

**ANTI-CORRUPTION POLICY**

*Approved by the Board of Directors on July 30, 2020*



**INDEX**

- 1. PURPOSE**
- 2. SCOPE**
- 3. POLICY ADMINISTRATION AND CONTINUOUS IMPROVEMENT**
- 4. POLICY STATEMENT**
- 5. APPLICABLE LAWS**
- 6. DEFINITIONS**
- 7. POLICY REQUIREMENTS**
- 8. EMPLOYEE RESPONSIBILITIES**
- 9. DIRECTOR, OFFICER AND MANAGER RESPONSIBILITIES**
- 10. POLICY VIOLATIONS**
- 11. REVIEW**

**1. PURPOSE**

Dragados USA, Inc., ("Dragados USA") adopts this Anti-Corruption Policy (this "Policy") to communicate its anti-corruption and anti-bribery principles internally to its directors, executives and employees and externally to its clients, business partners and other stakeholders. This Policy, including the Dragados USA Anti-Corruption Program, provides practical guidance for fulfillment of this Policy and establishes a governance structure and procedures for prevention, detection and response to corruption and bribery risks and incidents.

Dragados USA is fundamentally committed to ethical and legal business practices. That commitment is essential to our business as a leading contractor for public construction projects: bribery, kickbacks, false claims, inaccurate disclosures and fraud all violate the laws and principles that apply to government-funded contracts. That commitment reflects the business principles of our parent companies, Dragados S.A. and ACS Actividades de Construcción y Servicios, S.A. They built a successful global enterprise by *rejecting* corruption and bribery and by requiring each operating company to meet the highest standards of ethical and legal behavior.

**2. SCOPE**

This Policy applies to all directors, executives and employees of Dragados USA, irrespective of their areas of activity or hierarchical level, whether in construction sites, machinery inventories, factories, headquarters or local offices.

This Policy also applies to all affiliate companies and subsidiaries of Dragados USA and to their respective directors, executives and employees, to the same extent as this Policy applies to Dragados USA and its personnel.

Dragados USA shall ensure that each joint venture in which it holds majority ownership adopts and implements this Policy and related anti-corruption compliance procedures or an equivalent anticorruption policy and compliance procedures. For joint ventures in which Dragados USA does not hold majority ownership, Dragados USA shall use its best efforts to ensure that the Joint Venture adopts and implements an anti-corruption policy and anti-corruption program that is consistent with this Policy.

Dragados USA shall also ensure that this Policy and related anti-corruption procedures are communicated to all prime contractors, subcontractors, disadvantaged and minority business enterprises ("DBE's"), vendors, suppliers, brokers, agents, consultants and other business associates with whom Dragados USA has business relationships (collectively "Third Parties") and that they make contractual commitments to meet the standards set forth in this Policy.

**3. POLICY ADMINISTRATION AND CONTINUOUS IMPROVEMENT**

The Dragados USA Ethics and Corporate Compliance Manager ("ECCM") has responsibility for administration of this Policy, acting under the supervision of the Dragados USA Ethics and Compliance Committee (the "Compliance Committee").

When extraordinary circumstances need urgent action, the ECCM may communicate directly with the President and shall report, as soon as possible, to the Compliance Committee.

The Compliance Committee shall periodically review this Policy's content, ensuring that the Compliance Committee considers best international practices, and shall propose to the Dragados USA Board of Directors amendments and updates that contribute to the Policy's continuous development and improvement.

#### 4. POLICY STATEMENT

Dragados USA is committed to ethical business practices and to compliance with applicable corruption and bribery laws.

Dragados USA prohibits, without exception, all forms of bribery and corrupt acts by its directors, officers, employees, agents and others acting on its behalf.

Dragados USA maintains an effective program to prevent and detect bribery and corruption and to respond to violations of this Policy and applicable laws.

#### 5. APPLICABLE LAWS

In the United States, bribery of public officials is a crime under federal and state law; companies and individual employees can be prosecuted and face fines and substantial terms of imprisonment. Similarly, under the U.S. Foreign Corrupt Practices Act, it is a crime to bribe public officials of nonU.S. governments.

Bribery of employees and agents of private companies may be also a crime under the laws of the states in which Dragados USA operates. Under certain circumstances, bribes paid to employees and agents of private companies may also violate federal law.

#### 6. DEFINITIONS

**6.1 Anything of value:** is broadly defined. Examples include, among other things:

- Cash or cash equivalents
- Free merchandise or discounts not readily available to the public
- Gifts
- Trips
- Travel or lodging
- Lavish entertainment
- A business opportunity or seat on a board of a company
- Charitable contributions
- Political contributions
- Offer of employment to an official's relatives or friends
- Promise or assumption to pay or forgiveness of debt
- Personal favors

- Scholarship to a person, relatives or friends

- Loans at favorable interest rates

**6.2 Bribery:** A “bribe” may include the offer, promise, or delivery of money, favors, gifts, entertainment or “anything of value,” whether offered, promised, or delivered directly or indirectly, that is given, promised or delivered to influence the judgment or conduct of a person in a position of trust.

