

## SUSTAINABILITY POLICY ON ENVIRONMENTAL AND SOCIAL MATTERS



## **SUSTAINABILITY POLICY ON ENVIRONMENTAL AND SOCIAL MATTERS**

### **I. Introduction and object.**

The Board of Directors of the company "**Laboratorio Reig Jofre, S.A.**" (hereunder, "**Reig Jofre**" or the "**Company**", indistinctly) has the legal power, which cannot be delegated, to determine the companies' general policies and strategies. In particular, it has the power to give the approval to a sustainability policy that establishes the principles and basic commitments with regard to the environmental and social responsibility of the company and its subsidiaries (hereunder, the "**Group**"). This policy should serve as a basis for the integration of environmental responsibility, and corporate and social governance in Reig Jofre's business model.

In this respect, the recommendations of the Good Governance Code of listed companies (hereunder, "**Good Governance Code**") envisage that the Board of Directors of listed companies gives their approval to a sustainability policy with regard to environmental and social issues that identifies and includes, at a minimum: i) the principles, commitments, objectives and strategy regarding shareholders, employees, customers, suppliers, social matters, the environment, diversity, fiscal responsibility, respect for human rights and prevention of corruption and other illegal practices, ii) the methods or systems for the monitoring of compliance with policies, and associated risks and their management, iii) supervision mechanisms for non-financial risks, including those related to ethical aspects and business conduct, iv) communication channels, participation and dialogue with stakeholders, and v) responsible communication practices that avoid information manipulation and that protect integrity and honour.

In accordance with the above, the company's Board of Directors has agreed in the session of 28th of July of 2021 to give approval to the present *Sustainability Policy on environmental and social matters* of LABORATORIO REIG JOFRE, S.A. (hereunder, "**Policy**"), which will become part of the corporate governance system of the Company.

The objectives that the Company aims to achieve with this Policy are the following:

- To support the achievement of the Group's strategic goals by way of responsible and sustainable practices.
- To maximise the creation of shared value between stakeholders and to create long-term relationships that are based on trust and transparency.
- To prevent, minimise and mitigate the potential negative impacts derived from its activity and to increase the positive impacts.
- To strengthen the Group's reputation and external recognition.



- To spread the responsible principles and practices within the Company, in order to advance together towards progress in social and environmental matters.

## **II. Scope of application**

This Policy is to be applied to all of the Group's employees.

The Company will promote knowledge of the commitments and principles set out in the present Policy and will ask all trading partners to apply them.

## **III. General principles of conduct.**

To attain the aims set out in section I above, Reig Jofre adopts the following general principles of action:

- i. Fulfil the **current legality** in the places where the Company and subsidiaries are located.
- ii. Support, through its adoption and dissemination, the integration of the principles of the **UN Global Compact**, as well as other international instruments, especially in the areas of human rights, labour practices, the environment and the fight against corruption.
- iii. Follow the guidelines of the Company's **ethical code**, which includes Reig Jofre's commitment to the principles of business ethics and transparency in all areas of action and regulates the responsible behaviour of all the Group's professionals in the development of their activity.
- iv. Favour free market practices, rejecting any type of illegal or fraudulent practice, implementing effective mechanisms of **prevention, surveillance and sanction of irregularities**.
- v. **Commitment to transparency** as a way to convey confidence and credibility within stakeholders. This shall include:
  - Disseminate relevant and truthful information to stakeholders, complying with the legal requirements for public information that may exist.
  - Prepare and publish financial and non-financial information using in the latter case some of the internationally accepted methodologies, subjecting information to the internal and external verification processes that are considered appropriate and that guarantee its reliability and encourage its continuous improvement.



- vi. Promote the **ways of communication and dialogue**, as well as favouring relationships of the Group with its shareholders, investors, employees, customers, suppliers and, in general, with all its stakeholders. In this way, it contributes to achieving harmony between business values and social expectations, adapting, as far as possible, the Group's policies and strategies to its interests, concerns and needs, using all the communication instruments at its disposal, such as the direct contact and the corporate website of the Group.
- vii. **Conservation and promotion of the environment.** Reig Jofre carries out its activity under the firm commitment to contribute to sustainability from an environmental perspective, materialising this commitment through the integration of the environment in the different business areas, the preservation of biodiversity, the prevention of pollution, the efficient management of resources and the adaptation and mitigation of climate change.
- viii. **Fiscal responsibility:** The tributes that Reig Jofre pays in the places where it develops its activity constitute the main contribution of the companies of the Group to the support of public charges and, therefore, one of its contributions to society.

