

General Policy of the Corporate Governance

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1. Introduction

The Molins Group is a cement group dedicated to the manufacture and commercialisation of cement, concrete, mortar, aggregates and precast concrete in the countries in which it is present through its activities and production plants.

The Group works every day with the objective of offering a better service and quality products and also of fulfilling all their responsibilities in matters of good corporate governance.

2. Objective

The Board of Directors of Cementos Molins, S.A. has the responsibility of determining the corporate governance policy of the Company and the Group; its organisation and operation and, in particular, the approval and amendment of the Regulations of the Board of Directors, informing the General Shareholders' Meeting, as established in Article 5.0 of the Board of Directors Regulations.

The purpose of this policy is to consolidate all the corporate internal rules of the Molins Group, which are integrated by the Articles of Association, the Regulations of the General Shareholders' Meeting and the Board of Directors and the other regulations and policies approved by the Board of Directors of Cementos Molins, SA as the head of the Group, and to describe the Corporate Governance System of the Molins Group, as well as to express the Molins Group's commitment to complying with the corporate governance principles that regulate the company and its operation.

3. Scope of application and communication of non-compliance.

3.1 Scope of application

This policy applies to all the Spanish companies of the Molins Group and to the international individually-controlled subsidiaries.

In subsidiaries where control is not direct or is shared, the Board of Directors of the subsidiary is responsible for ensuring that the General Corporate Governance Policy is aligned with the general guidelines of this policy, making the changes necessary to ensure their alignment.

3.2 Communication of non-compliance with the policy

All employees of the Molins Group must comply with the Corporate Governance Policies and communicate to the Ethics and Compliance Committee any breaches of the guidelines and procedures described in this document in the shortest possible time and through the channel established for this, i.e., the Group's complaints channel. The Management of the Molins Group will determine the regime of sanctions to apply proportionally to the seriousness of the act to the person directly responsible for the breach of the Corporate Governance Policies and to those who, having the duty to prevent the breach, have not acted diligently to prevent it. In addition a sanction will be applied in a proportionate manner to those who, knowing the existence of the breach, did not duly report it.

4. General principles of the Corporate Governance

The general principles that make up the Corporate Governance System are set out in the Ethical Code and in the Mission, Vision and Values of the Molins Group. These principles are aligned with the obligations and duties of the Directors included in the Capital Companies Act (LSC), and respond to the Good Corporate Governance and Corporate Social Responsibility practices of listed companies.

The principles and values of the Molins Group that should govern the Corporate Governance Model are as follows:

- To communicate to shareholders and stakeholders all information of interest in relation to Cementos Molins, S.A. as the Group's parent company, and its share price, establishing the necessary channels for that information to be correct and truthful.
- To facilitate shareholders' participation by ensuring equal treatment and protecting the exercise of their rights.
- To ensure the members of the Board of Directors' and the management team's professionalism and independence of criteria, as well as compliance with internal and external regulations on market abuse, in particular with the Internal Code of Conduct in Securities Markets.
- To preserve the entrepreneurial values of initiative, effort, creative capacity, efficiency, eagerness, service, seriousness, loyalty, sustainability and austerity.
- To comply with the company's social and ethical responsibility when making investments in growth and value creation, as well as when remunerating the shareholders.
- To promote the Group's ongoing growth and a professional management oriented towards strengthening and improving of the company.
- To combine manufacturing activities with the quality of all its employees' human and social life, and to foster relations between the company and the society.
- To group together the Molins Group's commitments to the principles of business ethics and transparency in all areas of activity. To this end, a series of principles and guidelines have been established to guarantee the ethical and responsible behavior of all the employees, managers and executives of the Molins Group in its activity.
- Adaptation of the Molins Group's policies to the legislation in force in any country in which it operates.
- All employees of the Molins Group are treated with equal opportunities in terms of the development of their professional career. The Group also promotes equality of treatment between men and women.
- The image and reputation of the Group is built through dialogue and behaviour with its stakeholders in line with the Molins Group' principles and values.
- The employees must not conduct work beyond the scope of the Molins Group that incur conflicts of interest.

- The Molins Group respects human rights by totally rejecting child labour, discrimination and harassment.
- The basic conduct principles of the Molins Group are:
 - Efficiency.
 - Integrity.
 - Non-conformity and continued improvement.
 - Passion for our customers, our people, our technology and our business.
 - Respect for the environment.
- The Molins Group provides its employees with a safe and stable environment to improve their quality of life in line with their social responsibility.
- The Molins Group has the principle to transmitting truthful, complete information that expresses a true and correct image of the Company.
- The Company communicates these principles to all its employees.
- The responsibility for communicating the Corporate Governance principle is down to the Board of Directors of Cementos Molins, S.A.

