

ETHICS AND COMPLIANCE



CONSTRUCCIONS
I REFORMES

MANUAL OF
GOOD
BUSINESS
PRACTICES

INTRODUCTION

The Organic Law 5/2010, 22 of June, modified from the Organic Law 10/1995, 23 of November, of the Penal Code, introduces a regulation which, for the first time, expressly addresses the penal responsibility of a legal entity for offences committed in their name by representatives, managers in fact or by right, workers and/or employees.

This bill, following many modifications, has finally been passed by the Senate , on the 11th of March 2015 (the '2015 reform').

The 2015 reform includes denominated models or programmes for prevention of offences, the correct implementation of which is a fundamental part of exemption from penal responsibility.

For this reason, and in the light of the afore mentioned legal modifications, the CEO of this company is pushing forward the endorsement of the present Manual of Corporate Ethics and Transparency

Although ethical conduct and compliance with the regulations are the responsibility of every individual, each and every one of us, this company has a designated Compliance Officer to monitor the correct implementation and observance of the Programme of Ethics and Compliance.

MESSAGE FROM THE FOUNDER



Dear colleagues

Som-Hi Construcciones was created on solid foundations and under one roof - that of ethical conduct.

SOM-HI Construcciones represents quality, integrity, trust and innovation. To the present day, it has been our commitment to these solid principles which have guaranteed our current and future success.

Our objective is not only what we do but also how we do it; engendering confidence throughout our team of employees, clients and colleagues. It is not only necessary to follow these principles, but to embrace them and ensure that all of those surrounding us are aware of them, walking the path of excellence.

This manual provides an important and valuable orientation regarding the most common themes in relation to corporate ethics and transparency, laying out the rights and mutual obligations required from our personnel.

As professionals representing SOM-HI we must not only understand and respect this code of professional conduct, but also accept and monitor its observance.

For me, for us, our motivating force is pride in our work and maintenance of this tradition of integrity, trust and innovation, making sure that SOM-HI does whatever it takes to serve our clients, implementing ethical conduct, transparency and above all, respect of the above principles; the observance of which ensures that our clients receive the service which they deserve.

Yours sincerely,

SOMHI CONSTRUCCIONES
Y OBRAS S.L.
CIF-B-66321709
Avda. Diagonal, 477 planta 12ª C.
08036 - BARCELONA

Manel Real, Som-hi Construcciones

PRINCIPLES OF SOM-HI

• Commitment

Our working relationships and environment must be based on integrity, trust, innovation and quality. We encourage all personnel to embrace these principles and we are committed offering excellent service.

Our team here at SOM-HI must comply with the code of corporate conduct and each worker is responsible for taking it on board.

• Values

Moreover, we encourage our staff to speak openly and seek advice and support when confronted by any type of doubt, ethical concern or compliance issues. In this way, we seek to strengthen our values.

• Ethics

SOM-HI positions itself firmly against unlawful conduct such as bribery, corruption and, among other actions, the offering of objects of value that could in some way inappropriately influence or reward a client for placing an order, purchasing from us or using our products and services, whether these services be supplied by ourselves or via a third party.

Our company is guided by a policy of zero tolerance regarding any illicit or irregular behaviour of any kind.

• Corporate responsibility

Our company is dedicated to respecting the environment and being responsible for taking a sustainable approach to our business practices.

• The Supervision of Good Corporate Governance

Our company is dedicated to responding to any doubts and incidences or providing assurances whenever needed by our staff. Our Compliance Officer is always available to personnel to offer guidance and support. Moreover, he/she can be contacted to report any incidences or raise any doubts, with complete confidentiality and in a suitable manner, in order to allay any worries anyone may have.

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OUR TEAM

Our principle value is to accomplish our objectives with the deserving business like integrity which fundamentally respects the law.

Our high standards of business conduct offer guidance in key areas so that we can work according to our principle of integrity.

These standards are applied by all personnel who are employed by or are part of the management and board of directors of SOM-HI constructions, spreading our values to all those who we work with including investors, shareholders and providers.

We promote and support a culture of open communication, encouraging our employees to discuss their doubts with attentive management and directors, in order to resolve any issues as soon as they arise.

The present manual cannot accommodate all possible problematic situations that may occur. If any worries arise, each member of our team has the obligation and responsibility to seek out the necessary counsel. In addition, We must and are morally obligated to communicate any situation that could infringe the law and/or our management's ability to provide good governance.



1. Employee centred

With attention and enthusiasm to continue along the path towards excellence, our objective is to attract and retain talent, and to show commitment to our staff of all levels, never forgetting respect, dignity and equality.

