



Supplier Code of Ethics and Conduct

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01

INTRODUCTION

ULMA Construction's Supplier Code of Ethics and Conduct (hereinafter "the Code") is part of ULMA Construction's commitment to sustainability in its broadest sense, which includes environmental, social and governance spheres, and its economic activity as a whole.

ULMA Construction considers that cooperation with its suppliers and collaborators is essential to ensure the achievement of the commitments acquired by the company in terms of sustainability.

The principles and guidelines contained in this document are therefore aligned with ULMA Construction's internal Code of Ethics, which ensures that all persons within the entity adopt the highest standards of ethics and transparency in their professional behaviour.

02

MAIN PURPOSE AND SCOPE

The purpose of the Code is to establish the minimum principles of conduct that ULMA Construction expects from its suppliers, with a view to ensuring ethical and transparent behaviour to contribute to the environmental, social and economic sustainability of the locations in which it operates.

It is of the utmost importance that those entities interested in establishing and/or maintaining a business relationship with ULMA Construction and forming part of its value chain are fully aware of the minimum principles of conduct and requirements set out in this document and make their workers aware of them.

Therefore, ULMA Construction suppliers, including all the people who form part of their organisations directly and indirectly, must comply with the minimum principles and requirements set out in the Code.

Furthermore, ULMA Construction expects suppliers to ensure that they promote these principles among other entities with which they have a commercial relationship.

The Code will be regularly reviewed and updated to respond to legislative, social and/or ULMA Construction's own changes. The most up-to-date version, and therefore the one in force and applicable for suppliers, will be the one published on the website: www.ulmaconstruction.es.

¹ 'The term "business relationship" includes relationships with business partners, subcontractors, franchisees, investees, customers and joint venture partners, entities in the supply chain that provide products or services that contribute to the enterprise's own operations, products or services or that receive, license, purchase or use products or services from the enterprise, and any other non-state or state-owned entities directly linked to its operations, products or services'.

03

PRINCIPLES OF CONDUCT

3.1 General principles and recommendations

ULMA Construction aims to ensure the effective application of the principles of conduct set out in the Code. We have therefore established a series of recommendations and general principles that our suppliers must comply with. The following general principles should guide the behaviour of ULMA Construction's suppliers to ensure that their activity is carried out with the highest ethical standards:

- > Suppliers shall **comply with legislation** in each of the locations in which they operate, including compliance with general local, regional, national, supranational and international legislation and specific legislation applicable to their area of operation and/or sector.
- > Suppliers shall **disseminate** the principles contained in the Code to all their employees and to all entities or individuals with whom they do business.
- > Suppliers shall **respect** the principles set out in the following international instruments as general guidelines for conduct:
 - The **Universal Declaration of Human Rights**, including the Magna Carta, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.
 - **The Guiding Principles of the United Nations on Business and Human Rights.**
 - **The Convention on the Rights of the Child.**
 - **The ILO Declaration on Fundamental Principles and Rights at Work.**
 - **Tripartite declaration of principles concerning multinational enterprises and social policy (MNE Declaration).**
 - **The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.**

Furthermore, we make the following **recommendations** with a view to establishing mechanisms to promote a more sustainable business activity:

- > We recommend suppliers to develop and implement the adequate **policies, codes of conduct and procedures** to comply with the guidelines set out in the Code, with the aim of efficiently integrating the different aspects of sustainability into their management.
- > We recommend suppliers to implement **sustainable and quality management systems**, considering both environmental and social aspects. (SA 8000, ISO 14001, ISO 9001, ISO 45001).
- > We encourage suppliers to **contribute to the sustainable transition** by joining global initiatives for the promotion of business ethics, transparency and good governance as well as sustainability, such as the United Nations Global Compact.

3.2 Governance and transparency

Suppliers shall ensure good governance and transparency in their activities by complying with the following principles:

- > **Compliance with legislation:** as a general guideline for good governance and transparency, suppliers will respect the legislation in force in the locations in which they operate.
- > **Anti-corruption:** suppliers will maintain a zero-tolerance approach towards any form of corruption. They will not tolerate any form of corruption or fraud and will not offer, promise, request or accept any financial or other benefits from third parties, including public authorities, in order to obtain contracts and other preferential treatment in their business activity.
Suppliers shall integrate the most appropriate policies and codes of conduct in their management to prevent bribery, extortion and any other form of corruption, and will disseminate such among their employees.
Suppliers shall comply with the minimum principles stated in the **OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions**.
- > **Anti-money laundering:** suppliers will not tolerate any form of money laundering or the financing of illegal activities.
- > **Antitrust:** suppliers will respect the competition laws in force in the locations in which they operate, such as those framed in the **EU competition policy (antitrust law)**, in order to implement market behaviours based on fair competition.
- > **Compliance with legislation:** suppliers will ensure compliance with trade legislation, including appropriate import/export controls and trade sanctions.
- > **Confidentiality:** suppliers will ensure the confidentiality of the data and information to which they have access through their business relationship with ULMA Construction, especially information classified as sensitive, both commercial and personal. In addition, suppliers will protect and respect ULMA Construction's intellectual property rights.
- > **Protection of personal data:** suppliers will manage personal data in a way that safeguards the security and integrity of individuals, in accordance with the legislation in force in the locations in which they operate, including the **General Data Protection Regulation (EU) 2016/679** applicable in the European Union.
- > **Transparency:** suppliers will adhere to accounting and financial laws and regulations, ensuring they provide stakeholders with accurate and high-quality financial and non-financial information necessary for assessing the impact of their activities on the environments in which they operate.

3.3 Human Rights and Labour Rights

Suppliers must respect and protect the Human and Labour Rights, as set out in the international treaties mentioned in section [3.1 "General principles and recommendations"](#) of this document.

Where suppliers are faced with opposing demands, they should be expected to find ways to respect human rights.

Compliance with Human and Labour Rights includes the following:

- > **Human rights:** Suppliers shall respect the human rights set out in the **UN Universal Declaration of Human Rights**, including its Magna Carta, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights. Suppliers must implement the most appropriate mechanisms to identify, avoid and remedy any negative impact of their activity on human rights, following the **Due Diligence** process established by the UN Guiding Principles and/or any other legislation on Due Diligence on business and Human Rights in force in the locations in which they operate.

- > **Equal treatment and non-discrimination:** Suppliers will prohibit any form of discrimination in hiring, remuneration, access to services, professional development, dismissal or retirement on the basis of sex, gender, race, ethnicity, skin colour, nationality, religion, age, marital status, family responsibility, disability, physical characteristics, health conditions, sexual orientation and/or affiliation to political and/or cultural groups or movements.
Suppliers are obligated to treat all workers with dignity and avoid any episode of harassment and/or mobbing in the workplace, establishing the most appropriate policies and codes of conduct to identify, prevent and remedy any such circumstances.

- > **Child, forced and compulsory labour:** Suppliers shall prohibit any form of child, forced or compulsory labour. Suppliers shall identify potential risks and constantly monitor to avoid any of these situations both within their entity and along their value chain.

- > **Right of workers to organise and collective bargaining:** Suppliers shall respect the right of their workers to join and/or organise trade union associations, and ensure that they are not discriminated against because of these activities. Workers shall have the right to freely choose their representatives.

- > **Working hours:** Suppliers shall comply with the national laws and labour agreements in force regarding working hours in the locations and sectors in which they operate. As a minimum standard, suppliers shall apply the specifications of the ILO First Convention, which sets a maximum of 48 hours per week and a 24-hour rest period every seven working days.

- > **Remuneration:** suppliers shall ensure remuneration in accordance with the legislation of the locations in which they operate and the labour agreements applicable to their activity. The salary shall never be lower than what has been set in the previously mentioned legislation and labour agreements. Remuneration shall be applied on the basis of professional criteria, without discrimination on the grounds previously mentioned in this section (equal treatment and non-discrimination).

For a correct integration and management of human and labour rights aspects, we recommend the adoption and certification of international standards such as SA 8000.

3.4 Health and safety

Suppliers shall comply with occupational health and safety legislation in force in each of the locations in which they operate, including compliance with the Council Directive 89/391/EEC, also known as the Framework Directive on Health and Safety at Work.

Suppliers are expected to ensure a safe and healthy working environment for all persons within their organisation, and also for those with whom an indirect relationship is established when accessing the work premises to carry out of the organisation's business.

To this end, suppliers shall have the following measures in place:

- > Occupational risk **prevention systems**.
- > **Policies and procedures** to ensure healthy working environments
- > Provision of appropriate **training** to their workers on occupational risks, health and safety in the work environment..
- > Guaranteed provision of the necessary **equipment and resources** to perform the job in a safe and healthy manner, as well as access to sanitation, hygiene and drinking water facilities.
- > Measures to **promote healthy habits**.

