



CODE of ETHICS

CENTRO TECNOLÓGICO DE LA
ENERGÍA



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1- FOREWORD BY THE PRESIDENT, MANAGEMENT AND BOARD OF DIRECTORS.

ITE's ethos is grounded on trustworthiness and a sturdy reputation among its customers. We must endeavour to build and bolster this reputation through our daily work by carrying out actions within an ethical framework. Since our success is so closely related to our reputation, it is thus the duty of all of us to uphold this prestige. Acting with integrity entails more than just the image and standing of ITE. This boils down to sustaining a place in which we are all proud to work.

Ultimately, it involves being aware that each of us is forging the right path. This means acting honestly and treating our customers, partners and suppliers fairly while displaying dignity.

The Code of Ethics is our blueprint for suitable conduct that alongside other guidelines in place at ITE, which ensures that we are all pulling in the right direction.

With your help, we are adamant that ITE will continue to deserve the trust that everyone has placed in us while our reputation for integrity will endure. Thank you all for the strident efforts you are making.



CODE OF ETHICS CENTRO TECNOLÓGICO DE LA ENERGÍA

2- ACTIVITIES UNDERTAKEN BY ITE.

ITE has as its standpoint representing the interests of its associates and companies engaged in the energy sector. Fostering technological development and innovation to ensure the positioning of companies operating in the energy sector within both national and international markets, aspiring to excellence while spearheading internationally both in strategic areas of applied R&D, as well as in supporting business competitiveness through innovation.

All of the foregoing makes the mission of ITE contribute to the positioning of companies within national and international markets. Providing companies with an array of R&D+i products and advanced technological services, thereby facilitating the generation of business added value. Boosting and steering business cooperation, to hasten the impact of resources allocated to R&D+i. Finally, the capabilities and laboratories of excellence must be developed, necessary to attain the present and future needs of companies.

3- PURPOSE OF THE CODE OF ETHICS IN PLACE AT ITE.

The Code of Ethics or Conduct underscore the ethical principles and values in place at ITE.

This Code of Ethics is mandatorily applicable to all persons with whom any type of professional relationship is entered into with ITE.

Through the application of this Code, ITE endeavours that the people who carry out their activities in the organisation undertake comprehensive and professional behaviour at all times, duly reporting whichever forms of conduct are deemed harmful and/or contrary to the Code of Ethics in place at ITE.

4- SCOPE OF APPLICATION.

This Code of Ethics applies to all personnel engaged at ITE, meaning the Board of Directors, recruited staff, whether director, middle-manager or employee, regular collaborators, the professionals who act as representatives of ITE in the undertaking of their functions and duties, alongside the professionals and suppliers for ITE, (hereinafter referred to as the "subject persons") therefore it is necessary for everyone to read, understand and act upon its contents.

It will be applicable from the moment of its publication and disclosure to all personnel related to ITE, without enforcing backdated consequences with regard to any previous actions the latter has performed.

By means of a summary, this Code of Ethics is applicable and enforceable by all members of the Board of Directors, all managers, employees, collaborators and suppliers with whom ITE holds a contractual relationship.

5- BASIC BEHAVIOURAL GUIDELINES.

The founding principles which ground the organisational culture at ITE are namely:

- a) Compliance with legality: Compliance with legality implies the unreserved duty without exception to fulfil legislation in force, internal policies and regulations.
- b) Austerity: continuous improvement in the efficient and effective use of the technical and human resources that are within our reach.
- c) Trustworthiness: generating a climate of understanding.
- d) Commitment: guarantee in the achievement of targets set forth and compliance with the established behavioural guidelines.
- e) Market orientation: Endowing companies in the energy sector with access to services featuring the highest added value of R&D+i plus technology transfer.
- f) Cooperation: collaboration with companies, official bodies and organisations, as to attain shared aims and goals.
- g) Dialogue: placing the onus on of listening, respecting at all times the other interlocutors and the ideas expressed, thus making strident efforts to reach a reasonable consensus.
- h) Maximum professional, scientific and ethical thoroughness, always providing our maximum skills set and capabilities to seek solutions to any issues that arise.
- i) Honesty: attitude which underscores the essence of our work and compliance with what has been agreed with manifestation, at all times, regarding conflicts of interest that may arise.
- j) Responsibility: response to new demands put forward by companies, the Public Sector Administration and society as a whole.
- k) Openness: providing the information necessary for proper decision-making, sharing it with the people and institutions that affect them with timely foresight and discretion.

