

CODE OF ETHICS

I. INTRODUCTION

COFIDES is committed to ethical and lawful management in its business activity, oriented to values that constitute the framework of its activity, in the belief that ethical business conduct is linked to business and social success.

The COFIDES Code of Ethics was approved in September 2005 by the Board of Directors and revised in October 2013.

The Code includes the conduct that COFIDES expects of its professionals as well as the Company conduct towards its stakeholders. The aim is to serve as a deontological guide, setting the values and commitments that most guide the professional activity in the Company.

II. SCOPE

The guidelines referred to in this Code apply to all areas of COFIDES, as well as to its relationships with others and with society in general.

The Code applies to directors, senior management and employees of the Company. It equally applies to trainees while they work in COFIDES. In the case of subcontractors, the company supplying the service will assume responsibility and must ensure compliance from their personnel. For the sole purpose of this Code of Ethics the word “professional of the Company” will be used to include board members, directors, employees, trainees and subcontractors.

All professionals are required to know and comply with this Code of Ethics and support its implementation.

III. MISSION, VISION AND CORPORATE VALUES

MISSION

The COFIDES mission is to contribute, not only to the internationalisation of both the economy and Spanish companies, but also equally to promote economic and social development of emerging or developing countries, whilst operating within the associated profitability criteria, either through funding companies with private investment projects, involving some degree of Spanish interests, or by supporting management development tools. To fulfil its goal COFIDES can use its own financial resources as well as the funds it manages. The financing can be done through various forms of debt or equity and may be granted directly or indirectly through investment funds

VISION

The company's vision includes being the de facto public-private funding vehicle of Spain's Economic and Commercial Administration for direct foreign investment and hence a model for Spanish public-private venture capitalism abroad.

To contribute to the consolidation of growth in the Spanish economy, as well as to foster development in those countries where the private sector invests with the support of COFIDES managed funds.

Meeting these objectives by COFIDES is the cornerstone for the delivery of excellent service, in order to achieve total customer satisfaction.

CORPORATE VALUES

Additionality

COFIDES bases its dealings, in relation to the private financial sector offers, on the principle of additionality. The key undertaking is that their activities can be both justified and maintained over the long term.

Sustainability

COFIDES recognises the inherent risks of the activities in which it is involved, and is committed to managing these risks using the most advanced techniques and tools available.

Responsible Financing

Based around compliance with a series of guiding principles and an established code of ethics that are intended to promote social, environmental and economic sustainability of the investments, whilst at the same time attempting to ensure the long-term economic development of local communities. Estimating the development-generated impact of investment in the host country as well as the effect on its FDI and on the business network in the country are also key elements.

Quality

COFIDES operates within a quality framework, applying a transparent and efficient internal management model.

Transparency

COFIDES is aware of the importance of providing accurate and reliable information about its own market activities, its shareholders as well as society in general, ensuring the demands of confidentiality are securely met in the management of its business.

IV. CONDUCT OF THE COMPANY PROFESSIONAL

1. The Company professionals will strictly comply with the applicable law fulfilling the spirit and purpose of the rules, and will observe the guidelines of the code of ethics and the basic procedures governing the activities of the Company.

In addition, directors and officers should specifically know the laws and regulations, including the internal ones, which affect their respective areas of activity. They should also ensure that the professionals that depend on them are properly informed and trained to understand and comply with legal and regulatory requirements applicable to their job function, including the internal ones.

2. No professional belonging to the Company will offer, pay, request or accept any payment, gift, promise or compensation intended to bribe any authority or public official. Nor will they exert undue influence to obtain favourable treatment in trade-related activities or to influence the decision-making processes.

The Company professionals may only offer or accept presents or invitations to or from third parties where they are in keeping with normal business practice, of modest value and not banned by law. No professional of the Company may behave in a manner that compromises or tarnishes COFIDES' reputation.

3. The Company professionals must refrain from any private financial or professional activity, including business conducted by close relatives that may constitute a conflict of interest with their responsibilities at COFIDES. They must give preference to the interests of the Company against their own ones and report any conflict of interest that occurs.
4. The information to which they have access by virtue of their work is confidential, so it may only be used for Company business and never for personal gain but only for the normal development of COFIDES activity.
5. The Company professionals have to maintain the books and records of the Company accurately and honestly, in a way that permits information gathering and decision making in a conscious and responsible manner. They must also provide the auditors of the Company with all the information and explanations they require, in order to perform their work.

The Company professionals agree to make good use of Company funds by avoiding unnecessary expenses as well as exercising care and good judgment regarding the usage of Company resources available to them.

6. The COFIDES professionals may use the technical resources and materials made available by the Company with all due diligence, in order to prevent potential damage from misuse. They are responsible for both their custody and safe-keeping, as well as to ensure that they are used in accordance with the internal regulations and laws.
7. Employees will undergo training programs for their professional development and they should make an effort to maximise their use of such courses, thereby enhancing the performance of their work.
8. Relations between Company professionals must always be based on mutual respect, avoiding any kind of discrimination or harassment. All of them will contribute to maintaining a pleasant working environment that fosters teamwork and allows each individual to flourish.
9. The Company professionals will protect and respect the environment by minimising the negative environmental impacts and working with the goal of maximum energy efficiency and respect for natural resources.

