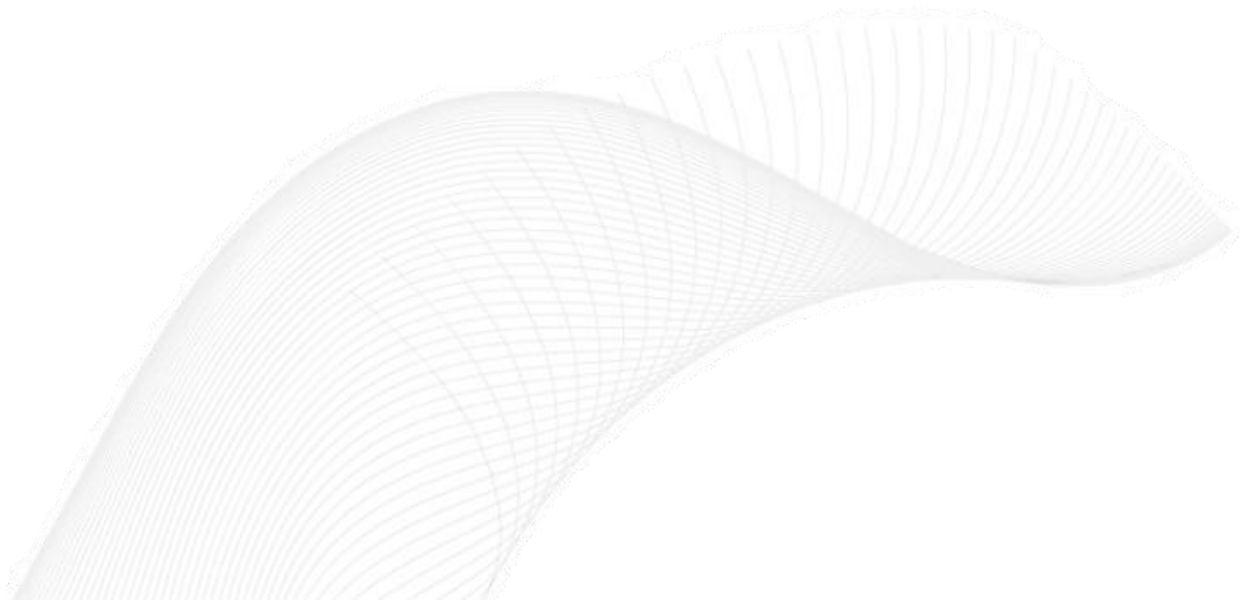




# Code of Ethics



## INTRODUCTION

Isdefe, in its more than 25 years of existence, by its nature, objectives and services that it provides, has been committed to the different stakeholders with whom it interacts, based on ethical principles that have guided the company's performance. In 1989, it adopted a Code of Ethics included in the "Manual of Administrative Policies and Procedures" and since 2011 it has a Code of Conduct in line with transparent and socially responsible management adopted by the company.

This Code of Ethics annuls the previous rules to merge them under the umbrella of three fundamental ethical principles, integrity, professionalism and respect that, as of this moment, do govern the company and strengthen its corporate culture.

## OBJECT

The aim of the Code of Ethics is to implement these three guiding principles through which employees must develop their professional activity and it is constituted as behavioural functioning guide for Isdefe professionals in the performance of their work.

This Code has been issued from the commitment of Isdefe for the 10 Universal Principles of Global Compact from the United Nations and it is based on the mission, vision and values of the company.

## SCOPE

The Code of Ethics applies to managers and employees, regardless of the type of contract that determines their labour relation, their position or place in which they work and to managers in the performance of the duties that apply to them as members of the Board of Directors.

## MISSION, VISION AND VALUES

Isdefe's mission is to support the Ministry of Defence, public administrations and international institutions in areas of technological and strategic interest by providing top-quality consulting and engineering services, as well as by managing, operating and maintaining space complexes.

The vision is to advance as a leader in multidisciplinary consulting and engineering by developing innovative, high quality projects that are financially and socially profitable.

The corporate values of the company are:

<b>Independence</b>	We set ourselves apart by always defending the Spanish Administration interests in the face of any industrial, commercial or financial factors.
<b>Global Vision</b>	We are a multidisciplinary organisation with a wide range of professionals who, combined, provide integrated coverage in the provision of their services.
<b>Proactiveness</b>	We anticipate needs, providing innovative solutions.
<b>Commitment</b>	We work ethically and professionally and are committed to the entities we work for, to our organisation and to the rest of society.
<b>Experience and know-how</b>	Our activity relies on providing knowledge developed over more than 30 years rendering services and offering efficient solutions.

## PRINCIPLES OF ACTION

Since Isdefe is created as a specific company and technical service of the Central Government and its agencies, institutions and organizations depending on it, our corporate culture is based on the general principle of public vocation in which three guiding principles derive from it as well as the action patterns that guide the behaviour of its employees.

## INTEGRITY PRINCIPLE

Isdefe asks its employees to act with integrity, being consistent in their actions with the principles and corporate values of the company. The acceptance of this principle means to be honest with people and organizations and companies with which Isdefe employees do interact and work, and from it, the following rules of conduct are derived:

### *Customer relations*

All Isdefe employees shall act with integrity with the company's customers or internal clients, committing themselves to offer only those services that can be surely provided, with appropriate professional resources and persevere in achieving them.

The employee shall honestly certify and acknowledge the content of the contracted work, being the information or advice provided to the client sufficient, accurate and adequate, implying honoured behaviour in the development of the contractual relationship.

We all have to maintain our current mission and all our corporate values, supported by the **guarantee of independence** from commercial interests, the **global vision** of a public service, **experience and excellence** in the proposed solutions, **pro-activity, anticipation and technological innovation** and **commitment** to neutrality and confidentiality.

### *Relations with the international environment*

Isdefe employees shall ensure that the alliance with the partners, customers and suppliers within the international scope do scrupulously comply with applicable law and with the principles contained in this Code of Ethics. In order to do so, they shall obtain the maximum information so that the actions are being aligned with corporate culture Isdefe.

### *Relations with suppliers and business partners*

All actions of the employees, in connection with contracts, subcontracts and procurement, will be framed to ensure that this relationship is governed in compliance with the principles of openness and competition, equality, non-discrimination, transparency, proportionality and integrity, as set forth in the new Law for Public Sector Contracts. Additionally, the ethical principles contained in this Code shall be encouraged between suppliers and business partners in order to adopt them.

### *Favours, bribes and similars*

Isdefe employees may not accept, directly or indirectly, gifts, donations, invitations, favours, or compensation of any kind, which seek to improperly influence in trade, professional or administrative aspects, both with public and private entities.

In addition, employees may not perform or offer, directly or indirectly, payments, gifts or compensation of any kind which are not considered from a normal course and business ethics to try to improperly influence in trade, professional or administrative aspects, both with public and private entities.

### *Anti-money laundering and irregular payments*

Isdefe employees shall avoid economic transactions of unusual nature or amount, both charges and payments made in cash or bearer checks and payments made to entities with bank accounts in tax havens; the ownership shall be identified in all cases.

### *Transparency*

Transparency should be considered as indispensable for the proper functioning of the company through a rigorous and accurate communication that contributes to building a corporate culture of shared benefit. A clear communication of the company accounts shall be clear by those who manage it as well as a clear implementation of transparency at all levels in the internal and external communication and correct use of the information.

## PRINCIPLE OF PROFESSIONALISM

The acceptance of this principle involves being aware that the name “Isdefe” depends on the actions and decisions of individual employees. Through a responsible management, employees maintain the confidence and business competitiveness. The following guidelines are derived from this principle:

### *Loyalty to the company and conflict of interests*

During the performance of their professional responsibilities, employees should act with loyalty and in the best interest of Isdefe. They shall avoid situations that may lead to a conflict between personal interests and those of the company, so they shall refrain from representing the company and intervene or influence in the decision-making in any situation that they directly or indirectly have some personal interest.

The employee may engage in other financial or business activities provided they are legal and do not come into collision with unfair competition or activity with Isdefe and its responsibilities as employees of the company.

### *Corporate image and reputation*

All employees shall take the utmost care to preserve the image and reputation of the company and shall monitor the proper use of it by the contractors and partners. Employees also have to be careful in public interventions, and shall have the necessary authority to intervene in the media and participate in events that may have a public release, recalling that act on behalf of the company.

### *Cooperation and dedication*

Employees shall duly comply with the tasks entrusted to them, acting in a spirit of collaboration, by providing Isdefe employees all knowledge or resources that can facilitate the achievement of the objectives and interests of the company. Employees shall work efficiently during the working day, trying to provide maximum value in all processes in which they participate.

### *Security and Health*

All employees shall observe the rules of protection of health and safety at work and ensure their own safety, of other employees, customers, suppliers, employees and, in general, of all persons who may be affected by the development of activity.

### *Management of company resources*

Employees shall manage the resources of the company with austerity, accountability and efficiency, by protecting and preserving them from misuse and preventing their use for purposes other than the interests of the company.

Particular protection to resources and systems shall be ensured, as well as a proper compliance with internal regulations and conservation security thereof. The hardware and software will be used only to meet the objectives of Isdefe and an unlicensed use is prohibited, as well as an improper use of email and the Internet.

The intellectual property and the right to use, which corresponds to Isdefe, regarding courses, projects, software and systems, equipment, manuals, and videos, knowledge, processes, procedures, methodologies, technology, "know-how" shall be respected, and in general, other works and projects developed or created by Isdefe as a result of its work or third parties' work.

The employee will make a proper use of the travel policy of the company, ensuring that expenditures are austere and efficient.

### *Confidentiality and knowledge*

Employees must keep strictly confidential all restricted information which they access as a result of their professional activity and shall preserve it so it can not be used in an inappropriate manner and it shall not be used illegally.

Employees have a duty to preserve the knowledge of the company and to facilitate its communication to other Isdefe employees making it available to knowledge management systems within the company.

All information and knowledge, being understood as a result of the integration of diverse information generated in the field of business, is owned by Isdefe in the terms set forth in the legislation and in the context of its contractual relations with its customer.

## PRINCIPLE OF RESPECT

Employees must show consideration and fair treatment to all co-workers, recognizing their interests and feelings and tolerating the capacity of decisions for each individual, considering always that these are in line with the corporate values, principles and fundamental rights. This principle implies not to abuse on the authority that can confer a specific position and recognize the value of people and their performance.

### *Legality and human rights*

Employees must act at all times in accordance with current legislation in Spain and the countries in which it operates and according to the fundamental human rights and internationally accepted civil liberties.

The Isdefe activities and operations carried out in the framework of its commitment to the 10 principles of the UN Global Agreement, whose goal is the adoption of universal principles in four key areas, which are: human rights, labour standards, environment and anti-corruption.

### *People*

Employees shall be treated with dignity and respect, fostering a cooperative and rewarding labour environment. Team spirit shall feature the labour relations.

Employees shall avoid any action that may produce any discrimination on grounds of birth, racial or ethnic origin, gender, sex, sexual orientation, religion or belief, opinion, disability, age or any other condition or personal or social circumstance with the rights of people, both among their peers, as well as in their relationships with partners, partners, customers, potential customers, and suppliers.

### *Equal opportunities and non-discrimination*

The selection and promotion of employees shall be based on skills and performance of professional functions and criteria of merit and capabilities defined in the job requirements.

Employees shall avoid discrimination, direct or indirect, on grounds of sex, especially the maternal and the assumption of family responsibilities, fostering balance between work, family and personal.

Additionally, in order to prevent, identify, solve and punish any harassment or discrimination at work, there are some "Performance Standards on Harassment and Discrimination".

### *Environment*

Isdefe undertakes the commitment to secure the greatest respect for the environment in the development of its activities, as well as to minimize the negative effects that these could potentially cause. In order to do that, the employees will have at their disposal all necessary resources.

The fulfilment of this commitment means that all people working in Isdefe shall assume and carry out environmental best practices adopted in the organization.

## IMPLEMENTATION PROCESS

The company commits itself to spread, publicize and lead with great example the new Code of Ethics among its employees and will provide all necessary resources to comply with it. In order to implement it, all employees will be informed and trained in accordance with their responsibilities.

The employee shall know and comply with the Code and report any breach thereof, being necessary the corresponding subscription of it as part of the labour relationship with Isdefe. This shall be carried through a computer application in which it will be recorded that Isdefe has informed on the contents of this Code to each of the employees in accordance with their training and responsibility.

Once the Code comes into force, every employee shall have been informed and trained within two months.

## ETHICAL AND TECHNICAL COMMITTEE

A certified committee will be created, called "Technical and Ethical Committee" who shall internally spread the Code and ensure its compliance. Such committee will use an action procedure for communication and complaint purposes by mail (buzonetico@isdefe.es). The duties shall be as follows: To answer queries on its interpretation.

- To periodically check and update the code whenever required.
- To receive the failure communications or irregularities.
- To analyze and investigate the complaints if appropriate.
- To process the generated records.
- To assess whether international alliances with partners, suppliers and customers comply with the principles contained in the Code.

The Technical and Ethical Committee shall analyze the submitted information and, if necessary, instruct the corresponding file, ensuring at all times the confidentiality. It shall be formed by the Chief Executive Officer, the Director of Administration and Human Resources, the Director of Business Development, the Director of Operations, the Director of Planning, Economics and Financial, the head of the Legal Department and the head of CSR who will perform the functions of the secretary of the Committee.

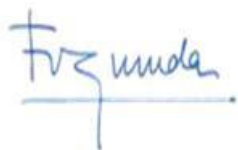
If for some reason, the Code affects any member of the Board of Directors, a Committee of Ethics shall be created and will consist of four members of the Council who are not affected, the oldest, the youngest, the most senior and the Secretary of the Board of Directors.

The Code of Ethics shall be updated whenever it is affected by a rule of law and it shall annually be reviewed and updated and the employees duly informed about that.

## VALIDITY

This Code, in force since March 8, 2013, has been updated on September 27, 2018. It shall revoke the previous code and rules of conduct in Isdefe.

**Chief Executive Officer**



Francisco Quereda Rubio

## DOCUMENTS OF REFERENCE

These are, for informative purposes, some of the most important legal rules related to the Code:

- Law 9/2017, of November 8, for public sector contracts, through which the directives of the European Parliament and the Council 2014/23/EU and 2014/24/EU, of February 26, 2014, are transposed into the Spanish legal system.
- Organic Law 1/2015, of 30 March, which amends Organic Law 10/1995 of 23 November, on the Penal Code in terms of the penal liability of legal entities.
- Law 19/2013 of 9 December, on transparency, access to public information and good governance.
- Royal Decree 1/2013, of November 29, which approves the Consolidated Text of the General Law on the rights of persons with disabilities and their social inclusion.
- Organic Law 7/2012, of 27 December, amending Law 10/1995, of November 23 of the Criminal Code on transparency and the fight against tax fraud and Social Security.
- Law 2/2011, of March 4, on Sustainable Economy.
- Royal Decree 3/2011, of 14 November, approving the revised text of the Law on Public Procurement.
- Law 10/2010, of April 28, on the prevention of money laundering and terrorist financing.
- Organic Law 5/2010, of June 22, by amending the Organic Law 10/1995, of November 23, of the Criminal Code.
- Law 29/2009, of 30 December, amending the law relating to unfair competition and advertising to improve the protection of consumers and users.
- Organic Law 3/2007, of March 22, for the effective equality of women and men.
- Law 5/2006, of April 10, on the regulation of conflicts of interest of members of the government and senior officials of the Central Government.
- Organic Law 10/1995, of 23 November, on the Penal Code.
- Law 31/1995 of 8 November on Prevention of Occupational Risks.
- The Spanish Constitution as the basis of our legal system.

References to international standards and guidelines:

- Universal Declaration of Human Rights.
- Global Compact of the United Nations.
- Corporate Governance Principles of the OECD.

Internal documentation:

- Criminal Risk Prevention Manual.
- Performance Standards in the Area of Harassment and Discrimination in Systems Engineering for Defence of Spain, S.A.
- Isdefe Quality Policy, November 1998.
- Environmental Policy of Isdefe, March 2007.