



We act with Integrity

Our Code of Ethics



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Our Code of Ethics is the document that describes the expected behavior of us working at STRACON. It also describes the expected working procedures when dealing with our clients, shareholders, providers, our communities and society in general.

The purpose of this document is to guide you regardless of your position or your level of responsibility.

Without exception, this applies to all employees of STRACON, its subsidiaries and consortiums, and must be used by the commercial partners as a reference.

I invite you to read our Code of Ethics from the beginning to the end, so you clearly understand it. Maintain a copy to be used in the future in case you have any questions. Discuss it with your workmates and Chiefs and be part of our ethical culture.

Always remember: Act with Integrity means that we do what we say in an ethical manner

”

Steve Dixon

CEO

Act with Integrity **5**

STRACON LISTENS **6**

Our People **7-12**

Employees and Leaders

Work Environment

Our Company **13-19**

Corporate Image

Use of Resources

Policies and Laws that apply to us

Our Strategic Partners **20-21**

Partners and Clients

Providers

Our Society **22-23**

Communities

Environment

Media



Act with Integrity

What should I consider in order to act with integrity?

It is evident that any document cannot foresee all of the situations that may occur; therefore, if you do not know what to do or how to act, ask yourself these simple questions:

Is my decision **consistent** with the Code of Ethics?



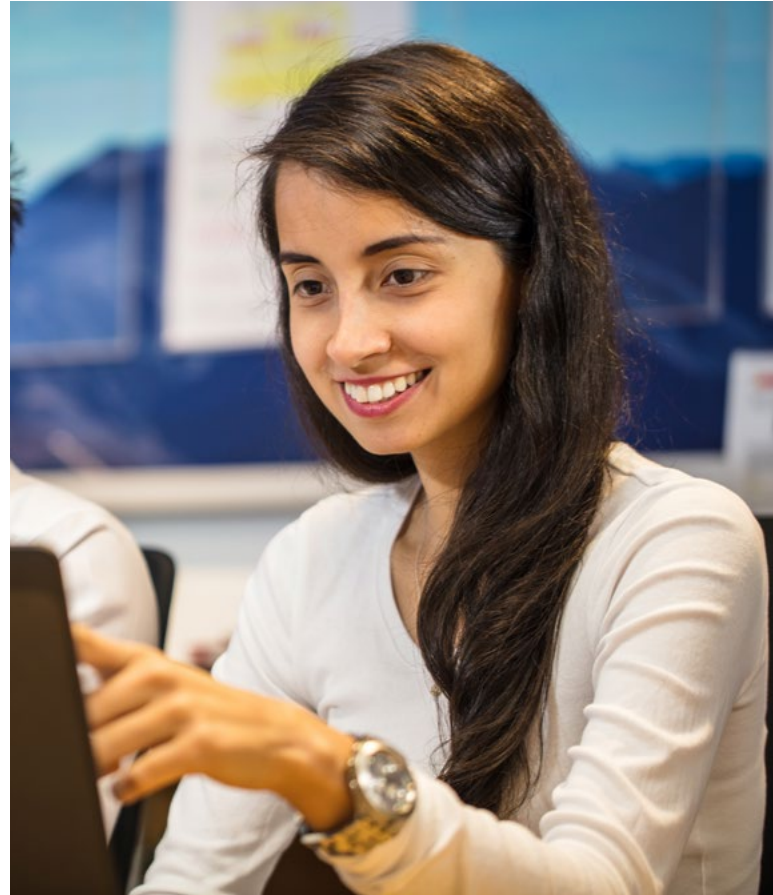
¿ Does my decision reflect the **Values and Policies** of STRACON?



Am I prepared to be **responsible** for my decision? Can I justify it?



Will I be comfortable if my decision is **disclosed** within or outside the Company?



If any of the answers was **“no”**,
Do not do it!

If, despite the abovementioned, you still have a doubt, **ask your Immediate Chief or Supervisor, your Manager or the Human Resources representative and or Corporate Office area.** Discuss any doubts openly before acting.

We have included some examples describing situations that may happen to you through the Questions (Q) and Answers (A), and advice to Work Safely.