Motivating Talent

With respect to workers rights, we have created a working environment in which trust and innovation are nurtured, a fundamental consideration which allows us to grow on strong foundations while remaining competitive.

We provide clear career progression for our employees according to their potential, performance and conscientiousness regarding all aspects of their work.

Fair Treatment

SOM-HI Construccions promotes the treatment of all personnel with respect and dignity, avoiding any discrimination regarding race, sex, ideology, nationality, sexual orientation or physical and social disabilities. As a consequence, no type of discrimination is tolerated.

Any form of bullying or harassment in the workplace, be it physical, visual or verbal, is absolutely prohibited.



Promoting Trust and Dialogue

We are committed to the necessity of establishing active dialogue and trust among our whole team and at all levels of the company.

We insistently encourage all staff to communicate with us, to clear up any doubts or incidences openly, and we continue to develop in a way which develops listening and respect for one another.

We remain emphatically opposed to and will not tolerate any type of retaliation against any employee who openly communicates any issues to us. Dialogue must be ongoing, continuous and unimpeded in all situations.

Thanks to this open dialogue, We maintain total confidence in our ability to deal with and resolve any incidence with competency and due care.

Protecting Security and Health in the Working Environment

Our promise is to reach the highest level of security and health for our employees in their working environment. We must incorporate all legislation in regards to health and workplace security, and the corresponding policies, in order to fully achieve this objective in the most efficient way.

Child labour and illegal labour practices which are coercive and abusive have no place in our activities, or those of our suppliers or other third party who are dealers for SOM-HI.

Personal Data Protection

Information which is of a personal nature is treated under the guidelines of current legislation (The Organic Law of Data Protection of a Personal Nature and regulations which are under development), as well as our internal policies regarding privacy, confidentiality and security of information which is published by SOM-HI Construccions.

Professionals at SOM-HI Construccions only have access to that data which is absolutely necessary in order for them to fulfil their professional duties, and access is only allowed within a legitimate timeframe.

In addition to this, SOM-HI Construccions has active technical organisational measures in place which guarantee confidentiality, integrity and security of personal data which is processed during the day to day activities, in such a way that its alteration, loss, transfer or unauthorised access is impeded.

2. Respect and Protection of Assets and Information

Each and every one of the professionals at SOM-HI Construccions are dedicated to ensuring responsible, safe and efficient usage of the assets of the company. This includes protecting them from any damage and/or inadequate or illegal use, in accordance with the policies and criteria set out by SOM-HI Construccions.

Protection of Assets

A policy of security has been put in place, which is applicable to the whole company and third parties, in order to protect all assets and information systems which are in use by SOM-HI Construccions.

As we depend on these in order to carry out day to day activities, SOM-HI Construccions upholds the use of these resources in concurrence with exploitation rights.

For this reason, SOM-HI Construccions can access any of these afore-mentioned resources at any moment, in order to control and supervise that they are being used in accordance with the company norms, and conform with the professional procedures of access published by SOM-HI.

During the use of these systems and their access by professionals of SOM-HI Construccions, all users must obtain or have obtained all pertinent software licenses, copyrights and regulations/standards that regulate the rights of intellectual and industrial ownership. In particular, Any programmes, content, material or applications which could damage or put systems at SOM-HI Construccions, or third parties, at risk, must not be installed without the corresponding licenses, and equally, any procedure which could make any corporate processes at SOM-HI Construccions vulnerable are opposed to emphatically.



Social Networks

In regards to all digital channels of communication which allow people to create, share content and publish comments, our employees must comply with parameters which are established by the company regarding online methods of communication.

Our policies are applicable not only to communication related to work responsibilities, but also to personal communication which could affect the company in any way.

In regards to personal activities on social networks, personnel must keep in mind that their conduct could affect the status and image of the company.

For this reason we encourage respectful conduct, We must protect, prioritise and pay keen attention to our digital content, and how it is presented and posted, in order to to protect the confidential information pertaining to SOM-HI.

Employees must be keenly aware of the content created, shared and published online, remembering that the internet is a public space, the proper use of which can bring benefits but that equally, irresponsible use can result in irreparable damage.



What is the property of SOM-HI Constructions?

The property of SOM-HI Constructions includes:

- Physical assets such as installations, equipment, tools, liquid assets, office equipment and supplies, information systems and software.
- Confidential and exclusive information, which includes information that hasn't been publicly published and internal communication, as well as business processes, contracts, corporate strategies and investments.
- Intellectual property of SOM-HI Constructions which includes trade secrets, designs, models, rights, software, processes, domain names and information protected by copyright and registered trademarks.