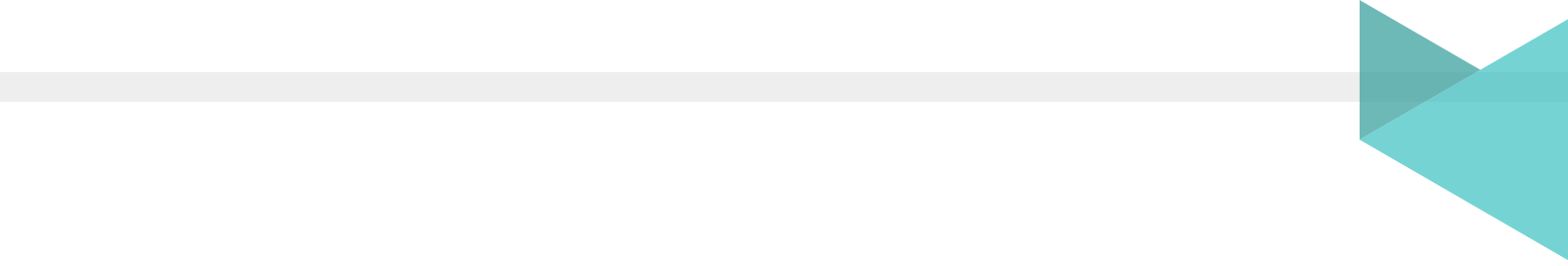
To sum up, a collaborative and responsible attitude must be maintained in the identification of situations of actual or potential non-compliance with the ethical principles and standards of conduct contained in this Code while communicating and disclosing them through the Ethics Channel

6- BEHAVIOURAL GUIDELINES.

Below are the rules of conduct and work guidelines that must be adhered to by all personnel related to ITE, in the undertaking of their functions and duties.

6.1. Upholding current legislation and ethical values.

Linked personnel will strictly comply with the law in force in the place where they carry out their activity, similarly including the rules, procedures and the Code of Ethics itself.



ITE executives must be fully versed in the laws and regulations, including those of an internal nature, that affect their respective areas of activity and must ensure that the professionals who depend on them are granted suitable information and training that enables them to understand and comply with the legal and regulatory obligations affecting to their professional duties, including internal ones.

Likewise, personnel engaged at ITE, understood as those outlined in the fourth section of this document, must avoid any conduct that, while falling short of breaking the law, may damage the reputation that ITE has forged, in such a way that it is harmful to its interests.

All personnel engaged at ITE are committed to complying with current legislation in all areas applicable to its corporate activity.

Managers of working teams must provide the information and clarifications necessary for them to carry out their duties in the fullest respect of their legal obligations.

6.2. Principle of openness, integrity and accountability.

The ITE, as a means of ensuring the application of the principles of openness, undertakes to publish the following data on its institutional website:

- Institutional, organisational and planning information: activity report and updated organisation flowchart.
- Government subsidies and support.

All people linked to ITE are committed to accomplishing their roles and duties while respecting the procedures established in each of the areas pertaining to their activity. They will undertake to act with the necessary openness in the undertaking of their activity. They will carry out their activities in adherence with professional secrecy and may not be provided or disclosed to third parties and no type of accountancy action will be performed whose aim is to cover up operations or relevant financial information.

The ITE, as a recipient of public aid for its non-economic activity and as a recipient and/or custodian of aid and subsidies for its activity in R&D+i and similar projects, and all ITE staff and directors, undertake to use the procedures and mechanisms necessary for the effective allocation of the amounts received for the purposes for which they have been provided, implementing for this the relevant traceability and control systems, while collaborating with the Public Sector Administration in upholding its guidelines at all times. Likewise, while safeguarding the principles of the ITE's mission, in cases of conflict when the guidelines contradict the Public Sector Administrations, the stance of the higher order, that is the State Administration, will be upheld at all times.