STRACON LISTENS

Is our official means to report any unacceptable or unethical behavior and is managed by our provider, ET. You can access STRACON LISTENS through the following ways:



Web: www.straconteescucha.com



Email: denuncias@straconteescucha.com



Telephone: 0-800-1-8182 (only for calls from Peru) and +51 (01) 219-7182



Address EY: Av. Víctor Andrés Belaunde 171, San Isidro, Lima 27, Lima – Peru

Remember, at STRACON:

1. We promote a sincere culture where we can express any concern that we may have without fear.
2. We do not tolerate retaliation against any person who reports possible misconduct in good faith or cooperates in an audit.
3. All reports are anonymous and are treated as confidential.





Our People

Integrity among Employees

To act with integrity, employees must:

1. Respect each other without discrimination related to age, gender, race, religion, sexual orientation, nationality and / or ideology.
2. Show fairness, honesty, efficiency, passion, safety aptitude, responsibility and a sense of belonging.
3. Promote horizontal and transparent communication by respecting all points of view.
4. Promote our values and instill them among new employees.
5. Contribute to the achievement of STRACON's vision to be the world's leading provider of mining and construction services.
6. Respect the customs and culture in all countries where STRACON operates and share our knowledge.
7. Do not tolerate bullying and or sexual harassment.
8. Comply with the Policies and Procedures, they are a priority over the achievement of any commercial or personal goals.
9. Promptly report any breach of our Code of Ethics and Policies. In addition, cooperate fully and honestly during any audit.

Examples to act with Integrity among Employees

Q:

Our boss pressures us a lot to carry out quality work and within the timeframes, but sometimes he humiliates people with his manners and this undermines the team morale. What can I do?

A:

At STRACON, we are known for working with passion and constantly challenging ourselves. There can be criticism for the work we do and our performance. However, a Chief is responsible for treating their team with respect and due care, under all circumstances. Try to speak to your Chief, otherwise, talk to your Human Resources representative and or Corporate Office area.

Q:

At a work function, I saw and heard my supervisor making incorrect comments and inappropriate insinuations to a workmate. This is not the first time that this has happened. What should I do?

A:

Encourage your workmate to talk to your supervisor or the Human Resources representative and or Corporate Office area. If your workmate does not do it, then you must inform the Human Resources representative and or Corporate Office area of the situation, so that it can be managed correctly.

Q:

I applied for the Contract Administration Chief position on the project where I work, and I think I did not get the promotion because I am a woman. What should I do?

A:

At STRACON, any re-categorization, salary increase, recognition, or, in general, professional growth is not based on the gender of the employee.



STRACON LISTENS

If you have any concern or become aware of any issues related to a breach of the Code of Ethics, do not keep it to yourself. Ask your Immediate Chief, Manager, Human Resources representative and or Corporate Office area and you will receive immediate support. You can also refer to the section **“STRACON LISTENS”**.





Advices to Work Safely

Q:

I have been assigned to work in one of our projects as an Expatriate staff. I am not familiar with the customs and Laws of that country. What should I do?

A:

Talk to your Supervisor, Chief, Human Resources representative and or Corporate Office area, so they can explain all that you need to know to perform your work correctly.

A:

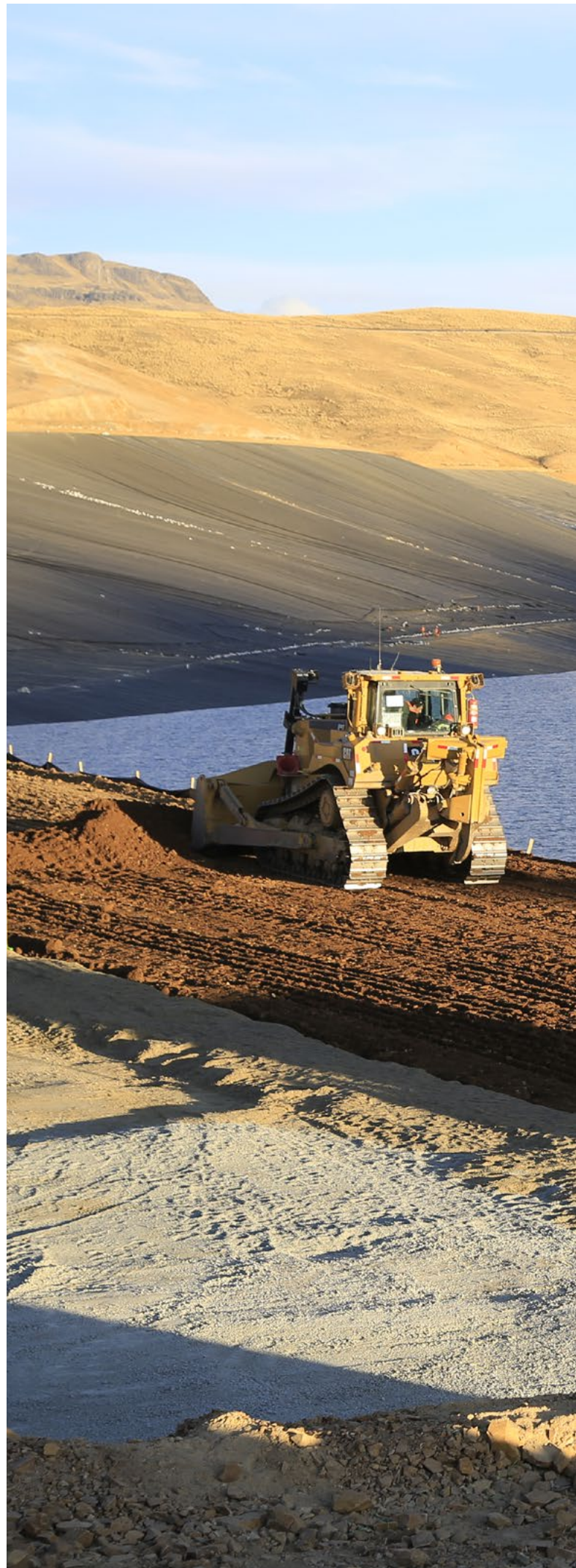
Consider that local customs and Laws may be different. However, if these customs and laws have safety requirements that are below STRACON requirements, our Standards shall prevail.

A:

Report any inconsistency with our Policies if this puts your integrity or your workmates' integrity at risk.

Behaviors that do not reflect that we Act with Integrity:

- ▼ Failure to comply with the Policies and the Code of Ethics.
- ▼ Retaliate against someone for reporting a breach.
- ▼ Failure to report a breach.
- ▼ Discrimination and or Workplace Bullying.





Integrity when dealing with Our Leaders

In order to act with integrity, all Leaders must:

1. Be an example to follow, maintaining consistency between your words and actions. We do what we say, and in an ethical manner!
2. Ensure that our employees know and understand the STRACON Policies, Standards and Procedures.
3. Promote the professional growth of our people based on equal opportunities and continuous learning.
4. Recognize and encourage our teams so that they act in compliance with the Code of Ethics.
5. Encourage and ensure the participation of our employees and subcontractors in the training programs related to the Code of Ethics.
6. Encourage a comfortable environment to talk about any ethical concerns of our employees.
7. Escalate any breach of the Code of Ethics and take the required actions.

Examples to act with Integrity if you are a Leader

Q:

Does this Code of Ethics apply to me as a Shift Supervisor?

A:

The Code of Ethics applies to all of us, the more responsibility you have, the greater the example you must demonstrate.

Q:

What is the most important to me as Project Manager: the margin, my bonuses or acting with integrity?

A:

The three of them are fully compatible, and are directly connected. Illegal or immoral practices affect the interests of STRACON. Remember: **The end does not justify the means.**



STRACON LISTENS

If you have any concern or become aware of any issues related to the breach of the Code of Ethics, do not keep it to yourself. You can also refer to the section **“STRACON LISTENS”**.

Advices to Work Safely



Q:

My supervisor expressly instructed me to check the distribution board, without making sure that power has been cut. What should I do?

A:

Although it is an instruction from your Leader, you must never avoid safety controls. If your Leader insists, you must and have the right to refuse to carry out the work and then inform the Manager, your Human Resources representative and or Corporate Office area. **Safety is non-negotiable!**

Behaviors that do not reflect that we act with integrity:

- ▼ Ask your team to breach the Policies, Standards and or the Code of Ethics.
- ▼ Retaliate against your team for reporting a breach.
- ▼ Failure to ensure compliance with the Code of Ethics, Standards and Procedures, especially if you put the integrity of our team at risk.

