



CODE OF ETHICS



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1. COMMITMENT, VALUES AND PURPOSE OF THE CODE OF ETHICS

This Code of Ethics (hereinafter the Code), which is based on Espina & Delfin's Institutional, Business and Organizational principles (drawn up for the purposes of this Code and for all domestic or foreign companies directly or indirectly participating in or controlled by ESPINA & DELFIN GROUP, S.L.), aims to reflect the corporate values and basic principles of conduct that shall guide the actions of Espina & Delfin and those individuals involved within it, without any exception.

Espina & Delfin is a service company that essentially undertakes the following activities:

- Construction of all types of hydraulic work to improve citizens' quality of life, covering all aspects of work, from design and engineering to its subsequent implementation, operation and maintenance.
- Providing populations with transparent, efficient and sustainable management of the integral water cycle. The Group guarantees the correct health controls, water quality, network supply and the parameters of purified wastewater discharge.
- Offers consultancy in the area of water purification.

These business activities aim to improve living standards and environmental management, which, in turn, has a direct impact on environmental, health and wellness issues.

That is why Espina & Delfin, through way of this document, most explicitly desires to carry out such activities with the required seriousness and commitment by not only complying with the applicable standards and regulations, but also by respecting the Company's values, compliance ethics and an active contribution to the preservation of the environment.

For the proper management of the business, both for the company and those therein working with customers, suppliers, administrations, authorities and workers, this Code has been drawn up to equip partners with the values and principles that governs the company's action guidelines. This extends to all third parties with whom we work and the areas of action specific to the activities described.

To achieve everyone's ethical and responsible conduct in the company, Espina & Delfin champions professional training and personal development of all its employees and/or collaborating professionals acting on our behalf.

The company's actions are based on respect for the following values:

- **Customer orientation**

Vocation for a public service which offers customers a service suited to their needs and that responds to the highest standards of quality and excellence.

- **Concern for the environment**

Achieve our objectives whilst considering the impact of our decisions and actions on the public, the environment and the planet. Partaking in sustainable resource management.

- **Collaboration, transparency and honesty**

Build highly satisfactory relationships and complete confidence in our work or way of seeing projects with all our partners.

- **Innovation**

The key to our competitiveness and evolution lies in our ability to generate ideas and put them into practice within an environment of collaboration and continuous collective learning.

These values are the framework to guide the basic conduct of all Espina & Delfin employees to fulfill their workplace responsibilities, in accordance with the principles of loyalty to the Company, good faith, integrity and respect for legality and ethical criteria.

It should also be noted that the aim of this document is for it to be an essential mainstay for the improvement of the Company's results, competitiveness and search for added value. This is done within a business culture of compliance and undertaken by the company's senior management and mandatory for all company staff members.

The Code's purpose is to assist those within Espina & Delfin in their conduct and decision-making. Those who are part of the administrative and supervisory areas must draw the existence of the Code to the attention of those individuals and judicial persons who work with the company through the delivery of this document and actively seek its application.

2. PRINCIPLES OF THE CODE OF ETHICS

The principles of this Code require the common denominators of responsible action, commitment to sustainable management of natural resources, respect for workers' rights and the environment, ethical and regulatory compliance, collaboration, the search for efficiency and integrity in each and every one of the actions derived from our activities. This is applicable to both the company's internal area and the market area as well as to the environment.

2.1 Delimitation of principles and commitments to conduct

The delimitation of principles in this Code is not exhaustive, but it always seeks to demonstrate and encompass the guidelines to govern the Company's actions and that of its team internally and in its relationships with the environment and the market.

These principles can be summarized as follows:

- Regulatory respect and compliance culture.
- Employment of Due Diligence.
- Full and responsible action.
- Commitment to the fight against corruption.
- Respect for workers, individuals working with the company and the environment.
- Image and corporate reputation.

Based on the aforementioned principles, which the Company undertakes from the senior management to apply at all levels, the Company encourages the necessary undertaking of a series of commitments to conduct that, aligned with business ethics and the culture of compliance, offers the Organization greater efficiency in the pursuit of its activity, a better position in the market, a responsible treatment of natural resources, and preserves, at all times, the Organization's good name and reputation, which is one of Espina & Delfin's most valuable assets.

These six fundamental principles specifically apply to the three areas in which the company carries out its activities:

- Company area formed by a team of staff and management.
- Market area, within which relationships are maintained with customers, public administrations, suppliers and other collaborators, partners and competitors.
- Environmental area, the locations, if applicable, in the local community and the environment.

2.2 Guiding principles in the business area

THE STAFF TEAM

Respect for people

Espina & Delfin encourages conduct based on respect and trust amongst all its employees. All discrimination based on sex, ideology, religion, nationality, etc. is strictly prohibited. Likewise, all employees are forbidden to use physically, sexually or verbally abusive conduct.

Effective equality

Espina & Delfin has an Equality Plan, within the framework of furthering equality and opportunities in employment, encouraging steps to promote and recognize effective equality between men and women. This means offering the same access to employment and training to both genders and empower work and family reconciliation measures.