Protecting Third Party Information

Our clients, providers and sub-contractors routinely trust our company with exclusive information.

If we receive exclusive information from a third party without authorisation, the Compliance Officer must be contacted as soon as possible.

Access to classified information from the public administration requires specific authorisation in accordance with a level of high sensitivity. Any exchange or transfer which takes place or could result in real or suspected improper use must be reported to the Compliance Officer immediately.

Respecting Confidentiality and Trade Secrets

We protect trade secrets and all confidential information pertaining to the company and private persons. We collect information that is in the public domain but do not tolerate the inappropriate collection of others personal information.

In order to investigate a competitor in the market, we consult and use public sources of information, such as the press, the internet, commercial publications, public registers and other public documents.

In all cases, we do not tolerate the use of information obtained via a companies own employees or private channels.

Healthy competition involves a high level of transparency which can create distinctive and memorable products and services in a diligent way.



What is internal, confidential or privileged information?

Any information related to any client, provider or subcontractor of SOM-HI Constructions and is not public falls under this category.

3. Good Business Practice

We reiterate our insistence on a culture of ethical conduct across our entire company. This positive culture translates into good business practices.

Zero Tolerance to Corruption

No member of our team here at SOM-HI Constructions, internal or external, contractors or sub-contractors, participate in any type of corruption be it public or private.

We never offer, attempt to offer, authorise or provide any type of bribery to government officials or private organisations with the objective of accelerating any administrative processes, to obtain or maintain business or gain an unfair advantage. Equally, We would never seek out or accept any bribe or inappropriate payments from public officials or private organisations, or contract anyone who would make such an offer.

Our anti-corruption policy is applied across all negotiations and the execution of all types of contracts, as well as uniting with or acquiring new projects.

Ultimately, **we do not accept any illicit activity of any kind in the following ambits.**

Construction Offences and illegal building and Urbanisation

Our Penal Code takes into account and disqualifies in particular developers, constructors and technical directors that carry out urbanisation, construction or building work which has no authorisation and is located on land which are, namely, roads and pathways, green zones, in the public domain or spaces which are legally or officially recognised as areas valued for their outstanding beauty, ecology, artistry, history, culture, etc.

Relationships with Public Bodies

SOM-HI Constructions complies with and submits to all norms with relation to contract applications, providing truthful and transparent information without omissions or falsified data.

Each employee at our company diligently respects their professional relationship with public officials and as a consequence, none would, directly or indirectly, offer, promise, grant or authorise the delivery of money, gifts, favours or contributions of any kind, including monetary contributions, to any government employee in order to obtain benefits, concessions, subsidies or encourage unfair favouring of SOM-HI Constructions.

In particular, any relationship which involves and indicates corruption or that could be seen to encourage preferential treatment, or provide an opportunity for unfair influence, favourable treatment or is linked to any type of extortion or bribery will be detected.

Corporate Gifts

It is normal to demonstrate gratefulness and politeness in the business field through gifts that are given to or received from clients and providers to engender trust.

Nevertheless, the form of these presents must reflect basic courtesy norms in the field of business and should not influence or give the appearance of influencing business decisions.

Applying sound judgement, business gifts are prohibited by law under certain conditions. In absolutely no circumstances are gifts in the form of money or any similar medium such as gift vouchers acceptable.

What are payments which accelerate administrative processes?

They are small unofficial payments or donations to public representatives in order to speed up or assure the routine administrative processes which take place and to obtain irregular benefits.

Financial Integrity

We control and supervise the complete and exact registration of financial transactions in a manner which reflects the state and outcomes of our company.

Financial integrity allows us to maintain trust which we have built up with our shareholders, investors, consumers, providers, employees and other interested parties.

We have created and determined multiple and diverse systems of control in order to protect and preserve our financial integrity. Each employee or member of our team is responsible for complying with the rigorous processes which affect SOM-HI Construccions funds, and the declaration of the financial performance and non financial results of the company.



Managing Conflicts of Interest

SOM-HI Construccions guarantees that our actions are based on avoiding conflicts of interest at all times, either real or possible. If we are unable to avoid this type of conflict, it must be reported to the Compliance Officer.

In particular, interactions with public or government officials, in office or no longer in office, must comply with legislative rules and applicable directives, including those which deal with conflict of interest.

These norms also cover business interactions with contractors or sub-contractors.