Integrity in Our Work Environment

All employees must:

1. Encourage a **good work environment** and provide maximum value to **life** and to the **integrity** of our workmates.
2. Maintain a safe and healthy Work Environment, by promoting a safety culture based on prevention
3. Ensure a workplace without violence. It is never permitted to possess, carry or use weapons in our projects and offices.
4. Know that the illegal possession and consumption of drugs and or narcotic drugs in the offices and projects is prohibited. In addition, illegal possession and consumption of alcohol during working hours is not allowed.
5. Always use the applicable personal protection equipment.



Examples to act with Integrity in our Work Environment

Q:

I have noticed that a workmate is always late to work, and I have smelt alcohol on their breath. Nevertheless, they carry out their work in an acceptable manner. Should I report this?

A:

Yes, as it is a serious misconduct. Report this situation to your Supervisor, Manager, Human Resources representative and or Corporate Office area. We all have great responsibility towards the safety and health of our workmates.

Q:

I am taking medication with a medical prescription. Should I report this?

A:

Yes. Report it to the Human Resources representative and or Corporate Office area so that they can evaluate and record your case to provide you with appropriate support. There may be side effects that can affect your performance and response capacity.

Q:

I had an accident at work and I do not want to report it because it affects the good accident rate record of my crew. What should I do?

A:

All accidents must be reported immediately. It is key to STRACON to ensure that you have received the adequate medical treatment and to understand the cause of the accident in order to take corrective measures.

Q:

My workmates have not been complying with the safety Procedures, so that they can achieve the scheduled progress. I know that safety is non-negotiable; however, I do not want my workmates or Supervisor to be upset. What should I do?

A:

Do not put your integrity and that of your workmates at risk; talk to your Supervisor about any non-compliances you observe. Or if you feel more confident, talk with the Human Resources representative or Corporate Office area. You can also ask for help through "STRACON LISTENS". (Refer to page six of this document).



Behaviors that do not reflect that we act with Integrity:

- ▀ Work when you are sick, tired or under the influence of alcohol, and as a result you cannot carry out your work in an acceptable manner.
- ▀ Do not report accidents or unacceptable work practices that have potential to cause harm to our integrity.
- ▀ Possess alcohol or illegal drugs in the workplace.

Our Company

Integrity with Our Image

To preserve STRACON's image is to act with integrity. Therefore, we must:

1. Be aware that our behavior, inside and outside of the company must not cause damage to STRACON's image or reputation.
2. Clearly understand that we **do not** receive gifts or benefits that may be **intended** or **seem** to influence our **decisions**. Read and understand our **"Gifts, Benefits and or Handouts Standard"** so that you know what you should be aware of.
3. Ensure that all of our commercial partners know the **"Gifts, Benefits and or Handouts Standard"** and vice versa.
4. **Openly** inform our Immediate Chiefs when we intend to offer gifts or benefits. We must take into consideration the **perception** that the recipients may have.
5. Be able to demonstrate that our gifts and benefits are not intended to be considered as **fraud, corruption or bribery**. STRACON has **zero tolerance** towards such behavior.
6. We must make business decisions thinking about what is best for STRACON and not to obtain benefits for ourselves.
7. Avoid conflict between our personal interests and those of STRACON. Read and know our **"Conflict of Interest Standard"**.



Examples to Act with Integrity and protect Our Image

Q:

I am going through the provider selection process for a purchase. One of the bidders has offered for me to visit their international plant and assume all of the travel related costs. What should I do?

A:

You must talk about this invitation with your direct supervisor before accepting it, as you can affect STRACON's image, because it may seem that there is favoritism towards the provider who made the invitation.

Q:

I work as an Operations Supervisor on a STRACON project. Additionally, I have a company engaged in the rental of heavy machinery, which provides services to another STRACON project. What should I do?

A:

Immediately report your case to the Project Manager, so that they can escalate your case. You must also submit your Sworn Declaration of Conflict of Interest, as this situation is considered as a conflict of interest, as it creates some doubts as to whether your priority is your own benefit or that of STRACON. **Remember**, not reporting a conflict of interest is considered **serious misconduct**.

