

Policy for the Prevention of Criminal Risks

REIG  JOFRE





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1. INTRODUCTION

The governing bodies of companies in Reig Jofre Group (hereinafter "Reig Jofre" or "the Group") have the general function of adopting, implementing and running the Group's general policies and strategies, among which is the prevention of criminal liability of legal persons pursuant to prevailing legislation.

This Policy for the Prevention of Criminal Risks is approved in the exercise of the aforementioned function, and has the purposes listed below:

- To inform all Group directors, managers and employees, and third parties with whom the Group has relations, that Reig Jofre ensures legal compliance in the execution of its business, that it rejects any form of corruption and bribery, and that it promotes and defends corporate values.

Reig Jofre works to ensure that these principles are manifest in increasingly enhanced guidelines that naturally govern both the conduct of Group individuals and the processes that define working practices and decision-making.

- To raise awareness among all Group directors, managers and employees of the importance of compliance with the legislation applicable to exercising their profession, with a view to minimising the risk of any of them or the organisation itself being accused of any criminal conduct.
- To set out the general framework of the Model for the Prevention of Criminal Risks in the Corporate Defence Manual (hereinafter "the Manual"), which contains all of the measures designed to prevent, detect and take action in the event of such risks, as per the provisions of article 31 bis of Organic Law 1/2015 of 30 March amending Organic Law 10/1995 of 23 November of the Criminal Code, and the different legislation applicable in all of the jurisdictions in which Reig Jofre Group operates.

2. LEGAL FRAMEWORK

As specifically regards the prevention of criminal conduct, it must be pointed out that Organic Law 5/2010 amending Organic Law 10/1195 of 23 November in the Criminal Code included not only crimes applicable to legal persons, but also made reference to the need to establish vigilance and control measures for the purpose of preventing and detecting such conduct.

This system was reformed by Organic Law 1/2015 of 30 March which set out the requirements for having management and control systems in place which enable legal persons to accredit their diligence as regards detection of crime.

In keeping with these legal requirements, Reig Jofre promotes this Policy for the Prevention of Criminal Risks as regards implementing internal policy tools that fulfil the need for adequate control and management systems to prevent and detect crime, particularly relating to the environment, corruption and public health.



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Consideration is also given to the different regulations on the criminal liability of legal persons that may be in force in the different jurisdictions in which the Group operates.

3. AIMS

The aim of this Policy is to assure shareholders, Public Services, other stakeholders and judicial bodies that Reig Jofre Group exercises the due diligence legally required of it as regards monitoring situations where criminal offences may potentially be committed in Group activity, even when such criminal offences cannot be attributed to a specific person.

The primary aims of this Policy are listed below:

- To raise awareness of crime prevention among Reig Jofre Group staff.
- To foster a model for controlling situations where criminal offences may potentially be committed.
- To provide Group companies with the necessary guidance and a clear focus on minimum standards and expected compliance.

4. SCOPE

The Reig Jofre Policy for the Prevention of Criminal Risks applies to all directors, managers and employees of the Group, who shall also comply with all other specific rules or policies.

Representatives of Reig Jofre shall take the provisions of this Policy into account and shall promote, as part of their duties and responsibilities, the application of this Policy's principles in companies where they represent the Group.

Professionals or companies subcontracted by the Group shall also take into account compliance with the principles specified in this Policy in their professional activity for the Group.

This Policy shall come into effect on the day following its approval by the Management Board of each Reig Jofre Group company subject to the Group's Internal Control Model for the Prevention of Criminal Risks.



5. RESPONSIBILITIES

Laboratorio Reig Jofre, S.A. Board of Directors and the various Compliance Officers appointed for jurisdictions in which criminal liability has been established shall be responsible for adopting and implementing organisation and management models that include vigilance and control measures for the prevention of crime, or for significantly reducing the risk of crimes being committed. To this end, it shall set up in the Group a Model for the Prevention of Criminal Risks based on the Manual and shall appoint an Ethics Committee, an independent, permanent, consultative and executive body for questions of corporate criminal defence and areas arising from the application of the Group's Policy for the Prevention of Criminal Risks.

The Group's Audit, Compliance and Conflict of Interest Commission is responsible for checking the adequacy and integrity of internal control systems, supervising the efficacy of internal control and supervising operation of and compliance with the Manual. To do this:

- It shall have the authority to launch and run any internal investigations it deems necessary of events relating to potential non-compliance with the Manual.
- It shall regularly assess the operation and efficacy of the Manual and suggest any changes to the Model for the Prevention of Criminal Risks it deems appropriate to the Board of Directors.

