

CENTRAL STRUCTURE

COMPLIANCE AREA

PCN-008-001-04

COMPLIANCE POLICY

SUPPLY CHAIN ETHICS CODE

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Compliance Area

Audit and Control
Committee

1. INTRODUCTION

Tecnicas Reunidas (hereinafter **TR**) is committed to follow the highest integrity standards in the development of its activities, including in its relations with **Suppliers, Subcontractors and other third parties related to its supply chain** (hereinafter referred as “**Third Parties**”).

Third Parties actions and practices also reflect and affect TR. Therefore, TR expects **Third Parties** to comply with legal requirements and to act in accordance with the Guidelines and Expectations outlined in this Supply Chain Ethics Code.

This Supply Chain Ethics Code defines TR’s minimum requirements for our **Third Parties** concerning their responsibilities towards TR, its stakeholders and the environment.

Third Parties are also responsible for ensuring that their personnel, representatives, suppliers and subcontractors follow similar standards of conduct that the one set out in the present Code.

All TR’s Third Parties must accept and guarantee that they will act at all times in accordance with the standard of conduct and values set out in this Code.

2. GENERAL GUIDELINES

Legal Compliance

TR expects that **Third Parties** conduct their professional activities in accordance with the highest standards of ethical behavior and

complying with the applicable legislation in the countries where they operate, avoiding any conduct that, even if not violating the law, may hinder the reputation of TR.

Moreover, it is expected that **Third Parties** have in place policies, controls and procedures in order to comply with the applicable laws and to promote a culture of compliance and integrity within its organization.

Professional Responsibility

Third Parties shall employ its technical and professional capacity, as well as the prudence and care necessary to carry out its activities for TR.

Third Parties shall always make an adequate use of the resources provided by TR and every time in accordance with the standards and values included in the present Code.

TR’s reputation relies on the integrity, professionalism and respect and expects that **Third Parties** undertake to exercise utmost care and diligence in preserving TR’s image and reputation in their business activities.

Human Rights

It is expected from **Third Parties** to act in accordance with the most internationally recognized laws, principles and practices related to Human Rights, such as:

1. The Universal Declaration of Human Rights.

2. The 10 Principles of the United Nations Global Compact, of which TR is a signatory. These principles establish fundamental values and principles to be respected and follow in relation with human rights, labour standards, environment and anti-corruption issues.

<https://www.unglobalcompact.org/what-is-gc/mission/principles>

Conflict minerals

The trade of certain minerals commonly known as “conflict minerals” (tantalum, tin, tungsten, gold, and cobalt) mined in regions of the Democratic Republic of the Congo (“DRC”) and its adjoining countries (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia) may be contributing to human rights abuses.

Third Parties shall fully cooperate in ensuring that TR can responsibly source minerals that do not support conflict or human rights abuses, and they must conduct Due Diligences to its providers to avoid purchase products, components or materials that contain “conflict minerals”.

Fair employment practices

Third Parties must observe and comply with all applicable labour laws and regulations. Likewise, **Third Parties** are expected to follow the principles of the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.

Moreover, the **Third Parties** commit to fight against any kind of discrimination, harassment, abuse and/or retaliations in the workplace creating a work environment based on respect, dignity and equality.

Likewise, **Third Parties** shall not employ workers under sixteen years (16) of age or minors of the minimum legal applicable age (whichever is greater); shall not use forced or compulsory labor or take part in any form of human trafficking or exploitation.

Environment, Health and Safety

TR expects from the **Third Parties** a strong commitment to:

- Contribute to the sustainable development through the rational use of energy and natural resources, reduce the environmental impact, minimize waste and emissions, reduce their carbon footprints, promote innovation and use the best available technologies and processes to favor the sustainable use of renewable resources.
- To preserve the Health and Safety of its personnel, subcontractors and suppliers, and to protect the environment through the minimization of risks and the implementation of socially responsible behavior in all their activities, without negatively affecting the local community.
- To promote a continuous improvement through the optimization of the Quality, Health, Safety and Environmental management, fostering a culture of prevention instead of correction.

Fair Competition

Third Parties shall respect free competition and comply with all applicable antitrust laws and regulations avoiding at all times to incur in unlawful activities against competition including but not limited to bid rigging, collusions and/or price fixing.

Confidentiality and Data Protection

Third Parties must establish the appropriate measures to protect confidential information of clients, suppliers or subcontractors that it has access to in connection to its business relationship with TR.

Third Parties must respect the principles of confidentiality of the information they have access to as a result of their relation with TR in carrying out their professional activity.

Furthermore, **Third Parties** must comply with applicable privacy and personal data laws when collecting, storing, sending and sharing personal information, specifically including the obligations of the European Union General Data Protection Regulation must be observed when European citizens are affected.

In case of doubt related to data privacy issues, **Third Parties** must consult to: privacy@tecnicasreunidas.es

Supply Chain

Third Parties shall conduct due diligence on its suppliers and subcontractors in order to ensure that they comply with all the applicable laws and that they are governed by similar standards to those set out in this document.