**6.3 Business gifts:** tokens of appreciation that are not intended to create a sense of obligation. When business gifts are excessive or lavish, they may be interpreted as bribes.

**6.4 Conflicts of Interest:** includes any business interest or personal relationship that could influence or could create the appearance of influencing a person’s loyalty to his or her employer.

**6.5 Corruption:** Corruption is dishonest or illegal behavior, including fraud, bribery, or influencing a public official to provide improper advantages.

**6.6 Direct and indirect:** this policy prohibits the offer, promise or delivery of bribes directly to a person as well as the offer, promise or delivery of bribes indirectly for his or her benefit, or at his or her direction (e.g., through agents, family member, political parties or charitable contributions).

**6.7 Entertainment:** opportunities to build relationships in informal settings and not intended to create a sense of obligation. When entertainment is excessive or lavish, it may be interpreted as a bribe.

**6.8 Facilitation payments:** small payments to expedite a routine, non-discretionary action by a public official.

**6.9 Gratuity:** A bribe is intended to influence *future* behavior; a gratuity is an offer or reward for past action.

**6.10 Kickback:** A kickback is a bribe; the term is commonly used to describe bribery in construction projects.

- The U.S. Anti-Kickback Statute defines a kickback as compensation of any kind directly or indirectly made for the purpose of influencing an award of a subcontract or prime contract.

- The U.S. Copeland “Anti-Kickback Act” prohibits companies from inducing an employee to give up any part of the compensation to which he or she is entitled under his or her contract of employment. It applies to all contractors and subcontractors performing work on any federally funded or assisted contract, subject to federal wage standards in excess of \$2,000, for the construction, prosecution, completion or repair of any public building or public work, with limited exceptions.

- The Copeland Anti-Kickback Act and implementing regulations require contractors and subcontractors to submit weekly statements of wages paid to each employee performing covered work during the preceding payroll period. The regulations also list payroll deductions that are permissible and deductions that require government consent.

- 6.11 Public officials:** include, among others, elected officials; government employees like contracting officers, procurement personnel, auditors, safety inspectors and political candidates as well as some employees of state-owned enterprises. These are examples; the legal definition of “public official” is very broad, and it is not always obvious who will be considered to be a government official. The ECCM should be consulted if there is any doubt.
- 6.12 Third Parties:** include prime contractors, subcontractors, joint-venture partners, DBEs, vendors, suppliers, brokers, agents, consultants and other business associates with whom Dragados USA interacts. The legal definition of Third Parties is also very broad. The ECCM should be consulted if there is any doubt.

## **7. POLICY REQUIREMENTS**

### **7.1 Bribes, kickbacks and gratuities are prohibited.**

- a) We do not pay or offer bribes, kickbacks or gratuities to public officials, foreign public officials, private individuals or any other person or organization, either directly or indirectly, including through their family members, friends, agents, charities or other intermediaries.
- b) We do not solicit or accept bribes, kickbacks or gratuities from any person or organization.
- c) We do not pay, offer, promise, solicit or accept bribes through prime contractors, subcontractors, joint-venture partners, DBE’s, brokers, agents, consultants or any other Third Party.
- d) We strictly prohibit facilitation payments.
- e) Joint Ventures, Third-Party relationships and acquisitions require due diligence and anticorruption risk management.
- f) We form Joint Ventures and other business relationships with Third Parties only after assessing their risk and, where warranted, formal due diligence review for bribery and corruption risks in the proposed relationship.
- g) Our objective is to attain the best possible knowledge of the Joint Venture partners and other Third Parties with whom we work, as well as their business partners and investors, to confirm that they act in an ethical manner and bring no economic damage or reputational risks to Dragados USA.
- h) We inform Third Parties of Dragados USA’s anti-corruption standards, obtain their written acknowledgements that they understand them and will comply with their obligations, require anti-bribery and corruption requirements within all written contracts and monitor contract performance by Third Parties as required by the ACS Code of Conduct for Business Partners.
- i) We confirm that each Joint Venture in which Dragados USA holds a majority ownership interest adopts and implements this Policy or a substantially similar policy.
- j) We confirm that in each Joint Venture in which Dragados USA holds a minority ownership interest, Dragados USA, in good faith and to a reasonable extent, causes the

Joint Venture Management Committee to adopt and implement this Policy, or a substantially similar policy.

- k) We exercise oversight of each Joint Venture's anti-corruption compliance performance.
- l) We enter into agreements to acquire other businesses only after assessing their risk and conducting due diligence; our business integration plans include adopting this, or a substantially similar policy.

### **7.2 Business relationships are free from improper influence.**

- a) We do not seek or take undue benefits by taking advantage of personal relationships with public officials, foreign public officials, public agencies or any other private party.
- b) In accordance with the Dragados USA Conflicts of Interest Policy, we do not engage in activities that conflict with Dragados USA's business interests or those of our parent companies or affiliates, nor do we encourage personnel of other organizations to compromise their own duty of loyalty.