3.5 Quality

ULMA Construction is committed to ensuring the highest quality standards for the products and services it offers its customers. Accordingly, and in order to achieve this objective, suppliers are expected to meet the highest quality standards in their own services and products, through the following principles:

- > **Compliance with legislation, regulations and quality standards:** suppliers must comply with legislation, regulations and quality standards applicable to their products and services and which are in force in the locations in which they operate.
- > **Quality management systems:** it is recommended that suppliers have management systems in place to ensure the quality of their activity, such as ISO 9001.

3.6 Environment

Suppliers shall respect the environment and implement policies and behaviours that minimise their negative impact on it, always acting in compliance with the laws and regulations applicable to the locations in which they operate. To this end, the following is recommended for suppliers:

- > Implement **environmental policies** that comply with the laws and regulations in force in the locations in which they operate.
- > Implement a **preventive approach** to avoid, minimise and/or remedy any negative impact on the environment by conducting an environmental risk analysis of its operations. This approach can be materialised in the development and application of an efficient environmental management system for the identification, control and treatment of the main environmental impacts, with the necessary resources for its correct implementation. For this purpose, it is recommended to obtain certificates such as ISO 14001 on Environmental Management Systems.
- > **Contribute to climate change mitigation and adaptation**, for which it is recommended to calculate the carbon footprint (Scopes 1, 2 and 3) of their organisation, to establish emissions targets and to implement measures to reduce and/or offset emissions, and to adapt to climate change.
- > Ensure environmental safety and quality of the areas in which they operate through the **management of the generated waste**, especially hazardous waste.

- > **Minimise their water footprint** by making responsible use of the water used in their processes.
- > **Protect the biodiversity** of the areas in which they operate by carrying out risk analyses and implementing measures for the protection, mitigation and remediation of negative impacts.
- > Encourage the development, use and dissemination of **environmentally friendly technologies, processes and practices** that improve resource management, including energy efficiency and circular economy principles.
- > Encourage initiatives that **promote greater environmental responsibility** both among the people who belong to their organisation and other actors in its value chain.
- > Contribute to the achievement of the objectives established in international frameworks to protect the environment, such as the Paris Agreement to combat climate change and the European Green Pact.

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SUPPLIERS' RESPONSABILITIES

The suppliers undertake to be aware of, respect and apply the conduct guidelines included in the Code for all persons belonging to their organisations, internally disseminating the principles included in the code of ethics, as well as transferring these principles to other organisations with which they maintain business relations.

Suppliers shall cooperate with ULMA Construction in any verification activities, such as potential audits carried out by ULMA Construction or third parties, to ensure compliance with the principles and behavioural guidelines set out in the Code. Suppliers are recommended to undertake the improvement actions identified in the previously mentioned audit processes, if any.

In the event of identifying episodes or risks of non-compliance with the principles of conduct established in the Code that may affect ULMA Construction, suppliers undertake to report them as soon as possible through the communication channel indicated in section 5 of this document (Communication channel).

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COMMUNICATION CHANNEL

ULMA Construction provides its suppliers with a direct communication channel to make the necessary enquiries about the behavioural guidelines and obligations included in the Code and the communication of any instances of non-compliance and/or risks of non-compliance.

Suppliers may address their concerns and communications through the following channel:

- **E-mail address:** compliance@ulmaconstruction.es
- **Contact team:** ULMA C y E, S. Coop. Compliance Committee.

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MANAGEMENT OF NON-COMPLIANCE

ULMA Construction will analyse non-compliance with the guidelines set out in the Code on a case-by-case basis. Depending on its severity, the measures to be taken in the event of non-compliance may vary from a warning to disqualification as an approved supplier of ULMA Construction and/or termination of the business relationship.

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ADHERENCE TO THE CODE

ULMA Construction requires adherence to this Code by all those organisations that are suppliers of products and/or services with which it currently maintains a business relationship and/or may do so in the future. Therefore, suppliers shall confirm their commitment to the principles contained in this code by signing this document:

“The entity _____, with tax identification number _____, is aware of the ethical and conduct principles contained in this document (ULMA C y E, S. Coop. Supplier Code of Ethics and Conduct) and undertakes to respect and comply with them.”

Signature of the management / legal representative	Entity's stamp
Date and place	



It's **all** about **trust**

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