5. Structure of the Corporate Governance Model

In order to comply with the Good Governance obligations contained in the Capital Companies Act (LSC) and the recommendations of the Unified Code of Good Governance, the Molins Group has structured the Corporate Governance System into the following 5 pillars:

- Articles of Association: the Articles of Association of Cementos Molins, S.A
- The Group's Mission, Vision and Values: The Molins Group's Mission, Vision and Values describe the main principles necessary for the Group to operate smoothly. They differ from the Code of Ethics, which reflects the principles of expected behaviour of employees, in terms of the relevance of the Molins Group's mission, vision and values.
- Corporate Policies: These Corporate Governance Policies have the purpose of establishing the guidelines of each of the areas that form part of the Corporate Governance System as well as the action framework for the Group's employees, and is divided into the following sections: 1) Corporate Governance and Regulatory Compliance, 2) Risk Management and 3) Corporate Social Responsibility. Annex I lists the existing corporate policies in the Molins Group.
- Internal regulations: Corresponds to the Group's operating rules. The General Shareholders' Meeting and Board of Directors Regulations are included. The latter includes the Auditing and Compliance Commission Regulations and the Remuneration and Appointments Commission Regulations.
- Codes and procedures: The codes and procedures of the Molins Group are the Ethical Code, the Ethics and Compliance Committee Regulations, the Internal Code of Conduct in Securities Markets, Internal Rules for the Treatment of Insider Information, the Shareholders' Electronic Forum Regulation and the procedures related to the Internal Financial Information Control System (SCIF). The Compliance Body must ensure compliance with the aforementioned codes and procedures.

6. Corporate Governance Management Model

6.1 Corporate Structure

The corporate structure of the Molins Group, which is part of the Corporate Governance system, comprises:

- The parent company, Cementos Molins, S.A., as a holding company or parent company of the Group's businesses.
- The Molins Group, in turn, has national and international subsidiaries. These companies, whether subsidiaries or investees, operate with autonomy of management but under the Group's criteria of supervision and control.

6.2 Responsibilities

On the basis of this corporate structure, the Corporate Governance model of the Molins Group is defined according to certain principles that differentiate the functions of ordinary management and effective management from those of supervision and control. These principles are listed below:

- The Cementos Molins, S.A. Board of Directors is responsible for approving the Molins Group's corporate policies and strategy.
- The Auditing and Compliance Commission's function is to support the Board of Directors in the regular preparation of the economic and financial information, the Group's internal controls and the independence of the Company's External Auditor. In turn, it oversees the Ethics and Compliance function and the Internal Audit function, which ensure the proper functioning of Molins Group's IT, internal control and regulatory compliance systems.
- The Remuneration and Appointments Commission must propose to the Board of Directors the remuneration policy for Directors and general managers or those who perform senior management functions under the direct authority of the Board of Directors, Executive Commissions or Managing Directors. Likewise, it is the duty of the Remuneration and Appointments Commission to periodically review the remuneration policy established and to ensure that conflicts of interest do not prejudice the independence of external advice provided to the Commission.
- The Board of Directors of Cementos Molins, S.A has delegated all delegable functions to the Managing Director and the Vice-President of the Group.
- The Board of Directors of Cementos Molins, S.A has delegated the supervisory and advisory tasks of the Corporate Governance System to the Ethics and Compliance Committee, which in turn reports to the Auditing and Compliance Commission. Similarly, the Ethics and Compliance Committee must monitor the corporate policies developed, ensure that the information posted on the website is correct, accurate and up to date at all times.
- The General Management is responsible for implementing those measures which may be necessary for the proper functioning of the Group's Corporate Governance System.

7. Reference documents

This section includes the documents referenced in this policy, which are:

- Board of Director Regulations (reference DOC.2.2017.V1).
- Mission, Vision and Values (reference DOC.9.2017.V1).
- Ethical Code (reference CE.0.2017.V1).
- Capital Companies Act (LSC)

8. Annex I - Corporate Governance Policies

Below is a brief synopsis of the Corporate Governance Policies that have been drawn up in Molins Group to date:

Scope 1: Corporate Governance and Regulatory Compliance:

1. Director Remuneration Policy
2. Director Candidate Selection Policy
3. General Policy of the Corporate Governance
4. Crime Prevention and Anti-Fraud Policy
5. Hiring and Auditor Relationship Policy
6. Competition Policy
7. Communication and Contact with Shareholders Policy
8. Personal Data Protection Policy

Scope 2: Risk Management:

9. Risk Control and Management Policy
10. Purchase Policy
11. Investment Policy
12. Corporate Credit Risk Policy
13. Corporate Market Risk Policy
14. Corporate Tax Policy
15. Confidentiality Policy
16. Quality policy
17. IT Policy

Scope 3: Corporate Social Responsibility

18. Stakeholder Relations Policy (clients, suppliers, city councils, etc.)

19. Environmental policy
20. Climate Change Policy
21. General Policy on Corporate Social Responsibility and Sustainability
22. Equal Opportunity and Reconciliation Policy
23. Occupational Health and safety Policy
24. Human Resources Framework Policy
25. Policy for Reviewing Financial Information Provided to Third Parties
26. Talent Management Policy
27. Selection and Recruitment Policy
28. Human Rights Policy