Commitment to human rights

The Company recognizes the right of freedom of association for its employees and promotes compliance with work regulations within the conditions applicable to its workers, especially with regard to wages and working hours.

The conditions agreed in the applicable sector agreement shall be respected.

Occupational health and safety

Workplace health and safety shall be guaranteed to all employees.

Cooperation

It is the responsibility of employees to carry out their work in a good physical and intellectual manner and comply with existing procedural standards and to apply regulations, while always showing respect for the company's hierarchical structure and the required confidentiality.

SOLE DIRECTORS

Acting in accordance with the principles of good governance

Good governance is compatible with ensuring financial results and an optimal return on investments made.

Ensure the transparency, sincerity and veracity of financial information.

The administrators shall provide equitable treatment with accurate, transparent, sincere and valid financial information within the required time frame.

2.3 Guiding principles in the market area

CUSTOMERS AND CONSUMERS

Espina & Delfin seeks customer satisfaction by offering a service that meets the highest standards of quality and health and safety. The company encourages innovation and the constant improvement of processes and it is committed to sustainable resource management.

ADMINISTRACIÓN PÚBLICA

In its relationship with the **Public Administrations**, the Company will not only ensure compliance with its legal obligations, but also maintain a relationship of dialogue, collaboration and permanent cooperation, especially in the area of the integral water management activity, which is fundamentally essential to our company.

No employee may offer or receive gifts, vouchers, compensation or any other kind of benefit to or from an authority or public servant, excepting only those gifts of little value that are accepted in accordance with the location's local practice but this must have no bearing on any decision-making.

“Facilitation payments” are strictly forbidden, including all those involving the delivery of money or any other goods to a public servant or authority, regardless of value, to ensure a favourable or speedier completion of a deal with any type of administration or public authority.

SUPPLIERS AND BUSINESS PARTNERS

Suppliers and business partners working with the Company must comply with this Code. Their selection must meet the criteria of impartiality, need, professionalism and competitiveness, in order to meet the service's highest quality standards.

COMPETITORS

The Company scrupulously complies with the market's competition rules, leading to fair conduct with its competitors and prohibiting any defamation of other companies that may intervene in the market.

Espina & Delfin requires the confidentiality of its industrial and business secrets, relaying this principle to all within the company.

In addition, as a result of the activities carried out within its social commitment, Espina & Delfin deals with customer and supplier information. As a result, it has High Level Security Documentation and appropriate hierarchical structure in matters of Data Protection. This is aimed at ensuring compliance with mandatory security steps to be followed by all employees with access to automated personal data and information systems.

2.4 Guiding principles in the environment

In seeking maximum efficiency and customer satisfaction, Espina & Delfin is committed to the responsible management of natural resources, undertaking a strong commitment to the community through collaboration with financial companies, with disabled groups, and with sports, cultural, ecological and environmental entities.

The Company is committed to collaboration agreements with Municipalities and Local Entities which seek to help families at risk of exclusion access to the service by applying an active policy on solidarity.

The Company refrains from financing any political activity.

In the guiding principle of environmental conservation in general, campaigns are used to ensure responsible paper consumption. Moreover, there are education and awareness campaigns for young people and adults to responsibly use water, both in terms of its consumption and its return to the natural environment through purification processes.

In close connection with these principles of respect for the environment, Espina & Delfin is committed to Research, Development and Innovation (R&D), ensuring that bright ideas, both those generated within the Company and external ones, are implanted and reach society in the form of high value-added products and solutions, thus offering the ability to continue to respond to the continuous changes in needs and resources.

The Company also cares about ensuring sustainability, improving efficiency and optimizing urban water management through intelligent monitoring systems that continuously analyze the network's health.

The alliance with research centres (universities) and participation in joint projects with other companies in the sector shall be prioritized. This is a constant search for optimization in the service's provision and the utmost respect for the environment.

Espina & Delfin has an Environmental Management Plan and is equipped with a Manual for an Integrated Management System, Quality, Environment and Prevention of Occupational Health and Safety which enables compatibility in the protection of the environment and the business' efficiency. This minimizes the environmental impact and promotes a rational use of resources; always respecting legality, the monitoring and control of processes, staff involvement, improvement in working conditions, the incorporation of energy criteria and the proper management of information. This is all in accordance with ISO 9001, ISO 14001 and ISO 45001 standards, certified and subjected to constant review processes and continuous improvement.

3. SCOPE OF APPLICATION AND MONITORING OF COMPLIANCE

3.1 Scope of application

This Code is an applied rule and of mandatory compliance at all levels at Espina & Delfin. It must be followed by all staff and management, regardless of their post and role in the company.

It must be abided by and respected by everyone within the Organization, from the highest management down.

Ideally, it shall also be welcomed by any party or partner (suppliers, business partners, third parties working with Espina & Delfin, external advisors, temporary employees, etc...), with its dissemination and information sent to such partners, who shall be requested to undertake this commitment to fulfil their relationship with Espina & Delfin.