6. PRINCIPLES

Reig Jofre is responsible for introducing an Internal Control Model for the Prevention of Criminal Risks based on the principles below:

- ✓ Integrating and coordinating all of the systems and actions developed to prevent any criminal offences being potentially committed by Group directors, managers and employees, by means of creating a Manual that sets out adequate and uniform standards of zero-tolerance for such offences.
- ✓ Implementing internal rules, procedures and action/decision protocols that prevent any individual or small group of individuals from holding decision-making powers that are not subject to checks and balances.
- ✓ Ensuring the principle of separation of management and oversight duties in the supervision and vigilance model, including implementing suitable audit mechanisms whenever necessary.
- ✓ Setting up effective and continuous control systems that can be updated as necessary.
- ✓ Creating an atmosphere of transparency and maintaining adequate communication channels for reporting any irregularities or illicit practices.
- ✓ Setting up information and training programmes for all employees and developing a culture of corporate ethics and legal compliance.



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- ✓ Investigating and sanctioning, whenever applicable, any actual or potential acts of fraud.
- ✓ Putting in place sufficient resources to ensure that the model for the prevention of criminal risks is correctly executed.

At regular intervals, the Model for the Prevention of Criminal Risks shall determine and update for the Group the scope of the Policies, rules, protocols, systems, processes and procedures subject to the principles specified in the Policy.

7. AREAS OF THE CORPORATE DEFENCE MANUAL

The Model for the Prevention of Criminal Risks shall comprise a series of areas which, taken as a whole, shall ensure adequate control for the prevention of criminal risks. These areas are:

- **Control environment:** the basis of this internal control model, giving it discipline and structure.
- **Control activities:** to identify existing criminal risks and prevent them from occurring in the Group's different areas and companies.
- **Supervision activities:** to ensure proper compliance with the model's control activities.
- **Training activities:** carried out to train Group areas and companies in the regulations applicable for the prevention of criminal risks.
- **Communication and information:** mechanisms for disseminating the Model for the Prevention of Criminal Risks.
- **Disciplinary model:** the system envisaged by the Group to sanction instances of non-compliance with specified standards and principles of conduct.

8. DISSEMINATION AND INFORMATION

Reig Jofre Ethics Committee is responsible for promoting all of the initiatives required to effectively disseminate this Policy, the Group's Corporate Defence Manual and general principles of conduct, and for ensuring that the information provided is correct, current, pertinent, precise and accessible.

Reig Jofre shall develop a criminal risks training and communication plan.



9. REPORTING NON-COMPLIANCE

Reig Jofre is committed to ensuring that all members of staff and associated third parties are able, freely and in confidence, to inform of and report cases of criminal risk.

The corporate Reporting Channel shall be used to report any type of potential criminal risk or breach of the controls in place to mitigate criminal risks. Reig Jofre shall keep the identity of the individual reporting the incident confidential at all times, unless required to disclose their identity by an administrative or judicial authority.

10. RELATED REGULATIONS

The internal regulations in relation to this Policy are listed below:

- Code of Ethics
- Corporate Defence Manual

The external regulations in relation to this Policy are listed below:

- Spanish Criminal Code Organic Law 10/1995 of 23 November
- Spanish Criminal Code Organic Law 1/2015 of 30 March
- Spanish Criminal Code Organic Law 1/2019 of 21 February
- Criminal Code of 11 July 2018 (Belgium)
- Criminal Code of 25 June 2008 (Monaco)
- 1977 Criminal Law Act (United Kingdom)
- 2002 Criminal Law Act amendment (United Kingdom)
- 2007 Corporate Homicide Act (United Kingdom)
- 2010 Anti-Bribery Act (United Kingdom)
- 2017 Financial Crimes Act (United Kingdom)
- 1986 Insolvency Act (United Kingdom)
- 2006 Companies Act (United Kingdom)
- 2018 Data Protection Act (United Kingdom)
- 1981 Forgery and Counterfeiting Act (United Kingdom)
- 1971 Misuse of Drugs Act (United Kingdom)
- 2006 Fraud Act (United Kingdom)



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- Criminal Code 2019 (Singapore)
- Criminal Code 2007 (Portugal)

11. VERSION CONTROL

Version	Date	Changes
1	26/05/2020	Policy approval by Board of Directors