

Crime Prevention and Compliance Model

Document	Crime Prevention and Compliance Model
Approver	Risk & Compliance Committee ("RCC")

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1. DEFINITIONS

The definitions of those concepts that will be used frequently in this document are listed below:

- a) **Uriach or the Organisation**: made up of Corporación J. Uriach, S.A. and the rest of the entities and subsidiaries within the Perimeter of criminal control. Hereinafter also referred to indistinctly as "**Uriach**" or the "**Organisation**".
- b) **Perimeter of criminal control**: includes Corporación J. Uriach, S.A. and all its subsidiary companies.
- c) **Members of the Organisation/Collaborators**: members of the Board of Directors, the company management, employees, temporary employees, employees under a collaboration agreement and the rest of the persons under the hierarchical subordination of any of the aforementioned.
- d) **Third Party**: natural or legal person or body independent of the Organisation.
- e) **Board of Directors delegated Compliance & Audit Committee**: collegiate body appointed by the Board of Directors to monitor the Group's compliance and internal audit issues. Hereinafter also referred to indistinctly as "**BoD Compliance Committee**".

2. INTRODUCTION

This Crime Prevention and Compliance Model (hereinafter, the "**Model**") is mandatory and applies globally to the Organisation. Members of the Organisation shall comply with its contents, regardless of the position they hold and the territory in which they are located, unless the applicable legislation in the jurisdiction in which they operate establishes more restrictive provisions, which shall prevail over this Model.

The Model is presented as the guide of conduct that must be followed in professional relations and the development of all Uriach's activities.

Due to its daily activity, Uriach is exposed to certain sensitive conducts that may be linked to certain criminal risks and for which a crime prevention and compliance model must be developed to minimise the risk.

At all times, it must be kept in mind that the inappropriate behaviour of a single professional is sufficient to have a legal and reputational impact on Uriach.

3. PURPOSE

The aim of this Model is to define the crime prevention and compliance guidelines that all companies belonging to Uriach must follow.

The Risk & Compliance Committee (hereinafter, the "**RCC**") aims to use this Model to convey the principles that must be present in all Uriach's activities and to send out a clear message of opposition to the commission of any unlawful or unethical act.

The objectives of this Model are as follows:

- a) Define the responsible bodies for Compliance, which are involved in the Model, as well as their roles and responsibilities;
- b) Define the main elements of the Model;
- c) Establish the methodology and processes to follow regarding risk management, identify the essential components and the reporting, supervision and dissemination of the crime prevention and compliance system.

4. SCOPE OF APPLICATION

Within the scope of application of this Model, we can distinguish the following:

- a) **Corporate Scope** - This Model is applicable to all companies belonging to Uriach, as well as to subsidiaries and investee companies over which Uriach has effective control or holds a member position in the management bodies.
- b) **Personal Scope** - This Model is applicable to all levels of Uriach, including management bodies, management positions, control bodies and all staff.
- c) **Relational Scope** - The scope of application of this Model shall be extended, as far as possible, to suppliers, customers, subcontractors and employees.
- d) **Geographical Scope** - This Model shall apply to Uriach's activities in any geographical area, whether local or international.

It is the responsibility of the RCC to comply with and enforce the contents of this Model.

5. GENERAL PRINCIPLES

- a) **Independence and transparency:** All Uriach employees must always act with impartiality, maintaining their independence so that they are not subjected to any external pressure or particular interest.
- b) **Legality:** Full respect for current legislation and zero tolerance towards the commission of illegal acts is one of Uriach's fundamental principles. Therefore Uriach employees must know and respect both: current legislation and Uriach applicable internal regulations.
- c) **Corporate image and reputation:** Respect for the corporate image and reputation is one of Uriach's most cherished values. All the agents involved must focus on preserving the image and reputation of Uriach in all the professional activity they carry out.
- d) **Communication:** To prevent or detect any irregular conduct that may occur, the agents involved are obliged to report internally, through the Compliance Channel (section 9), any unlawful action or any action contrary to current legislation and/or Uriach's internal regulations.

6. CRIME PREVENTION AND COMPLIANCE MODEL

The Model is the set of control activities and different regulatory instruments within Uriach that share the guidelines, values and promote the prevention, detection or reaction to the commission of illegal acts.

This set of control activities and regulatory instruments are composed by:

6.1. Code of Ethics

The Code of Ethics is the highest-level regulatory instrument in Uriach's internal regulatory structure. It contains the ethical principles that Uriach applies to all areas of its activity.

The Code of Ethics represents Uriach's maximum commitment to comply with the laws and ethical values endorsed therein.

The content of the Code of Ethics is determined by the ethical principles related to the crimes to be prevented and, especially, to the crimes identified as most likely to be committed in the risk map of Uriach and the market sector to which it belongs.

The Code of Ethics must be accepted, as a requisite for their incorporation, by all persons joining Uriach's organisational structure.

The scope of application of the Code of Ethics will be extended to suppliers, customers, distributors, external professionals, and representatives of Uriach, who will be asked to accept the same or their own code of ethics, which upholds equivalent ethical principles and a crime prevention policy.

Likewise, all signed contracts by Uriach must include a section obliging the other party to comply with the law and with the ethical principles set out in Uriach's Code of Ethics or in its own Code of Ethics of equivalent content. Failure to comply with these obligations will be equivalent to a breach of contract.