Q:

Taking into account the previous example; I am not registered in SUNAT or the Public Records Office as the owner of the company which rents out heavy machinery. Is this also considered as Conflict of Interest?

A:

Show your integrity! You must be transparent and notify your situation to the Project Manager. Submit your Sworn Declaration of Conflict of Interest as soon as possible.

Behaviors that do not reflect that we Act with Integrity:

- ▀ Committing acts outside of the project that are against morality.
- ▀ Accepting or offering cash gifts is prohibited!
- ▀ Accepting gifts from providers that do not have a commercial relation with STRACON.
- ▀ Accepting gifts from providers during a selection process.
- ▀ Not reporting conflicts of interest with providers during a selection process or with relatives during an application process.



Q:

My Brother's company has been hired previously as a contractor in one of STRACON's projects. Currently, the company has been contracted in the project where I work. What should I do?

A:

You must report this situation to your Project Manager so that they can escalate it and submit your Sworn Declaration of Conflict of Interest. Finally, you must not carry out any supervision or coordination activities related to that company, as this can adversely affect your brother's, your own image and that of STRACON's towards our clients.

Q:

My area workmate is in charge of managing and contracting the providers on the project. I suspect that one of the current providers is owned by my workmate's relative. What should I do?

A:

Immediately report this situation through the communication channels provided by STRACON, using the one you feel most comfortable with, one of them is STRACON LISTENS. Your concerns will be taken into account with the relevant seriousness to prevent you or your workmate from being affected.



**STRACON
LISTENS**

If you have any concern or consider that there is any potential conflict of interest, or you are aware of them or you discover an issue related to a possible damage to STRACON's image, do not keep it to yourself. Refer to the section **"STRACON LISTENS"**.

Advices to Work Safely



Q:

My supervisor does not impose the same safety requirements on one workmate in particular, who is his Brother In Law. What should I do?

A:

You must talk to your Supervisor and your workmate about this issue, both of them must comply with the established safety standards to prevent accidents. It is also advisable that you report the situation to your Human Resources representative and or Corporate Office area, maybe it is a situation that is not known or has not been reported on the project, and some corrective actions can be taken, such as relocating your workmate; thus, we avoid conflict of interest and potential accidents.





Integrity in the use of Resources

To use STRACON's resources responsibly is to act with integrity. Therefore, we must:

1. Respect and protect STRACON's **assets**, making sure that they are not lost, damaged, improperly used, wasted, loaned to others, sold or donated without authorization. Read and understand our **"Responsible Use of Assets Standard"**.
2. Account for our expenses honestly and appropriately, our expenses must be consistent with the development of our work, as well as reasonable, correctly documented and approved by the relevant authority according to the object and amount of the expense.
3. Respect, protect and maintain the confidentiality of STRACON's information. All information to which you have access is the property of STRACON and it must not be used for purposes other than those of the business and not for personal benefits. **Never share confidential information, protect it!** Read and know our **"Confidentiality Standard"**.
4. Understand that STRACON's assets are not for personal use.
5. Report any type of **theft** or **fraud** against STRACON, their commercial partners or another interested party; both affect our reputation. Theft and fraud are **offences** and we **do not tolerate them** at STRACON.



**STRACON
LISTENS**

If you have any concern or you know of some similar case you want to tell us about, do not keep it to yourself, report it. Refer to the section **"STRACON LISTENS"**.

Examples to act with Integrity with Our Resources

Q:

I am on days off and I have done some project-related and personal paperwork, which involved transportation and meals expenses. My partner, who does not work at STRACON, had lunch with me while I was doing the paperwork and I paid. When I returned to the project, I requested reimbursement of all my expenses. I always do it, and no one ever said anything. In addition, I have the permission of my boss. Am I acting with integrity?

A:

No. Your personal expenses and any benefits to third-parties that are not related to your duties, must be paid by yourself. You must also consider that, regardless the contractual conditions of our projects, the expenses related to the execution of your duties must always be reasonable. Leaders are expected to be an example to their people; therefore, approving personal or inappropriate expenses does not contribute to the strength of our culture, it just creates short-term motivation and perception of favoritism.

Q:

A few months ago, while I was having lunch with my workmate, he told me that he was building the third floor of his house. He advised that he had taken some project tools without authorization, which he felt was ok as they were old. I know that to date, he has not returned the tools he took. What should I do?

