



Grupo
**Graña y
Montero**



Anti-corruption Policy

Anti-corruption Policy

At the Graña y Montero Group we are committed to acting responsibly, ethically and transparently.

Our corporate values, our Ethics Charter (1995), Code of Conduct (2012) and Asset Laundering and Financing of Terrorism Prevention Manual (2010) emphatically reject any form of bribery or corruption. Additionally, we set forth this policy to sensitize, prevent, and provide the guidelines required to avoid, any act of corruption in our business and relationships with the government.

Our actions are based on compliance with the laws of the countries where we operate, including the laws and legal provisions for Asset Laundering and Financing of Terrorism Prevention enacted by the Peruvian government since 2002– and the United States Foreign Corrupt Practices Act (FCPA), which applies to us because our shares are listed on the New York Stock Exchange.

The FCPA is the main anti-corruption law in the United States and applies not only to US companies but to foreign companies that have operations and/or list stock in the United States. This law has two focal points: 1) the prohibition to bribe public officials, and 2) the requirement to keep accurate accounting records and internal controls.

We understand public officials as any person who holds a position in any governmental entity, whether an officer, an elected official, full- or part-time employee or representative. This concept also comprises political parties, political advocates or candidates, international organization employees and members of the armed forces.

In connection with the above, the Board of Directors of Graña y Montero S.A.A. approved in its meeting of October 29, 2015, the Anti-Corruption Compliance Program of which this policy is a part.

The Anti-Corruption Policy applies to all companies of that make up the Group, their directors, managers and collaborators, regardless of their nationality, contractual status or place of residence. It also extends to suppliers, contractors, agents and third parties who may represent us or act on our behalf. Furthermore, this Anti-Corruption Policy applies to all companies or consortia controlled by any company of the Group. In companies not controlled by them, the companies of the Graña y Montero Group shall deliver this policy to the controlling shareholder and/or the general management, making recommendations in this connection.

The Compliance Officer, the Internal Audit Committee and the Audit and Process Committee shall ensure compliance with this policy, reporting directly to the Board of Directors of Graña y Montero S.A.A.

GUIDELINES AND PRINCIPLES TO BE FOLLOWED:

a. On bribery

Making payments, promises to pay or rewards –whether direct or indirectly, in cash or in kind– to public officials or their family members, for purposes of exerting improper influence on decision making, generating or maintaining a business or securing benefits, is prohibited.

This prohibition applies to all Group collaborators, and to third parties acting on our behalf (“third-party representatives”), such as, but not limited to, customs agents, attorneys, subcontractors and document handlers.

Group collaborators are responsible for ensuring that the “third-party representatives” with whom they relate comply with this policy. For such purpose, collaborators shall enter a written agreement that formally reflects the scope of the services that such third-party representatives will perform, the compensation terms, and includes an express clause on the knowledge of and compliance with this Anti-Corruption Policy.

b. Financing of political activities

Making payments or contributions –whether direct or indirectly, in cash or in kind–to political parties, representatives of political parties and/or candidates to political office, is prohibited.

c. Gifts, hospitality and/or donations

Our Code of Conduct provides that collaborators must take due care not to grant any gifts, hospitality, donations or entertainment, among others, which could be construed as a form of influencing a business relationship or decision.

This provision should be construed with utmost care when dealing with a public official. For this reason, we must take the following into account:

- Lunches and other hospitality or entertainment to public officials are allowed provided they pertain to the lawful conduct of business and may not be construed as a form of exerting improper influence. For such purpose, the value and frequency thereof should be reasonable.
- In dealing with public officials, only the giving of institutional presents, which will be also given to multiple persons and companies in general, are allowed. For instance, an anniversary publication.
- In addition to the aforementioned institutional presents, other gifts –whether in cash or in kind– to public officials are not allowed.
- Paying travel, accommodation and per diem expenses of public officials will be allowed when their presence is required in connection with the lawful conduct of business, as lecturers and/or attendees to events organized by the Group, provided the pertaining public entity has been duly informed at a high ranking level and there is no conflict with its own internal policies. Payment to family members or providing cash shall not be included under any circumstance.
- Providing short-term training of public officials to strengthen their knowledge of specialized subjects is allowed.
- The Group companies shall ensure that the accounting records of all expenses associated with gifts, entertainment and travel are accurate and clearly reflect the true purpose thereof.

d. Donations

The Group, whether through its non-profit civil association Espacio Azul or directly through its companies but in coordination with Espacio Azul, is allowed to make philanthropic donations and implement social investment programs in favor of the community. Such donations must be aligned with the sustainability strategy of the Group and their purpose shall not be to receive any improper benefit in exchange, and must comply with the Donations Procedure approved by the Board of Directors.

e. Purchase of companies and mergers

As part of the due diligence process conducted to for the purchase or merger of any target company, the Group is required to conduct, whether directly or through third parties, an FCPA due diligence to verify the good anti-corruption practices of such target company.

f. Future Partners

The Graña y Montero Group is required to know the background, business practices and anti-corruption control measures of any future partners, strategic partners, consortia and/or joint venture.

In this connection, the Group company interested in a partnership shall request the Compliance Officer to conduct a preliminary investigation of the potential partner. This analysis will be supplemented by application of the “Know Your Partner” questionnaire attached as Annex 1 hereto.

The Group companies may not establish any partnership unless the pertaining investigation and verification has been conducted and the final approval of the Ethics Commission has been granted in the presence of the Corporate General Manager.

g. Accounting Records and Internal Controls

Our Ethics Charter and Code of Conduct establish that the Graña y Montero Group promotes transparency and compliance with accounting, financial and legal provisions.