6.3. Respect for persons and proper behaviour within the institutions forming the ITE.

ITE stresses its commitment and involvement with the human and employment rights recognised in national and international legislation, alongside adhering to the principles on which the United Nations Global Compact is grounded.

All personnel engaged at ITE will show due respect and courtesy to their colleagues, stakeholders and third parties with whom, as a result of their activity and duties, they maintain a relationship.

They must safeguard the dignity of persons, equal opportunities, dialogue and the absence of discriminatory or derogatory behaviour on grounds of nationality, race, sex, age, religion, ideology, sexual orientation, social origin, health, disability, language or any other personal or collective condition or circumstance.

Managers are committed to avoiding any kind of iniquity, exercising their authority in a fair, equitable manner while respecting people's dignity.

Threats, acts of violence or intimidation and abusive, degrading or offensive behaviour, whether verbal or physical, must be avoided.

All employees must act in a spirit of collaboration and team building, thereby making available to the rest of the staff of ITE the knowledge or resources that can facilitate the accomplishment of corporate goals and interests.

ITE professes its utter rejection of child labour and forced or compulsory labour and undertakes to comply with current employment regulations in force at all times.

ITE prohibits the possession, distribution or consumption of all types of illegal drugs in the company's facilities or workplaces. Presence at work under the influence of alcohol or illegal drugs will not be tolerated.

Likewise, it is wholly forbidden to participate in any type of gambling or games using equipment or facilities owned by ITE, either during or outside of working hours.

6.4. Principle of equality.

ITE promises to respect gender equality between men and women, avoiding any type of discrimination based on sex.

Furthermore, ITE will apply the principle of equality and non-discrimination on the grounds of sex, race, religion or any other personal, physical or social condition that may refer to its professionals.

Related documents: Equality Plan.

6.5. Occupational health and safety.

ITE bears in mind aspects of occupational health and safety when devising and developing its business activities; allocating to these the necessary resources, while maintaining a preventive culture and zero tolerance for non-compliance with occupational risk prevention standards.

Each of the persons forming ITE must comply scrupulously, for their own benefit, that of their colleagues plus for ITE itself with the regulations for the prevention of occupational risks or the protection of occupational health and safety; to this end making use of suitable collective and individual protection equipment, while complying with internal rules and practices on this matter in the workplace.

Related documents: Occupational risk prevention plan.

6.6. Environmentally friendly actions.

The ITE undertakes its activity with respect for the environment, meeting or exceeding the standards established in the applicable environmental regulations and minimising the impact its activities have on the environment. Likewise, it carries out its activities with a view to keeping the amount waste and pollution to a minimum, conserving natural resources, promoting energy savings, while similarly embarking upon research and development projects that foster environmental protection.

People must inform management at ITE, wherever necessary, whenever circumstances or situations are detected that may involve or imply the inefficient consumption or loss of materials (water, paper, etc.), substances (oils, fuels) or energy, especially if these occur outside the processes controlled by the company.



6.7 Processing of personal data, information and knowledge.

6.7.1. Privacy and intimacy.

ITE complies with current legislation in force on data protection by safeguarding personal data entrusted by its customers, employees, candidates in selection processes or other persons. ITE undertakes to request and use only those data that are deemed timely for the effective management of its business.

6.7.2. Confidentiality.

All employees must maintain the strictest confidentiality regarding all confidential information that they access while performing their professional activity and must refrain from using this improperly for their own benefit or for that of a third party.

6.7.3. Use of assets and inside information for personal affairs / benefits.

Any conference, paper or publication outside ITE by an employee, addressed to an external audience, on any topic related to the ITE's business shall require prior notice and approval.

Employees are forbidden from using ITE assets for personal matters, except in the case of mobiles or laptops. In these scenarios, authorisation may be granted by ITE and will be understood as referring to non-reserved personal use. This means that the authorised worker may only carry out procedures and communications for private and routine purposes that do not fall within the sphere of their privacy.

The misuse of privileged information for personal matters is forbidden.

Unless express authorisation is granted by the hierarchical superior, no employee may use the facilities or engage the staff at ITE for private purposes.

Employees will not use, under any circumstances, funds belonging to ITE for personal purposes.