A:

The tools provided by STRACON are for the exclusive use in the operations of STRACON. Advise your workmate to report it or talk to your Chief or Supervisor to take the corrective measures. Be careful! even when authorized, it is improper use of assets. Remember: Theft or improper use of assets affects us all and it is prohibited!

Q:

We are closer to the end of the year and I want to celebrate with my team with a dinner. We have a provider that cooks delicious food, but does not issue invoices. Can I justify the expense with the invoice from other provider?

A:

No. Although your intention is good and seeks to motivate the staff, this action is dishonest and is prohibited, as it is considered as registration of misleading information. In some countries, it is considered as tax fraud. Talk to our tax specialist to analyze the best option to take in this situation.

Q:

After my review of the project expense payment report, I have noted that a workmate submitted fictitious payment receipts. What should I do??

A:

Submitting false documents is fraud and it must be reported immediately to your Supervisor or Manager.



Integrity related to the Policies and Laws that apply to us

To comply with the Policies and Laws is to act with integrity, therefore, we must:

1. **Understand and comply** with the laws and policies that regulate quality, health and safety, work, environment, corruption, taxes and money laundering. Should you have any query, ask your Chief.
2. Ensure accurate and correct registration of transactions and operational activities. All of the transactions must have a **legitimate** commercial origin.
3. Ensure that we work with clients whose activities are legitimate and whose money does not come from illegal activities.
4. Be alert and **report** any real or potential **money laundering** situation or any illegal activities. Read and understand our **“Policy for the Prevention of Corruption, Assets Laundering and Financing of Terrorism”**.
5. Be diligent and honest when selecting our partners, providers and human resources.
6. Avoid and reject any type of **incorrect bribes or offers and inform** your Chiefs, Managers, Human Resources representative and or Corporate Office area.
7. Ensure that our partners, agents, providers, etc. understand and comply with our Policies and Standards.
8. Respect the right to privacy of our workmates.
9. Know that we cannot **destroy** or **alter** any Company records that are necessary for a legal or government audit or review.



Examples to act with Integrity according to the Laws that apply to us

Q:

When I was reviewing my last year's income tax calculation documents, I had the impression that I made a mistake, which resulted in paying less taxes. What should I do?

A:

At STRACON, we pay our taxes in compliance with the local Laws of the countries where we operate. Inform the Administration and Finance Manager of this situation to confirm the error, if confirmed, then the way to solve this situation with the tax authority will be defined, as well as the corrective measures to avoid similar situations in the future.

Q:

The highway police stopped me for exceeding the speed limit. I must deliver critical documentation to the Project Manager. Would it be correct to buy something for the policeman so that he does not withhold my license?

A:

No. This behavior is considered as bribe. Day by day, we may face this type of decisions. It might be a municipal officer who asks for a "favor" to issue a license or expedite a process, a workmate who invites us for "lunch" to facilitate the recruitment of a relative, a provider who offers a "discount" to approve a valorization for them. Remember, to **act with integrity** is to say **NO** to these situations. In addition, under no circumstances should you give money in exchange for a benefit to yourself or the company.

Q:

I am organizing a call for tender to hire a provider. Due to the urgency of the service, I have not prepared a comparative chart, nor have I analyzed the bidders beyond their prices. Am I acting with integrity?

R:

No. To be diligent means to carry out our work appropriately and responsibly. In order to hire a provider, you must check their history record and ensure that they meet our quality, safety, reputation and efficiency requirements. Cost is an important factor, but not the only one. In the case that there are reasonable exceptions, these must be authorized by the Chief Operating Officer and the Administration and Finance Manager.

Behaviors that do not reflect that we act with Integrity:

- ▀ Provide company's or your workmate's personal details to people from outside STRACON (except for legal requirements or with the express authorization of the person).
- ▀ Taking part in activities associated with terrorism, money laundering, bribery or corruption.
- ▀ Selecting a provider based on the price only, despite this provider not complying with our STRACON values.
- ▀ Avoiding tax obligations on purpose.



Our Strategic Partners

Integrity when dealing with Our Partners

Act with Integrity when dealing with our Partners means that we must:

1. Encourage them to adopt our values, so they can share them and live in accordance with our culture and comply with our Policies and Standards.