Accordingly, all Group companies are under the obligation to enter their transactions in the financial statements, so they accurately reflect the actual operation. Furthermore, Group companies should have appropriate monitoring and internal control systems in place.

BREACH

Any breach of the Anti-Corruption Policy shall be subject to internal investigation and the enforcement of disciplinary measures, regardless of any fines as may be imposed by the US Department of Justice and/or the criminal or court penalties as may apply in every country we operate an in the United States of America.

Any suspected breach shall be reported to the Human Resources Management of your company, to the General Manager or to the Ethical Channel of the Group, through its various mechanisms.

Luis Díaz O.
Corporate General Manager

Mónica Miloslavich H.
Corporate Finance and
Administration Manager

Claudia Drago M.
Legal and Corporate
Affairs Manager

Jorge Luis Izquierdo R.
Corporate Human Resources
Manager

Antonio Rodríguez C.
Corporate Investments
Manager

Gonzalo Ferraro R.
Corporate Business
Development Manager

Juan Manuel Lambarri H.
Manager of the Engineering
and Construction Division

Renato Rojas B.
General Manager of
GyM

Steve Dixon
General Manager of
STRACON GyM

Eduardo Villa Corta L.
General Manager of GMI

Pablo Ruiz P.
General Manager of Vial
y Vives-DSD

Arturo Serna H.
General Manager of
Morelco

Antonio Cueto S.
Infrastructure Division
Manager

Luis Fukunaga M.
Road Concessions Manager

Reynaldo Llosa M.
General Manager of GMP

Manuel Wu Rocha
General Manager of GyM
Ferrovias

Gonzalo Ferraro R.
Chairman of the Board of
Concesionario La Chira S.A.

Rolando Ponce V.
Manager of the Real
Estate Division

Jaime Dasso B.
Manager of the
Services Division

Hugo González C.
General Manager of GMD

Oscar Pando M.
General Manager of
CONCAR

Klaus Winkler S.
Corporate Manager of
CAM

Gonzalo Mardones P.
General Manager of CAM
Chile

Pedro Chavez-Cabello C.
General Manager of CAM
Peru

Fernando Foix I.
General Manager of
CAM Colombia

Sergio Morales.
General Manager of
Adexus



ANNEX 1

KNOW YOUR PARTNER

As part of the compliance with our Ethics Charter, Code of Conduct and Anti-Corruption Policy, the Graña y Montero Group requests all of its potential partner, strategic partners, consortia and/or joint ventures to answer the questionnaire detailed in this document.

If this questionnaire has been completed no more than 6 months ago, then only such details as may apply must be updated.

1. General Details

- Name of the company
- Taxpayer Registration (RUC) or similar document
- Date and place of organization of the company
- Address
- Head office telephone
- General Manager
- Contact person
- Contact electronic mail

2. Shareholding Structure

- List of shareholders with over 5% interest, their nationality and contact in the partner
- Include general information of majority shareholders

3. Management of the Company

- Name of the General Manager, identification document and time in the company.
- Name of the members of the Board of Directors, date since which they have been members of the Board, specifying whether such member is an internal director (who also serves as an executive in the company, affiliate or partner), an external director (who does not hold an executive position in the company, affiliate or partner, but represents the interests of a shareholder thereof) or an independent director (elected for his/her professional qualifications, not an executive or a shareholder).

4. Specific Questions

- Is the company owned (whether in whole or in part) by any government or government-owned company, or by any public official? If answered in the affirmative, please describe the nature and percentage of such interest in the company and the entity holding such interest.
- Does any member of the Senior Management, the Board of Directors or key employee have any business or financial or family relationship with any public official? If answered in the affirmative, please identify the names and surnames of such persons, their positions and the existing relationship, setting forth since when that relationship is maintained.

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- Please describe the nature and scope of the business relationships that the company may have with governmental entities, including those wholly or partially owned by the government, specifically, provide details in connection with the contracts of the company entered with the in the country where they operate.
 - If the company hires third parties, whether individuals or legal entities, for any dealings or relationship with public officials or governmental entities, provide a list of such parties, and copies of any contract or agreement governing the relationship of the company with such parties.
 - Please identify the entities from which any license, permit, certification or approval required under local regulations that are significant as part of the ordinary course of business have been obtained or must be obtained.
 - Please describe any policy or procedure in connection with anti-corruption practices applied by the firm in your company, including information on the scope of such policy or procedure and how they are communicated to the persons under the obligation to comply with them. Please provide a copy of such policy or procedure.
 - Does the company know of any breach of anti-corruption laws (including any suspicious or unusual payment) incurred by the company, its subsidiaries, affiliates, parent company, agents, representatives or employees? If answered in the affirmative, please describe the nature of the breaches or allegations, and the response of the company.

5. Additional Information

According to the nature of the business of the audited company, additional questions or cross-questioning may be included, and any information deemed relevant based on the specific review requested.

6. Certification

A certification of the company evaluated attesting that the information provided to us is true, correct and complete must be included under the information. The following text is provided for reference:

“I, the undersigned [insert full name], identified by [DNI, Resident Alien Card (Carnet de Extranjería), Passport], acting in the capacity of [insert position], on behalf of the company ----, hereby state that the information provided in this document is true, correct and complete to the best of my knowledge and contains the disclosure of all relationships of our company with any government official.”