All the company's staff shall be reliably informed of the Code to ensure that its compliance is undertaken. In addition, a mandatory clause shall be inserted into their employment contracts, a copy of which must be sent to new employees.

3.2 Compliance management system

The senior management at Espina & Delfin is the leading guarantor of the Code's application and compliance. It shall provide the Organization with the necessary means for the document's dissemination, application and culture of compliance.

Therefore, the Directors' deep involvement is required in the Code's dissemination and application as they exercise significant control over the company and, as such, must give exemplary behaviour to be followed by the entire workforce.

In addition, the Company's management has provided appropriate structures to ensure the dissemination of this Code and control its proper compliance. This has been enabled by the creation of the Compliance Committee. This body oversees compliance with the Code, the culture of compliance and the establishment of the procedures required for its correct application within the ordinary working of the company, both internally and externally. These procedures shall be enforceable on the entire workforce.

To this end, and in order to ensure the maximum deployment of the ethical standard contained in this document, the Compliance Committee shall enjoy the support of Human Resources, who will foster the implementation of training, and give assistance and guidance to those charged with its implementation.

Failure to observe this Code may result in disciplinary actions being taken, as stated in the following paragraph.

3.3 Complaints resolution platform and disciplinary code

A complaints resolution platform is available to any company staff member, or third party within, who can:

Raise doubts with the Compliance Committee over the interpretation of this Code or any other policy, procedure, internal regulation or legislation.

Report possible irregularities or breaches of both the Code and internal regulations, or highlight any malpractice, illegal behaviour or risk-generating conduct in the Organization from any company member.

Complaints may be made through the following external Espina & Delfin email address: espinaydelfin@canaletico.online

Complaints shall be given proper processing, in compliance with the principles of a hearing and presumption of innocence, confidentiality and indemnity, guaranteeing the rights of all parties involved, with objectivity and impartiality, and subject to the **provisions in the Rules of Use for the Complaints Resolution Platform** approved by Espina & Delfin.

Should, after investigation of the facts and instruction of the relevant procedure, there be any conduct contrary to the law or the Code, disciplinary action shall be taken under the disciplinary system stated in the collective agreement, sector standard or under the applicable work regulations.

3.4 Supervisory board

An internal Supervisory and Control board shall be created to ensure compliance with this Code: The Compliance Committee, which consists of two persons from the Organization and an external third person specializing in *Compliance*.

The internal board shall be appointed by the management, which shall provide it with the necessary resources to carry out its work, and it shall enjoy full independence in its duties.

The Compliance Committee shall periodically forward reports to the Board of Directors on compliance with this code, along with possible incidents and their resolution.

The entrusted duties include:

Ensuring the proper dissemination, dissemination and Code compliance.

Promotion and coordination of training activities aimed at regulatory compliance of this Code by the Organization's staff members.

Preparation of a criminal risk map and a proposal for Board of Directors to take the appropriate steps and controls for the continuous improvement of the criminal risk prevention programme.

Receipt of complaints, investigation of facts, instruction on procedure and proposals on disciplinary action.

Resolution of doubts on the application of this Code.

Remittance of periodic information on compliance with the Code to the company's management and the preparation of a detailed annual report on compliance with the Code, including incidents, disciplinary action, etc.

Proposal to update the Code in accordance with new regulations or needs demonstrated in connection with its implementation.

Propose any modification for Espina & Delfin to adapt to new regulations or decisions, judicial or administrative, of importance for the Organization.

Offer opinion on new projects, business partners, and in general any relevant decision that may involve the undertaking of new legal risks.

Fully adapt to the *Compliance System* that has been implemented to the highest national and international quality standards.

3.5 Reports, controls and audits

In accordance with the above paragraph, the Compliance Committee shall prepare an annual report on compliance with the Code. It will analyze the scope of compliance with its standards, non-compliances, complaints, procedures dealt with, possible shortcomings and proposals for improvement.

In addition, Espina & Delfin shall aim to ensure compliance with the standards established in this Code and will further the culture of compliance, establish procedures for communication, information and internal audits that shall reinforce the observance of the Code and its effective implementation.

These controls are planned to complement the role of the Compliance Committee and to detect possible violations of the standard, weaknesses or proposals for improvement that can be assessed for successive updates to the Code.

All these steps, adopted by the Board of Directors, are aimed at a common purpose and are there to ensure compliance with the Code, to foster the culture of compliance in the Organization and to maintain Organization's good name and reputation on the market.

4. CODE EXPOSURE

This Code will be sent to all employees and will be published on the Espina & Delfin website (www.espinaydelfin.com).

For it to be adequately understood and implemented by all persons concerned, appropriate dissemination and training work will be carried out to inform on its contents, the Company's commitments and the obligations of all persons involved.

In addition, each year the Compliance Committee will approve an internal training plan in order to disseminate the culture of compliance within the Organization and will disseminate the Code and its contents.

It can be updated when the need to do so is detected, with the corresponding information on the update given.

5. EFFECT AND REVIEWS

This Code comes into effect on the day of its approval by the Espina & Delfin's Board of Directors and shall be in force until a new policy in this area is approved.