#### **IV. Commitments with the main stakeholders.**

A. Customers. In all its relations with customers, the Company will offer a service based on quality and experience. Therefore, the Group assumes the following commitments:

- Betting on innovative drugs as Reig Jofre's growth engine.
- Pay special attention to protecting the health and safety of our customers and consumers throughout the entire life cycle of our products, through strict compliance with applicable legislation.
- Maintain due confidentiality in the treatment of their data.
- Manage and resolve their queries and complaints in the shortest possible time.
- Monitor the customer's experience, through surveys that measure their satisfaction and by other means and systems that allow active and permanent listening to the customer in all those processes and operations through which the customer interacts with the Company.
- Maintain adequate and efficient communication channels using the best-adapted means.
- Respect and comply with the rules that regulate communication and marketing activities and assume the voluntary codes that give transparency and truthfulness to the mentioned actions.



B. Employees. The Company works towards promoting and retaining talent and capacity of its employees by encouraging growth and personal development. With this purpose, the Group assumes the following commitments:

- Respect human and labour rights recognized in national and international legislation.
- Implement practices and prevention measures to achieve the best safety, health and well-being conditions possible in the working space. Likewise, the Company invests in new strategies that help to promote a healthy working environment and space that reasonably transmits healthy habits to workers.
- Promote the establishment of remuneration conditions that guarantee a decent salary, recognizing the performance and contribution of employees to the results of the company, in compliance with national and international legislation applicable in each case.
- Respect diversity and promote equal opportunities and the exclusion of discrimination on grounds of sex, age, disability or any other circumstance, promoting diversity, social inclusion in an appropriate, dignified and agreeable working space.
- Provide employees with conditions and opportunities for continuous professional development.
- Respect the right to privacy of employees, in all its forms and manifestations, especially as regards personal data, in accord with applicable local legislation.

C. Shareholders and investors. The Company works to return the trust put in it by shareholders and investors and, as far as possible, to attend to their needs and expectations. Therefore, the Company assumes the following commitments:

- Ensure equal treatment, facilitating the exercise of rights by shareholders, within the framework of the Company's social interest.
- Offer clear, complete and truthful information to the market and to shareholders, which includes financial and non-financial aspects of the business, and encourage the informed participation in General Shareholders' Meetings.
- Offer personalised attention through information and communication channels of the Company, in accordance with the *Policy regarding the communication of economic-financial, non-financial and corporate information and communication and contacts with shareholders, institutional investors and proxy advisers through media, social networks and other channels*.
- Capitalise on the advantages of new technologies, maintaining the Company at the forefront in the use of the new communication channels.
- Promote training and information initiatives for shareholders.



#### D. Suppliers:

It is essential to ensure a supply chain that respects the principles of sustainability assumed by the Group. Therefore, the Group assumes the following commitments:

- To treat suppliers with integrity and respect, avoiding invasive, unfair and abusive attitudes.
- Ensure that all participants in the value chain comply with applicable legislation and respect internationally-recognized human and labour rights.
- Adopt responsible practices in the management of the production chain with an aim to reducing and minimising associated impacts.

#### E. Society.

Reig Jofre acts with full awareness of its environment and the social needs in the different countries where it develops its activity. Therefore, the Group assumes the following commitments:

- Respect and support the internationally-recognised human rights in all the areas in which Reig Jofre develops its activity and try to avoid any type of complicity with any kind of abuse of human rights.
- Achieve the Sustainable Development Goals ("SDG"), defined by the United Nations.
- Support the development of societies in which Reig Jofre develops its activity, through the appropriate social programmes.
- Collaborate directly and/or indirectly in specific programmes in those emerging and developing countries, as well as in areas in a humanitarian crisis, including with direct financial contributions and through medicine donations.
- Carry out its activities with due compliance of its fiscal obligations in the different countries in which Reig Jofre develops its activity.