### **7.3 Business and financial records are accurate.**

- a) We do not conceal bribes or other improper payments by including them in prime or subcontracts, by using "off-the-books" arrangements or by falsifying our books and records in any other way.
- b) We maintain detailed and accurate books and records for entertainment, gifts, payments, receipts and Third-Party relationships.
- c) We have implemented and will periodically review our system of internal controls that ensure that our books and records are accurate.

### **7.4 Lobbying and political contributions are prohibited.**

- a) We do not make political contributions.
- b) We do not hire lobbyists.

### **7.5 Contributions to charities and non-governmental organizations and Sponsorship are strictly limited.**

- a) We do not make contributions or sponsor events, unless they meet the following requirements:
  - They are allowed by law.
  - They do not act as or disguise bribes, kickbacks or gratuities in violation of the prohibitions set forth above.
  - They do not act as a conduit to finance illegal activities that violate laws or regulations that prohibit money laundering, financing of terrorism and other illegal activity.
  - They are approved in advance and in writing by the Chief Executive Officer of Dragados USA, with notification to the ECCM.
  - The organization receiving the donation or sponsorship has been reviewed and approved under the Third-Party review process set forth above.



- The organization receiving the donation or sponsorship must be known, reliable and highly regarded.
  - The organization receiving the donation has to be a charitable organization.
  - They are accurately recorded in Dragados USA's financial records.
- b) We may make contributions or sponsor events and set up a booths at industry fairs and conferences only after the relevant Executive Vice President/Officer informs the President who has to obtain the Chief Executive Officer's approval. Event preparation and performance must follow the rules established in SOP-06 Corporate Image Regulation.

### **7.6 Gifts, meals and entertainment are prohibited according to the Gifts and Entertainment Policy.**

- a) We do not offer or give any gifts, meals or entertainment to public officials, foreign public officials or to any person or business either directly or through any intermediary.
- b) We do not request any gifts from public officials, foreign public officials or any person or business.
- c) We do not ask for or accept any gifts, meals or entertainment from public officials, foreign public officials or any person or business., either directly or through any intermediary.

Employees may obtain expense reimbursement for their own meals they have consumed at meetings with external business personnel after obtaining written approval from their manager, based on submittal of a written statement of business purpose, attendees and event description

Business meals among business partners are allowed provided that the costs are reasonable and there is no intent to unduly influence or gain unfair advantage over third party action.

Refer to the Gifts and Entertainment Policy for further guidance.

## **8. EMPLOYEE RESPONSIBILITIES**

- 8.1 Employees are required to be aware of and adhere to this Policy and to implement anticorruption procedures that management designates for their respective activities (e.g., implementation of Third-Party due diligence and oversight procedures).
- 8.2 Employees are also required to look for warning signs of bribery and to ask questions, seek guidance and report potential violations of applicable laws or this Policy in accordance with the guidance set forth in the Dragados USA Code of Business Ethics and Code of Conduct.
- 8.3 Employees have the right to seek guidance from, and report potential violations to, their immediate supervisors, or managers. Employees also have the right to contact the ECCM directly at Hotline@johnpicone.com or 1-866-452-3540. Employees also have the right to make confidential and anonymous reports through the Dragados USA Helpline.
- 8.4 The Dragados USA Compliance and Ethics Reporting and Anti-Retaliation Policy CC-119 applies; under no circumstances will Dragados USA tolerate any direct or indirect retaliation against an employee who reports a suspected violation in good faith, even if the concern is found to be unsupported. Anyone who attempts to retaliate against an employee or discourage a good faith report will be disciplined, including possible termination of employment.

**9. DIRECTOR, OFFICER AND MANAGER RESPONSIBILITIES**

Director, Officers and Managers have additional obligations, including:

- a) Considering bribery and corruption risks and giving effect to this Policy in setting strategy, making business decisions, setting revenue goals and entering into transactions.
- b) Understanding and managing risks of corruption and bribery in their respective areas of responsibility and implementing effective anti-corruption procedures.
- c) Allocating resources and assigning personnel for anti-corruption compliance procedures.
- d) Acting as champions of this Policy and communicating its importance internally and externally.
- e) Ensuring that the employees who report to them know about this Policy and their compliance obligations.
- f) Escalating reports and questions they receive from employees, Third Parties and Joint Venture personnel about potential violations of this Policy to the ECCM and to the Dragados USA Legal Department.

**10. POLICY VIOLATIONS**

Any director, officer, supervisor or employee who violates this Policy will be subject to disciplinary action in accordance with applicable laws, including possible termination of employment.

Each Third-Party agreement and each Joint-Venture agreement shall specify that a violation of anticorruption obligations shall be grounds for termination of the agreement and other legal remedies.

**11. REVIEW**

The ECCM and the Compliance Committee shall collaboratively periodically review this Policy, ensuring that it sufficiently reflects the recommendations and best practices in force at all times, and shall propose to the Board of Directors the amendments and updates that contribute to its continuous development and improvement.