The Concept of Conflict of Interest

A conflict of interest arises when a personal relationship or activity can influence your judgement and ability to carry out your work in an objective manner, respecting your obligations to your employer.

The appearance or perception of a conflict of interest could put SOM-HI Construccions at risk.

As employees, we must never allow personal gain and benefit to impede the best interest of our company.

Family Relationships

Family relationships and close personal friendships can influence our business decisions.

It is important to remain vigilant in regards to business decisions for our company which could be affected by close personal relationships.

This could relate to the contracting or promotion of family members, or the giving of posts which are responsible for evaluating information regarding salary, for example, or any other confidential information in regards to a family member or particular construction. Giving special treatment to an employee due to the fact that they are family must be seen as unacceptable and increasingly supervised if this type of relationship occurs.

If there is any awareness of this type of situation, the employee must inform a supervisory member of staff. The supervisor will confirm the situation and if it is deemed necessary transfer one of the employees to another available post in order to avoid this conflict of interest.

In the case of receivership of external advice

This situation can generate a conflict of interest and so, before accepting any advice, it is imperative that the legal responsibility of each party is understood in order to avoid any issues or conflicts of interests.

Loyal and transparent Conduct

We count on loyal conduct, in compliance with competency laws which are applicable in our country.

Exchanging or revealing sensitive commercial information related to conduct, suppliers or clients can infringe upon the applicable competency laws.

4. Corporate Responsibility

We are dedicated to making valuable contributions to encourage economic, social and educational well-being for those in our surroundings.

Responsible Contracting

Our mission is to work with respected suppliers who comply with the highest standards of integrity and good business conduct.

We ensure our suppliers understand, adhere to and share our ethical business values. In cases where it becomes necessary, we request evidence regarding the proper application of these principles, particularly in the areas of ethical business conduct, human rights and environmental sustainability.

Looking after our environment

We are committed to improving the quality of the constructions and renovations in which we live and work. This translates into sustainable business development, improvements and opportunities of employment, progress in infrastructure and provision of training. These decisions must be supervised and approved by our board of directors.

We permit business donations to organisations of public interest and private organisations when this isn't limited or prohibited by local legislation, ensuring that SOM-HI Construccions is a responsible business.

Sustainability and the Environment

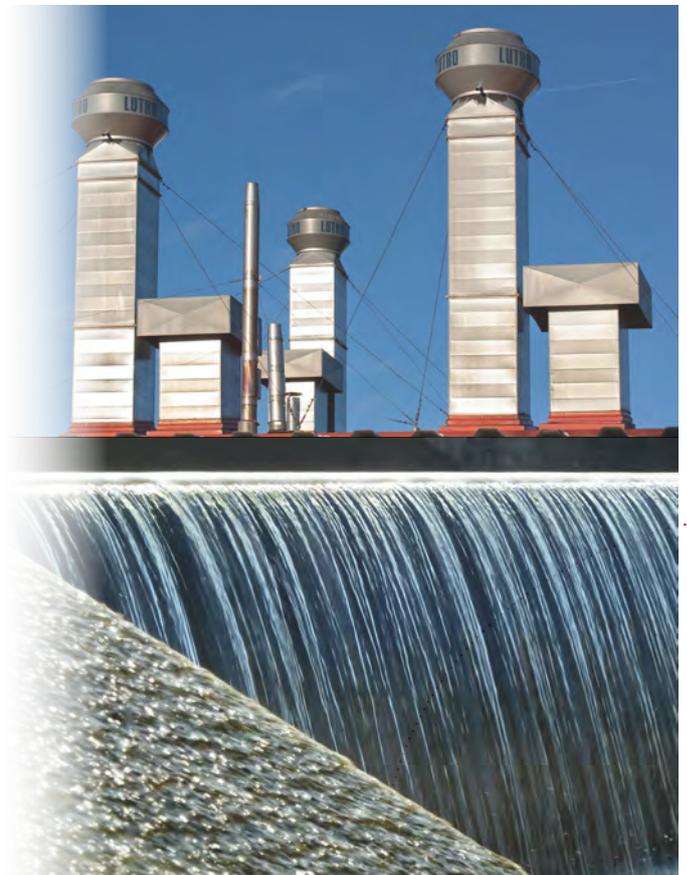
In respect to the natural environment, SOM-HI Construccions carries out its activities with respect and implementing progressive improvements in our conduct in every way. This can also be seen through our choice of professionals, clients and providers.