3. THIRD PARTIES' EXPECTATIONS

Bribery and Corruption

TR has a zero-tolerance approach to any kind of corruption, like bribery, kickbacks or other improper payments, firmly condemning any corrupt or fraudulent practice.

Corruption usually includes: offering, promising, granting or receiving an unjustified or improper benefit or advantage of any kind with the intention of influencing a person's behavior, whether a government official or any other third party with the purpose of obtaining a commercial advantage or any other benefit. TR consider "facilitation payments" as a form of corruption.

Third Parties shall not engage in or tolerate any form of corruption, bribery or extortion and they not use corruption to gain an unfair competitive advantage.

TR personnel must not accept or offer inappropriate gifts, meals and/or hospitalities. Only inexpensive gifts (e.g. pens, calendars or promotional material) or hospitality of little value (coffee or soft drinks at meetings) may be acceptable and/or offered in a context of business and corporate activity and appropriately-timed.

Fraud

TR expects from **Third Parties** a strong commitment to prevent any type of fraudulent activity (internal or external). In this sense, **Third Parties** are committed to implement and maintain in force controls, procedures and systems to prevent and mitigate fraud when working with TR.

Books and Records

Third Parties must register and provide information in an honestly, accurately, exhaustively, and objectively manner.

Third Parties' books, records, and accounts must accurately reflect transactions, payments, and events and be in compliance with current laws and generally adopted accounting practices.

Conflict of interests

Third Parties must carry out its activities in an open, transparent manner and with the utmost integrity. If there is an actual or potential conflict of interest, **Third Parties** shall disclose any actual or potential conflict of interest to TR before starting negotiations and whenever these emerge.

Unauthorized actions on behalf of Tecnicas Reunidas

Third Parties are not entitled to assume any obligations of any kind or nature on behalf of TR. It may also not represent TR legally, or carry out any actions on its behalf, unless it has the express prior written authorization of TR.

Sanctioned Parties

Third Parties shall not have business relationships in any case with third parties (i) which are included in "Sanctions Lists", (ii) based in a country subject to a Sanction program (iii) directly or indirectly dependent on an entity or country defined in the points above mentioned.

"Sanctions Lists" include but are not limited to: (i) the United Nation's Security Council, (ii) the Common Foreign and Security Policy (CFSP) European Council decisions (European Union), (iii) the UK Government, (iv) the Office of Foreign Assets Control ("OFAC") of the US Department of the Treasury (SDN List and Consolidated Sanctions List) or (v) any EU Government.

Money laundering and financing of terrorism

Third Parties shall comply at all times with all the applicable anti money laundering and counter terrorism financing regulations.

Including ensuring that they conduct due diligence on all the relevant third parties that they work with to prevent any risks of non-compliance with the above-mentioned regulations.

4. CONSEQUENCES FOR NON-COMPLIANCE.

Violations by **Third Parties** of the content of this Code may have different consequences in their business and contractual relation with TR. Depending on the gravity of the circumstances, shall have consequences ranging from a simple warning to termination of existing contracts and/or removal of a Third Party from consideration for future business opportunities with TR, without prejudice to other applicable legal or administrative actions.

5. HOW TO REPORT ANY MATTER RELATED TO THE BREACH OF THESE GUIDELINES AND EXPECTATIONS?

Third Parties must report any suspicious activity contrary to the principles and expectations set forth in this Code to **TR** as soon as possible at:

<https://canaletico.tecnicasreunidas.es/tecnicareunidas>

Please note that any good faith complaint will be treated on a confidential and non-retaliatory basis.

TR also expects **Third Parties** full cooperation in any subsequent investigation related to a suspicious conduct or wrongdoing reported by the same.

ACKNOWLEDGMENT OF TR'S SUPPLY CHAIN ETHICS CODE

Tecnicas Reunidas is committed to follow the highest integrity standards in the development of its activities and expects the same for its suppliers, subcontractors and other third parties related to its supply chain.

Prior to conduct business with Tecnicas Reunidas, all suppliers, subcontractors and other third parties related to its supply chain, shall be acknowledged the Tecnicas Reunidas' **Supply Chain Ethics Code**.

This **acknowledgment** must be signed by a legal representative duly empowered for acting on behalf of a supplier, subcontractor or other third party who expect conduct business activities with Tecnicas Reunidas.

ACKNOWLEDGMENT

I, on behalf of _____, hereby acknowledge the Tecnicas Reunidas' Supply Chain Ethics Code and agree to disseminate the same among all directors, officers, employees, agents or representative of _____ who participates in processes of preparing and submitting bids and proposals for Tecnicas Reunidas works, in the provision of goods and services for Tecnicas Reunidas and during the performance and administration of all agreements entered into with Tecnicas Reunidas.

Authorized Signatory Name:_____

Job Title:_____

Date:_____

Signature and Stamp:

