



## Llorca Group: Code of Conduct



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## 1. INTRODUCTION

Our company was established in 1971, when Salvador Llorca Sellés ran a small company in the construction sector in Villajoyosa and the towns of the Marina Baixa region.

The new company, LLORCA GROUP HISPANIA SL promoted by the new generation of the Llorca family, has followed in the footsteps of the first family business, facing new business challenges and becoming a company that so far has employed—both directly and indirectly—more than 150 people. Throughout our career, at LLORCA GROUP HISPANIA SL we have been guided by values and ethical principles that have allowed us to become a leading company.

Our Vision is to be a benchmark in the construction sector, and to be able to offer global solutions in refurbishments, restorations, and the construction of housing and tourism infrastructure.

Our Mission is to be able to efficiently carry out and manage construction jobs, refurbishments and restorations that may contribute to the development of our environment.

At LLORCA GROUP HISPANIA SL. we know that in order to be a successful and sustainable company our conduct must be based on solid and profound values such as:

**Responsibility, Rigor and Respect for the Law.**

**Excellence and professionalism when providing our services.**

**Integrity and Honesty in the development of our activity.**



This Code of Ethics and Conduct is the highest-ranking document in the Compliance Model implemented by the Company in accordance with Article 31 bis of the Spanish Criminal Code, and it constitutes an express declaration of the principles, values, and standards of conduct that should inspire and guide the behavior of people integrated into the company in the development of their work and professional activity.

The Compliance Program implemented by LLORCA GROUP HISPANIA SL aims to prevent and detect risks of non-compliance with regulations, especially those directly related to criminal offenses, and to minimize their economic and reputational impact for the company. Its development is based on the principle of due control, and consists of corporate policies, procedures, guidelines, and internal controls which, together with this Code of Ethics and Conduct, are mandatory for all persons linked to the company, and which must be subject to a process of permanent review and updating. It is the responsibility of the Administrative Body to promote knowledge and application of this Code throughout the organization, to correct and sanction, where appropriate, any behavior that contravenes it, and to provide the appropriate channels for the communication of incidents and irregularities.



## 2. SCOPE OF APPLICATION AND COMPLIANCE

This Code of Ethics and Conduct is mandatory for all persons linked to the company, regardless of the type of contractual relationship through which their employment relationship is formalized, their position in the company, and the functions they perform.

Likewise, LLORCA GROUP HISPANIA SL will promote the adoption of principles and values similar to those advocated in this Code of Ethics and Conduct in those companies in which it participates, as well as among its partners, suppliers, subcontractors and collaborators.

The function of supervising compliance with this Code of Ethics and Conduct, the Corporate Policies, and the Procedures and Guidelines that make up the Compliance Program, corresponds to the Compliance Body. For the effective fulfillment of its functions, it shall be assisted by the Oversight Committee and, if necessary, by external professionals.

We are all committed to maintain a cooperative attitude in identifying situations of risk of non-compliance with the principles and standards contained in this Code of Ethics and Conduct, the Corporate Policies and/or the procedures and guidelines that make up the Compliance Program, by informing them through the Ethics Channel provided for this purpose, [canaletico@llorcagroup.com](mailto:canaletico@llorcagroup.com).

Any violation may be subject to a minor, serious or very serious sanction in accordance with the provisions of the Disciplinary Regime established in the Compliance Program.



### **3. GUIDELINES FOR CONDUCT AT LLORCA GROUP HISPANIA SL**

#### **3.1 Being responsible and following ethical values and principles.**

All persons bound by the Code of Ethics and Conduct must perform our professional activities with full respect for human rights and public freedoms. In LLORCA GROUP HISPANIA SL we reject any act of discrimination, abuse or exploitation of people.

#### **3.2 Complying with current legislation..**

LLORCA GROUP HISPANIA SL commits to strictly comply with the legislation in force and the internal rules of the organization in the development of our activity, avoiding, in particular, any kind of criminal behavior.

Tax evasion and/or the obtaining of tax advantages or undue refunds is not only an attempt against the Public Treasury, but also represents an unfair advantage in the market. For this reason, at LLORCA GROUP HISPANIA SL we apply maximum transparency in our economic-financial management, while being committed to strict compliance with our tax obligations, as well as with the correct administration of public funds, avoiding their misappropriation.

Thus, all persons subject to the Compliance Program implemented in the company must know, understand, comply with and apply the provisions of this Code of Ethics and Conduct, the Corporate Policies and the Procedures and Guidelines that comprise it.



### **3.3 Fostering a good working environment.**

At LLORCA GROUP HISPANIA SL we are convinced that fostering collaboration and teamwork in the relationships between our employees will allow us to overcome challenges successfully.

The company will make every effort to provide a healthy and productive work environment, respectful of the differences and opinions of others, and to avoid any act of discrimination or harassment in the workplace.

In addition, we will guarantee the full exercise of our employees' labor rights by protecting the free exercise of union rights and the right to strike, with absolute respect for labor legislation and collective bargaining agreements in force.

### **3.4 Promoting equality of opportunity, professional development, and training for employees.**

At LLORCA GROUP HISPANIA SL we believe that our employees are a real competitive factor. Therefore, in order to achieve our corporate objectives, it is essential to promote the continuous training and professional development of the people who work in our company, as well as to guarantee their personal development and the reconciliation of work and family life.

The incorporation of personnel to our teams will be based strictly on criteria of capacity, professional experience and suitability to the requirements of the job, avoiding unfair labor decisions based on nationality, race, sex, religion, opinion, disability, age, sexual orientation or any other personal or social condition or circumstance.

We will promote actions to make equality between men and women effective, guaranteeing equal opportunities in access to employment, training, promotion, maternity protection and working conditions, eradicating any manifestation of discrimination, and promoting the balanced presence of women in the different areas of the company, guaranteeing the right to work for people with disabilities under conditions of equal treatment and non-discrimination, and with strict observance of the obligations regarding job reservations established for companies by the legislation in force.



### **3.5 Guaranteeing health and safety at work.**

At LLORCA GROUP HISPANIA SL we are aware that construction is one of the productive sectors with the highest risk of accidents at work.

Preventing accidents and safeguarding the health and safety of our employees is therefore our top priority.

At LLORCA GROUP HISPANIA SL we will develop our activity in full compliance with the legal framework for the prevention of occupational hazards, strictly complying with the provisions and regulatory requirements on health and safety in construction sites.

All our employees and external personnel must observe strict compliance with health and safety standards, make responsible use of the safety equipment assigned to them, avoiding risks that could endanger their integrity and health, or that of others.

At LLORCA GROUP HISPANIA SL we want to promote healthy habits among our employees. Hence, working under the influence of alcohol and/or drugs is strictly forbidden.

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### **3.6 Acting with professionalism in our relations with customers, suppliers, and collaborators.**

At LLORCA GROUP HISPANIA SL we seek excellence and the full satisfaction of our clients. We base our relationship with our clients on professionalism and credibility. For this reason we will always communicate to our clients rigorous, truthful and complete information about the technical, economic and quality characteristics of our services.

Our suppliers and collaborating companies are an essential part in the achievement of our objectives. That is why we want to maintain relationships with suppliers and collaborators based on trust, mutual benefit and respect for established contracts and commercial agreements. The selection processes of suppliers, contractors and external collaborators shall be carried out with impartiality and objectivity, applying quality and cost criteria, avoiding conflicts of interest with people linked to the company, and rejecting gifts or considerations of any kind that compromise the decision-making process.

In this sense, we will promote the establishment of collaborative relationships with those suppliers, contractors, partners and collaborators that share ethical, compliance and due diligence standards compatible with our own.

At LLORCA GROUP HISPANIA SL we respect the Industrial and Intellectual Property rights. In this sense, our suppliers, contractors and collaborators must prove that they are authorized to use or commercialize products protected by Industrial and Intellectual Property rights.



### **3.7 Ensuring information privacy and protection.**

All persons linked to the company have the obligation to comply with the legislation and internal rules relating to the security of information and the protection of personal data to which we have access for the performance of our duties in the company. Likewise, we must behave with absolute confidentiality with all information considered reserved or secret, our own or third parties', to which we have access in the course of our work, avoiding its inappropriate use or disclosure.

### **3.8 Promoting free competition, transparency and fair market practices.**

At LLORCA GROUP HISPANIA SL we develop our activities on the basis of the highest ethical standards. Our success can only be the result of collective effort, teamwork and excellence in the provision of our services. We reject any behavior contrary to free and fair competition by means of which it is intended to obtain an undue advantage of our position in the market against our competitors.

### **3.9 Being proactive in our commitment to the environment.**

At LLORCA GROUP HISPANIA SL we are fully committed to protecting the environment. Therefore, we promote efficiency in the consumption of resources and the prevention of environmental pollution to minimize the impact of our activities.

Everyone in our company has the duty and responsibility to comply and enforce compliance with environmental laws and internal regulations, regardless of the activity or the environment in which it is carried out.



### **3.10 Complying with anti-money laundering laws and rejecting any type of corrupt practices.**

In our relations with individuals and Public Administrations, our conduct must be based on the principles of honesty and respect that inspire our way of acting.

For this reason, at LLORCA GROUP HISPANIA SL we maintain a firm position of zero tolerance towards corruption between private individuals, bribery to individuals and/or public officials, and/or influence peddling, by means of payment or counter payment in cash or in kind, with the aim of obtaining an advantage for the company.

In addition, in accordance with current legislation on the prevention of money laundering and the financing of terrorism, which establishes that companies related to construction and real estate development are obligated parties, we will examine with special attention any operation or pattern of behavior that is complex, unusual or without an apparent lawful economic purpose, or that presents indications of simulation or fraud, establishing the corresponding internal control measures.

### **3.11 Protecting the company's image and taking care of its means and assets.**

All persons linked to LLORCA GROUP HISPANIA SL shall act with loyalty to the company and in defense of its image and interests. In turn, all our employees must make responsible and efficient use of the means and assets placed at their disposal by the company for the correct performance of their activity, and preserve them from any theft, loss or deterioration.