No employee of ITE will submit works or ideas taken from other colleagues without prior authorisation of the author and without granting them the deserved acknowledgement.

Related documents: Standards for usage of information systems.

6.7.4. Usage of technology and social networking sites.

The use of email and querying tools (intranet and internet) must be precise for the proper undertaking of the position and its functions, in order to prevent that a bad practice may affect the reputation or image of ITE.

These will not be illicitly used for private purposes and must be compliant with the rules and protocols set forth in this regard.

All people linked to ITE undertake not to embark upon sabotage or actions that hinder the system's operational readiness, while similarly promising not to use it to commit unlawful acts or breach the guidelines on non-discrimination, harassment in the workplace or any other reason unrelated to their logical use in diverse working posts.

Access to data and computer systems of the company must be previously authorised and solely allowing the installation, use and distribution of whichever programmes whose licences are valid, thereby not affecting system security in any way.

Unlicensed copies of computer programmes, those developed internally or acquired by ITE from third parties are duly prohibited.

Personal use must take into account that all activity carried out on the corporate network and the computers connected to it will be monitored and may be known by system administrators and ITE heads of department.

The ITE reserves the right to read all communications sent by e-mail. Related documents: Rules for the Use of Information Systems.

All Employees of ITE must uphold the functional attributions of others.

6.7.5. Protection and usage of facilities and equipment.

All persons linked to ITE are obliged to maintain the working environment and facilities in a proper state of cleanliness and safety. Suitable and respectful use must therefore be made and the organisational units entrusted with running the facilities, buildings or facilities must be informed when these fail to adhere to the expected conditions, display a malfunction, generate unnecessary expense or, as a result of any incident occurring, pose a potential risk of accident or injury.

This will help to maintain a convivial, comfortable and safe workplace.

6.7.6. Safeguarding equipment and information.

Each person must make strident efforts to safeguard the equipment owned by ITE or third parties housed on the company's premises. This includes not only protection against unauthorised use, yet also theft and its use for an illegal or unsuitable purposes, along with misappropriation.

The personnel linked to ITE undertake not to remove, eliminate or destroy any of the company's assets, except for those in the organisational units who have been entrusted with these tasks as part of their functions.

All the information contained in physical media (hard copy, etc.) or in electronic media (intranet or company computers) is part of the knowledge and value of the company and, thus, belongs to the latter. Therefore, this may not be sold or transferred to third parties without the authorisation of the approval of the corresponding management team. This information may not be taken from the company when it no longer engages in its professional activity.

6.8. Usage and protection of non-tangible assets.

ITE is an organisation which devotes widespread efforts and resources to research and R&D+i activities, meaning intellectual property contents, distinctive signs and any other elements protected by industrial property are assets of extraordinary significance for the organisation.

ITE will make available to its employees the necessary resources for them to perform their professional activity properly, and with this in mind, must store them in such a way to avoid any improper or inappropriate usage that may entail damage to ITE.

6.9. Corporate image and reputation.

ITE holds the belief that its corporate image and reputation comprises one of its most valuable assets to preserve the trust its partners, customers, employees, suppliers, authorities and society in general place in it.

6.10. Company loyalty and conflicts of interest.

Employees of ITE, in response to a possible conflict of interest, must adhere to the following general principles: a) independence, acting at all times with professionalism and loyalty to ITE meaning that they will refrain from prioritising their own interests over those of ITE; b) abstention from, not intervening in or influencing any decision-making processes with firms and bodies with which there is a conflict of interest: c) notification, reporting the situation of conflicts of interest in the manner stated in this section.



6.10.1. Conflicts of Interest.

There are numerous common situations that may give rise to conflicts of interest. A conflict of interest will be deemed to exist in those situations in which the personal interest of staff and that of ITE directly or indirectly. A personal interest involving the professional will be deemed to take place when an action is carried out in which a family member is involved, thereby being understood as such to include:

- The employee's spouse
- First-degree relative (parents, in-laws, children, son-in-law/daughter-in-law)
- Second-degree relative (grandparents, brothers-in-law, siblings and grandchildren)
- Third-degree relative (uncles, nephews and great-grandchildren).