Preventing contamination, reducing consumption of natural resources, eliminating any waste in a responsible manner and the use of recycled materials form a fundamental part of SOM-HI's approach, and an approach that we promote as a socially responsible business.

ISO 9001.

Governance and Quality of Service

These are norms mapped out in the certification of SOM-HI Construccions Full Reforms and Renovation Services, and regards those competencies which affect the development of each process in the organisation of the company. Further proof of the commitment and values of our organisation.



What is Sustainability?

Our mission of sustainability is to increase the benefits of products and services which we offer to our clients, while at the same time reducing the environmental impact of our processes and operations while we are carrying out our duties.

The work carried out by SOM-HI

SOM-HI Construcciones pays attention to the smallest detail in order to ensure unique results. We have a large team of professionals available in diverse sectors, who adhere to our Code of Conduct to ensure the satisfaction of our clients.

All of this, even when any irregularity can be detected regarding the functioning of our activities and in virtue of the standards of good business conduct, ensures that a rigorous system is in place to avoid any possible conduct which derives from illegal offences or acts.



Training and Awareness of all Personnel Regarding the COMPLIANCE PLAN

Each member of our team here at SOM-HI is obliged to receive necessary instruction regarding the following of the regulations in this manual in various ongoing training sessions.

Equally the Compliance Officer will have access to both the processes and the tools needed to identify and classify the operational and legal risks which SOM-HI may have to deal with and will diligently establish the internal mechanisms in order to prevent and manage, detect and minimize them.

Disciplinary Process

Breach of the regulations contained in this manual on the part of professionals from this company, will be perceived as an offence, and will result in the offender being disciplined and/or the implementation of the corresponding legal action.

If, in a procedure resulting in the lodging of a complaint or the opening of an inquiry through the internal channel of complaints, the compliance office detects that a SOM-HI Construcciones professional has acted or intervened in activities which breach the terms established and presented in the manual or in procedures and corporate policies of the company, the case will be taken to the board of directors. They will then decide which disciplinary methods will be applied to conform with the processes set forth in the regime of foreseen misdemeanours and sanctions in the collective agreement or the applicable labour legislation notwithstanding any other civil, penal or administrative responsibilities which may result in being legally applicable.

No employee of SOM-HI Construcciones will require another person, regardless of being in a superior position in the professional hierarchy, to commit an act which does not comply with the regulations set forth in this document or, in general, that is improper or illegal.

HOW TO ACT WHEN FACED WITH AN INCIDENT

Any professional can request information, make an enquiry, or ask any questions related to the implementation of the terms presented in this manual by sending an email to the Compliance Department at the following address: **compliance@somhiconstruccions.com**.

Moreover, SOM-HI Construccions puts at the disposition of all professionals a system which gives them the right and ethical obligations and responsibilities to communicate those actions or circumstances which could put SOM-HI Construccions, their employees or third parties at risk. This can be done confidentially or as a named source. This is the means through which they can inform on any behaviour or irregularity.

In order to use this process, contact should be made via this email address: **compliance@somhiconstruccions.com**, to which, in a completely confidential and secure manner, the management and Compliance Officer can be contacted at SOM-HI Construccions. This will activate an internal process of investigation in order to assess the veracity of the information raised and resolve the issue regarding the provenance, basis and resolution in the case of the offence, and where appropriate, report it to higher management to be evaluated.

It is of the utmost importance that the management, board of directors and Compliance Officer generate a positive working environment, motivating personnel to communicate with freedom and without fear of any type of reprisal, only trust and security being inspired at work and among all members of the team.

SOM-HI Construccions will not tolerate reprisals of any kind against any member of staff who provides information in good faith and/or collaborates with an investigation into a supposed violation of this manual.

Good faith signifies presenting an incidence without vicious intent, suspicion or consideration for personal gain and with commendable reasons for the claims veracity to be believed.



SOM-HI Construccions' Compliance Office

For any doubts or suggestions, please contact the SOM-HI Construccions' Corporate Compliance Office:

E-mail: **compliance@somhiconstruccions.com**
SOM-HI Construccions
Diagonal 477 12ª Planta, Despacho C
08036 Barcelona
93 419 25 54

This manual of Business Conduct and Transparency is available on the Compliance section of our website:
www.somhiconstruccions.com

Thanks to the great
effort of our team we obtain
excellence.



CONSTRUCCIONES
Y OBRAS

ILUSIÓN POR TU BIENESTAR

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marketing@somhiconstruccions.com
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SOM-HI Construcciones
Diagonal 477 12^a Planta Desp. C
08036 Barcelona
T. 93 419 25 54

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