10. COFIDES professionals will respect the rights of intellectual and industrial property of the works and creations that relate to third parties, in accordance with the Spanish and international legislation on Industrial and Intellectual Property or as a result of licensing agreements.
11. COFIDES expects its professionals to actively participate in promoting a strong corporate identity and to uphold the good reputation of the Company

V. COFIDES STAKEHOLDER MANAGEMENT

1. Shareholders

COFIDES is committed to ensuring Equality of treatment of all shareholders, avoiding any preferential treatment.

COFIDES will develop its activities with financial performance criteria, in order to ensure its economic and financial sustainability. COFIDES short-term activities and its pursuit of profitability will not compromise their long-term continuity.

COFIDES will provide its shareholders with prompt and accurate information on its activities and performance. This information will be accurate, transparent and reliable so that shareholders can exercise their rights in an informed manner and follow the values espoused by this Code.

COFIDES will aspire to excellence in all its endeavours and in particular will make certain that its financial backing contributes to optimising the financial structure of all the operations in which it takes part, regardless of the origin of the resources employed in each case.

2. Clients

COFIDES will at all times attempt to meet with the expectations, identified by the supervisory Ministry, of the companies it supports as well as the multilateral organisations with which it has commercial and institutional relationships.

COFIDES will attempt to continuously improve the accessibility and agility of its services and diligently respond to customer comments and complaints.

COFIDES will seek to ensure the appropriate use and confidential treatment of any information or processed information, provided by the client

COFIDES will manage third party funds and financial facilities as diligently and rigorously as it handles its own resources.

3. Competition

COFIDES will respect the unfair competition laws preventing any practice restricted by them, and will endeavour to be an example of behaviour in the scope of its business practice.

4. The Company Professionals

COFIDES will provide a non-discriminatory work environment in which all employees can undertake their jobs under optimal remunerative, professional and personal conditions that seek to advance their career development. The result will be a cordial atmosphere that encourages teamwork and a sound and long-lasting business culture.

COFIDES will respect the human rights of all the people with whom it has dealings, pursuant to the United Nations Universal Declaration of Human Rights.

COFIDES will prevent bullying and sexual harassment in its employee relations.

5. Suppliers

COFIDES will apply a transparency, publicity and competition criteria in its relationships with the suppliers of the goods and services it acquires.

COFIDES will apply special consideration to the suppliers of goods and services who maintain analogous principles and behaviour to the ones laid down in this Code

6. Society

COFIDES as a signatory of the Global Compact initiative of the United Nations has endorsed the commitment to promote the fundamental principles of human rights, labour standards, environmental protection and anti-corruption.

COFIDES is committed to the international and local efforts to prevent the perpetration of crimes through the Company and in particular to eliminate corruption and financial crime, whilst always complying with the standards relating to the prevention of crimes, in the development of its activity in general and money laundering in particular. COFIDES professionals should pay special attention to cases where there is pre-existing evidence showing a lack of integrity by Company professionals, individuals or entities with whom the Company has connections. They shall inform, through the established channels and procedures, as detailed in the internal regulations of the Company, of any operations or transactions that appear to be irregular. COFIDES condemns child labour and forced or compulsory labour and applies all the means at its disposal to ensure that the greatest respect for the environment and labour conditions in the projects it finances are observed. In all the operations it supports, COFIDES urges its customers to comply with the eight core conventions of the International Labour Organisation, as well as the Guidelines for Multinational Enterprises of the OECD.

COFIDES shall ensure that its operations promote the development of Spain and the countries where investments are made.

7. Public Administration and Government agencies

Relations with institutions, public bodies and administrations must be presided over with institutional respect and developed with high levels of collaboration criteria and compliance with the law and its resolutions. Communications, requirements and information requests should be addressed with diligence and within the established deadlines.

COFIDES professionals may not make, on behalf of the Company either directly or indirectly, donations to political parties or contribute in any way to their financing.

VI. IMPLEMENTATION AND ENFORCEMENT

COFIDES Steering Committee assumes responsibility for circulating this Code amongst all COFIDES staff members and ensuring that its principles are understood and accepted by all. Directors are required to lead by example and are responsible for ensuring that, in their respective areas of responsibility, no violation of law that could have been avoided with proper monitoring and organisation occurs.

Violations of this Code can jeopardise COFIDES' interests and may compromise its reputation. Therefore, all Company professionals are required to immediately report any breach or violation of the Code that they are aware of, according to the procedures established for this purpose and especially those that may constitute a crime or violations of the applied standards.

Possible breaches of the Code of Ethics will be assessed and sanctioned in accordance with the relevant conventions, the legal regulations in force and the internal regulations, particularly the Protocol on non-compliance with the Model of organisation and criminal risks management of COFIDES, the internal anti-money laundering and terrorist financing Manual and the action Protocol for labour, sexual and gender harassment in COFIDES, all of which include their respective complaint channels.

Code infringements may give rise to disciplinary action or even dismissal or, in the case of business partners, the termination of commercial relations.

The Board of Directors will monitor the compliance with this Code, as part of the risk management, supported by the Compliance Department.

VII. CODE OF ETHICS REVIEW

This Code, which is published on the COFIDES website, forms part of the continuous improvement programme and is periodically reviewed by the Steering Committee, and approved by the Board of Directors.