All personnel engaged at ITE must notify of all situations that may bring about a conflict of interest and, when required, obtain the corresponding authorisation.

The following situations require notification and approval:

- If the employee is a public official or works as an advisor to any firm or public body with regulatory or control powers over ITE.
- If the employee owns more than 5% of the shareholding in a company that is a supplier, customer or competitor of ITE.
- If the employee is a member of a board of directors, scientific advisory committee or similar body of a company or external body.

The following situations require notification:

- If the employee is a director, administrator, director or consultant of a charitable, non-profit or civic association that holds relations with ITE.
- If a family member of the employee is an owner, co-owner or employee of a supplier, customer or competitor of ITE.
- If a relative of the employee is an official or advisor of a public body or firm with regulatory or control powers over ITE.
- If a family member of the employee owns more than 5% of the shares of a supplier, customer or competitor of ITE.

Notification and approval. The employee must notify the conflict of interest to their line manager and, whenever necessary, the latter must issue their approval.

Notifications, approvals, and refusals must be documented in writing, with a copy of the latter having to be stored by both the employee and their line manager.

If the employee considers that the requested authorisation has been unfairly rejected, they may appeal to the Ethics Channel.

The notification and, wherever appropriate, the approval of a certain situation or activity must always be made



with sufficient forewarning. If a notified or approved conflict is subsequently subject to any material change, the notification or approval process shall be repeated.

New employees must report all actual or potential conflicts of interest at the time of their recruitment or prior to assuming their duties.

Likewise, upon recruiting new employees, their hierarchical superior must provide them with the conflict of interest policy document, which will be binding on them once notification has been issued.

Outsourced posts. To facilitate the detection of all potential conflicts of interest, employees must notify their HR Manager of all positions they hold on boards of directors, scientific advisory committees, or others of a similar nature.

6.10.2. Compatibility with other professional activities.

Those employees who carry out activities outside ITE or are involved in bodies linked to it, of a personal nature, will ensure prior notification to their line manager that these do not generate conflicts affecting the centre's interests.

6.11. Measures to combat bribery and corruption.

6.11.1. Employees of ITE or their family members must refrain from giving or receiving gifts, benefits or favours that compromise the business relationship in place at ITE with third parties.

Aside from standard gifts of symbolic value (€20 to €30) granted on festive or religious occasions, no employee will accept gifts from suppliers, customers or competitors, real or potential, working with ITE. Should there be any doubts regarding this, the head of the Department or the Ethics Committee must be notified.

Moderate hospitality is deemed an accepted business practice. Nonetheless, the person who receives it must never be in a position that would influence their decision-making capacity as a result of having accepted the latter. Should there be any doubts regarding this, the Ethics Committee must be notified.

Sweetener payments, understood as small, unofficial and improper payments that are made, for example, to a public official to obtain or smooth over the undertaking of procedures or necessary actions to which the person making this sweetener payment is entitled, will not be accepted under any circumstances.

The offer of gifts, hospitality must be made in accordance with the guidelines set forth by the ITE in this regard.

6.11.2. Prohibition of fraudulent practices or misleading promises.

In relations with any stakeholder group, no false promises or statements must be made, nor those whose final decision is not empowered to the person making them.

6.11.3. Prohibition of bribery, corruption and illegal commissions.

Any practice entailing corruption, bribery or sweetener payments, in all their active and passive forms, either through acts or omissions or through the creation or maintenance of special arrangements or irregular situations, is duly forbidden. All people linked to ITE undertake not to request, accept or offer any type of payment, be it in cash or in kind, or illegal commission as part of sales procedures or for other circumstances.

6.11.4. Prohibition of contributions to political parties or organisations.

Monetary or other in-kind contribution will not be carried out, on behalf of ITE, to the public sector administration or government agencies anywhere worldwide with a view to obtaining a standpoint of advantage or influence. Nor will donations, grants or loans be made to political parties.

6.11.5. Prohibition of money laundering.

All people linked to ITE are forbidden from partaking in any action that facilitates money laundering whose origin comes from any illegal activity.

6.11.6. Control of activity in tax havens.

The ITE undertakes to operate on the basis of the principle of tax contribution in accordance with the provisions of the regulations and not to engage with companies, organisations or third parties that encourage the existence of tax havens.

