Report it to the Ethical Management Committee:** PRODIEL has made an email address (canaletico@prodiel.com) available to all the employees and other related parties, which you can use to send any type of query or concern related to compliance with the Code of Ethics and with the rest of the policies established regarding regulatory compliance. The rules governing this communication channel are the following:
 - ▶ Confidentiality and Anonymity: All correspondence received through this channel will be treated with respect for the confidentiality of the reporting party. The identity of the reporting party will not be communicated under any circumstances. In addition, all the information received will be investigated completely and objectively, regardless of whether it has been received anonymously or not.
 - ▶ Good faith and Absence of retaliation: No retaliation of any type will be adopted in any case against the reporting parties, provided that the report was made in good faith. Malicious reports or reports made in bad faith will be deemed serious infractions for disciplinary purposes.

6. Validity

This Code of Ethics has been produced by the Ethical Management Committee and will enter into force on the day it is made public to all employees.

The Code of Ethics will be reviewed and updated, where appropriate, on an annual basis by the Ethical Management Committee.

Failure to comply with any of the principles and rules established by the Code of Ethics will be subject to sanctions as part of PRODIEL's disciplinary system and in accordance with labour regulations, without prejudice to other types of actions or claims that the organisation may undertake to defend its interests.