Integrity when dealing with Our Clients

Act with integrity when dealing with our Clients means that we must:

1. Gain their **confidence** and **trust** day-to-day. Their growth is our growth.
2. **Understand, anticipate** and **meet** their needs. We perform our work with excellence.
3. Address their requests diligently, always taking into account our Code of Ethics.
4. Manage their assets as if they were ours. In addition, treat their information as confidential.
5. Honor our promises. **We comply with what we offer!**

Integrity when dealing with Our Providers

Act with integrity when dealing with our Providers means that we must:

1. Encourage them to adopt our values, so they can share them and comply with the Laws, our Policies and Standards.
2. Be diligent, persistent and honest when searching for the best offers.
3. Be clear during the tendering process. In addition, ensure that offers are similar, fair and selected without favoritism.
4. Pay providers on time and according to the agreed conditions.
5. Ensure that our providers financial situation is not solely dependent on STRACON.



**STRACON
LISTEN**

If you have any concern or know of any similar case you would like to tell us about, do not keep it to yourself, report it. Refer to section **“STRACON LISTENS”**.



Examples to act with Integrity when dealing with Our Strategic Partners

Q:

During the tendering process to contract a new concessionaire, one of the bidders asked me if their price is close or far from that of the other bidders. May I provide the information to search for a price reduction?

A:

No. We can neither disclose the prices or identity of the participants, nor specify the added values of their proposals, as it is confidential information. Yes, it is acceptable to search for price reductions by informing the bidders that there are better proposals.

Q:

In the project where I work, one of our client's Supervisors has requested us to contract a provider to acquire personal protective equipment. I found out that this provider has been recently incorporated and is not included in my list of approved community providers. What should I do?

A:

Firstly, we congratulate you for being diligent in verifying the provider's information. This has allowed you to identify some signs that you must consider to define whether it is correct or not to hire the provider. We suggest you ask the Logistics area for support to see what other information you can collect. Then, talk to your Chief or Manager so that they escalate the situation to the relevant areas.

Behaviors that do not reflect that we Act with Integrity:

- Ensuring that the decision of contracting a provider relies on just one person.
- Imposing unreasonable conditions on providers.
- Starting negotiation without including all of the possible providers.
- Providing information about our clients to our relatives.



Our Society

Integrity when dealing with Our Communities

Acting with integrity with our Communities means that we must:

1. Understand and respect the local **customs**.
2. Ensure that our activities generate a real and long-term benefit to our Communities. Let's ensure that we aim to make a difference wherever we go!
3. Contribute to their **sustainable** development.

Integrity when dealing with the Environment

Acting with integrity when dealing with the Environment means that we must:

1. **Protect it**, minimizing the deterioration of resources, pollution or risks to the ecosystem.
2. Consider that our care for the environment **goes beyond the laws**.
3. **Recycle** when possible and implementing strategies to reduce the consumption of water, energy and other resources.

Integrity when dealing with the Media

Acting with integrity with the Media means that we must:

1. Obtaining your Manager's **approval** to publish information related to the Company, including Social Networks;
2. Abstaining from expressing your **opinion** about our workmates and our work on websites, including social networks.
3. Be careful about giving your opinions. We must not give the impression that we are speaking **on behalf of STRACON**.



Examples to act with Integrity when dealing with Our Society

Q:

A journalist from a local newspaper contacted me to ask me about the scope of our work in the country. What should I do?

A:

Unless you have your Manager's approval to speak on behalf of STRACON, you must refer this query to our Communications Area.

Q:

Inform your Human Resources representative and or Corporate Office area, the Project Manager or our Community Relations representative about this issue. They will ensure that these issues are channeled to our client and Management.

A:

Inform your Human Resources representative and or Corporate Office area, the Project Manager or our Community Relations representative about this issue. They will ensure that these issues are channeled to our client and Management.

Q:

At the end of the working day, my workshop workmate told me that the steering hose of one of the dump trucks is damaged (about to break). We do not have spare parts in stock. Is it correct to affect the operation and that the truck does not work if the hose is not broken yet?

A:

Yes. Our commitment to the environment takes precedence over production progress. This situation could result in unnecessary oil spills. Report it to your Chief to find a solution.





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