6.12. Relations with customers.

ITE fosters the upholding of national and international best practices, meaning all employees must strive to attain the highest standards vis-à-vis quality and excellence in service provision.

6.13. Relations with suppliers, contractors and collaborators.

6.13.1. Responsible oversight of supplier management.

The goods and/or services provided by suppliers will be monitored, appraising these in a fair manner as per the agreed terms.

6.13.2. Procurement and purchasing.

No employee must represent the company in business relationships with personal, direct or indirect interest.

The hierarchical position, activity or influence of all personnel linked to ITE must not be used for personal gain.

ITE will solely be represented before clients, suppliers, competitors or public bodies when there is express authorisation from the centre's Managing Director or hierarchical superior unless this representation is listed as part of their job description.

No employee may acquire or retain personal economic interests in a transaction in which ITE holds or may hold a stake in.

All ITE Employees must uphold the functional attributions of others.

6.14. Staff recruitment.

Recruiting family members is not permitted under the following scenarios:

- If the employee is involved in the decision to recruit said family member.
- If the employee plans to hold a supervisory, subordinate, or controlling relationship with their family member.

Employees who are related may not share responsibility for controlling the company's assets.

While the employee works for ITE, the latter may not hold a second job, business relationship, or any other type of relationship with a supplier, customer or competitor of ITE that may entail gain, not only personal but similarly professional, for themselves or for the third party to the detriment of ITE.

7. ETHICS COMMITTEE AND CHANNEL.

The Ethics Committee has as its purpose ensuring suitable compliance with this Code of Ethics along with the Crime Prevention Scheme, through Supervision and Control, with this being wholly autonomous and will act independently from the company's day-to-day running.

The Ethics Committee, which will be the recipient of complaints and inquiries regarding possible breaches through the ethical channel, will investigate, deliberate and, should the complaint be proven truthful, propose a sanction for Management to accept.

This Ethics Channel's purpose serves to offer potential whistleblowers a means of disclosing incidents or crimes they detect in terms of irregularities and legal and regulatory non-compliance committed within ITE or its scope of action. It will also act as a channel to consult any issues that may arise in the interpretation of the Code of Ethics.

The Ethics Channel will be managed by the Ethics Committee. It must be a standalone tool, disclosed to all members of the organisation and accessible from any place and at any time. The complainant must be duly and sufficiently outlined, in any event the reportees' confidentiality and their protection from all types of reprisals will be properly ensured.

All employees at ITE and the staff belonging to outsourced companies and third parties that have business dealings or potential relationships of any kind with ITE who observe or perceive an actual or potential breach of the rules described herein, of any law or legal regulation in force, or any other improper conduct, whether by personnel of ITE or other people related to ITE itself, involved in crimes, will then be duty bound to report it promptly, through the ethical channel and, subsequently, collaborate during the course of the investigation.

The Board of Directors, in its role as the governing body in place at ITE, being the body entrusted with overseeing the effectiveness of the Code of Ethics and the policies put in place as a result of the compliance programme may appraise and propose, wherever appropriate, whichever improvements it deems timely in order that ITE's activity and that of all its linked personnel comply with the guidelines of conduct stated in this Code.

8. BREACHES AND NON-COMPLIANCE.

Activities that breach or might breach this policy must be reported through the ethical channel put in place by ITE. The ITE will interpret any breach of this policy to constitute an act of serious disobedience involving a serious non-compliance of the employee's obligations and as such will adopt strict disciplinary measures that may lead to dismissal as per the provisions of Article 54.2.b of the Workers' Statute (Estatuto de los Trabajadores).

9. NOTIFICATION AND DISCLOSURE.

The Code of Ethics will be notified of to all employees and subject personnel, while an updated copy will be made available at all times.

10. ENTRY INTO FORCE AND APPLICATION.

The Code of Ethics will enter into force as of 25 May 2017, remaining so until a new update is approved or said Code is repealed.

The Ethics Committee may update the Code of Ethics that will take into account the suggestions and proposals made by the members of the Board of Directors, managers and employees, alongside the commitments entered into by ITE.

On the date of entry into force, the Code will be published and disclosed to all persons linked to ITE.





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