#### F. Environment.

Reig Jofre is committed to promoting sustainable development, the efficient management of natural resources and the prevention of pollution. Therefore, the Group assumes the following commitments:

- Respect the environment by using resources rationally and applying all available control mechanisms in order to minimise the pollution caused by the products and processes derived from its industrial activity.
- Promote the sustainable use of raw materials and natural resources.



- Introduce guidelines to alleviate the effects that the Company's activity has on the environment
- Promote both individual and collective participation in environmental matters.
- Collaborate with competent environmental authorities and bodies.
- Set environmental objectives and goals according to the Company's activities.

## **V. Channels of communication, participation and dialogue with stakeholders.**

The Board of Directors recognizes as a strategic objective the adoption of measures that promote the Company's veracity and information transparency when communicating economic-financial, non-financial and corporate information, thereby contributing to promote the Company's good reputation, as stated in the *Policy regarding the communication of economic-financial, non-financial and corporate information and communication and contacts with shareholders, institutional investors and proxy advisers through media, social networks and other channels*. Likewise, this promotion of transparency in the dissemination of information is carried out by adopting responsible communication practices at all times, with the aim of avoiding information manipulation and protecting integrity and honour.

The Company is committed to communicating with transparency, honesty, integrity, and responsibility. To this end, all Company areas will provide their stakeholders with truthful, clear and verifiable information, preserving the coherence of the messages issued, in any of their supports and channels. All the above mentioned while respecting the obligations that apply to listed companies regarding the publication and treatment of confidential information, as well as those that affect the promotion of health products included in the Code of Good Practices of the Pharmaceutical Industry, to which the Company has adhered voluntarily.

The corporate website ([www.reigjofre.com](http://www.reigjofre.com)) is the general space for the publication of the Company's information. In addition, the Company makes available to stakeholders permanent and open communication channels such as telephone, e-mail, etc.

All channels and tools are detailed and kept up to date in the corporate web page of the Company. The company will progressively expand these channels and tools and, if needed, will create new ones.

## **VI. Responsibilities, monitoring system and supervision.**

The Company's Board of Directors develops and supervises its orientation and performance as regards sustainability, as well as the public information created to this effect. The Board of Directors is ultimately liable for: the Policy, the



Company's strategy in this matter, the relationships with stakeholders and the evaluation and supervision of non-financial risks.

In this work, the Board of Directors has the support of the Nomination, Remuneration and Sustainability Committee, whose functions are to:

- Supervise compliance with the Company's corporate governance rules and internal conduct codes, while also ensuring that corporate culture is in line with its purpose and values.
- Regularly assess and review the corporate governance system and sustainability policy, with an aim to achieving its mission of promoting the social interest and considering, as appropriate, the legitimate interests of remaining stakeholders.
- Supervise that the Company's performance in matters of sustainability (environmental, social and of corporate governance) is in line with the strategy and policies approved by the Board of Directors and, when applicable, propose recommendations for improving the Company's position in these regards, submitting the corresponding report or proposal to the Board of Directors.
- Supervise and assess relationships with the various stakeholders.
- Analyse measures and proposals on sustainability that are proposed or agreed by the different business units of the Company.
- Any other functions in matters of its competence that are requested by the Board of Directors.

Likewise, the Board of Directors receives support from the Audit and Conflict of Interests Committee, with regard to the following roles:

- Supervise the implementation of the general policy regarding the communication of economic-financial, non-financial and corporate information, as well as the communication with shareholders and investors, regarding the communication of economic-financial, non-financial and corporate information and contacts with shareholders, proxy advisers and other stakeholders. Likewise, the way in which the entity communicates and relates with small and medium-sized shareholders will be monitored.
- Establish the general principles guiding the generation of the non-financial information statement.
- Review and validate, before approval by the Board of Directors, the non-financial information statement that the Company must release to the public.

Both committees will report on a regular basis to the Board of Directors about their performance on their duties regarding sustainability and non-financial information.





The present Sustainability Policy on environmental and social matters has been approved by the Board of Directors of the Company on the 28th of July of 2021 and will be published in the corporate web page of the Company.