### **3.12 Contributing to the development of our community and our environment.**

Since our beginnings, LLORCA GROUP HISPANIA SL has been a company especially committed to the environmental, economic and social development of our community and its citizens.

Aware of this, we have always maintained an active position in the loyal and transparent support of social and solidarity initiatives and projects through sponsorships or collaborations with different non-profit organizations.

LLORCA GROUP HISPANIA SL is a company with deep local roots. Therefore, to the extent of our possibilities, and with full respect for the law, we will try to hire personnel and collaborate with suppliers of goods and/or services in our immediate environment.

In turn, all our employees must make responsible and efficient use of the means and assets placed at their disposal by the company for the correct performance of their activity, and preserve them from any theft, loss or deterioration.



#### **4. IIINTERPRETATION OF THE CODE**

This Code of Ethics and Conduct includes behavioral guidelines that all persons linked to the company must apply in the performance of their duties in the company.

However, it does not cover all the situations that may arise in the day-to-day application and compliance.

If, for any reason, doubts arise as to what our correct action should be, before making a decision, we should ask ourselves:

- Do I have all the information I need to make the decision?
- Have I considered the different options available to me?
- Is this action legal?
- Is this action ethical?
- Does the decision comply with the Company Policies and the Code of Ethics?
- How will this decision affect the company, customers, employees and partners?
- What will others think of my decision?
- How would I feel if my decision was made public?

We will always consult with our head of department and, if necessary, we will resort to the Compliance Body or the Oversight Committee.

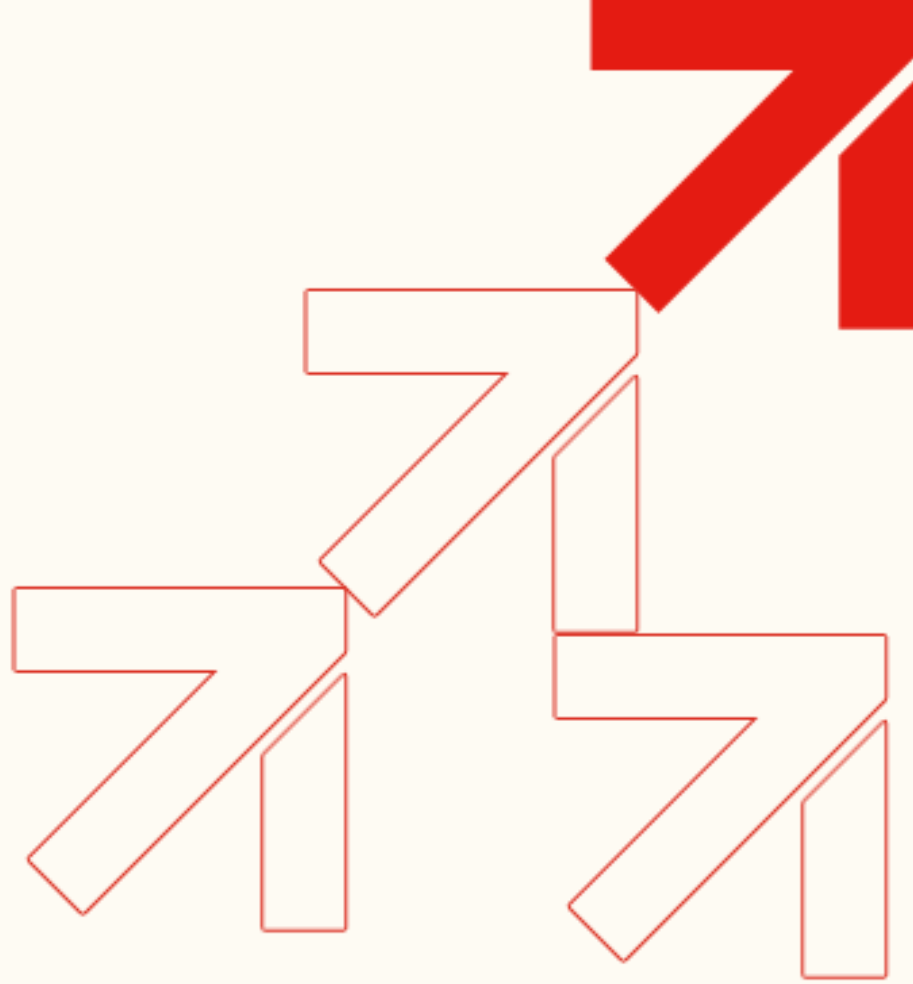
#### **5. VALIDITY AND DISSEMINATION**

The present Code of Ethics and Conduct of LLORCA GROUP HISPANIA SL will come into force from the date of its final approval by the Administrative Body of the Company.

All persons linked to LLORCA GROUP HISPANIA SL assume the commitment to contribute to the dissemination of this Code of Ethics and Conduct and its full consolidation in the corporate culture.

The Code of Ethics and Conduct is conceived as a living document. Therefore, its contents will be reviewed and updated periodically and, in any case, may be subject to modification whenever there is a substantial change in the activity, structure and objectives of the company.

**Approved by the Governing Body on April 14, 2020**



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