The Code of Ethics in force, at any given time, can be found on Uriach's corporate website.

Uriach will carry out trainings, events and activities to raise awareness on the Code of Ethics at all levels of the Organisation.

6.2. Internal Regulations

Uriach has a set of regulations that includes all the preventive measures and controls that must be applied within Uriach's daily activities.

This set of regulations is composed by: "Global Policies" which will be developed in their corresponding "protocols" and "procedures".

- a) Global Policies** are high level and global regulatory instrument (applicable to all companies belonging to Uriach) that describe the principles that inspire the preventive activity of Uriach in a specific area. They contain the control objectives that Uriach wishes to achieve in a generic manner and act as a declaration of intent, setting out the general lines of prevention and control that can be further defined in the Protocols and Procedures.
- b) Protocols** are medium-level regulatory instruments, mainly developed locally to the extent that each subsidiary may deem appropriate, which develop in greater detail the objectives established in the Global Policies. They describe the assets, processes or activities to be protected and the prevention and control functions.
- c) Procedures** are low-level regulatory instruments, mainly developed locally to the extent that each subsidiary may deem appropriate, which describe in detail the actions and tasks to be carried out to comply with a control process. They consist, therefore, of a series of steps to be followed to ensure the correct execution of the prevention and control activities foreseen in a Protocol or Global Policy.

Uriach's internal regulation will be constantly adapted and updated by the RCC in order to integrate any improvements identified in the application of the Policies, Protocols and Procedures, as well as in the specific analysis carried out following a breach.

The RCC shall ensure that all levels of Uriach are aware of the Global Policies and internal regulations, either through publication, express acceptance, training, warnings, etc.

The Internal Audit department will periodically test the effectiveness of the Global Policies, Protocols and Procedures by checking the functioning of the controls, preparing reports, monitoring compliance indicators and investigating potential or actual breaches.

7. ROLES AND RESPONSIBILITIES

7.1. Uriach's Control Structure

7.1.1. Risk and Compliance Committee (RCC)

The RCC has criminal prevention functions and will be responsible for making the present Model effective through the implementation of the different foreseen measures.

The RCC is a collegiate body that depends hierarchically and functionally from the Board of Directors of Uriach. The members of the RCC shall meet the requirements of integrity, professionalism, autonomy, and independence and must perform the functions assigned guaranteeing the utmost diligence and seriousness.

The RCC members are expected to maintain an up-to-date knowledge of relevant legal and regulatory requirements, as well as knowledge of relevant offences applicable to Uriach and, when necessary, the RCC may also seek the assistance and support of external expertise.

a) Autonomy and independence

The Board of Directors has appointed the RCC, empowering it with autonomous powers of initiative, control and sanction, as well as the greatest possible independence to carry out its tasks. The RCC must be free from any business constraints that may impair the performance of its functions.

The RCC is provided yearly with a budget and resources which shall be sufficient in order to achieve its objectives and to perform its activity in a satisfactory manner. This budget is submitted to, and approved by, the BoD Compliance Committee.

b) Functions

The main functions of the RCC include the following:

- Identify the activities in whose scope offences could possibly be committed, through risk mapping exercises.
- Review, keep permanently updated and ensure the approval and application of the procedures for the proper functioning of the Model.
- Promote the dissemination, knowledge and compliance with the Policies and Procedures.
- Verify compliance, effectiveness and operation of the Model.
- Review the Model taking into account the situation of Uriach, with the aim of prioritising risks according to their probability and impact.
- Include new risks that could affect Uriach and/or incorporate control activities for those risks where the capacity to mitigate them is low.
- Report on the status and evolution of the Model to the BoD Compliance Committee.
- Establish the necessary tools to ensure that the actions included in the Model are recorded and registered.
- Promote constant training and awareness-raising on the prevention and control of crimes and compliance with Uriach's Code of Ethics.
- Sanction in case of infringement taking into consideration any local regulations that may apply.

7.1.2. Members of the Organisation

Insofar as compliance with the Law and the correct development of the Model is the responsibility of all Members of the Organisation. All Members of the Organisation, regardless of the position they hold, may:

- i. ensure compliance with the provisions of this Model, observing at all times an ethical conduct, and
- ii. immediately respond to any indications they may receive from the RCC in the exercise of the functions described above.

Likewise, all Members of the Organisation must immediately notify the RCC of any action to prevent or remedy the possible commission of a crime or potential crime or unethical behaviour of which they are aware and/or which is being committed without the apparent intervention of the RCC.

In addition, all areas or business units are expected to carry out risk management, internal control, compliance and attendance at training sessions on criminal compliance that are held in connection with their function or position.

In line with the above, Members of the Organisation may follow the obligations mentioned below:

- Manage and assess the current criminal risks of their corporate area.
- Communicate to the RCC any operational, sectorial or jurisdictional developments affecting their business area that may require the updating of risks and the necessary implementation of new risks or improvements.
- Execute existing control activities and, with prior communication to the RCC, propose the implementation of new control activities.
- Formalise and execute the necessary operational policies, procedures and manuals and draft new documents when it is deemed necessary, in coordination with the RCC.

7.1.3. Internal Audit

Internal Audit department is responsible for the supervision and objective assurance of the processes defined by Uriach, as well as the internal risk control and management system.

7.1.4. BoD Compliance Committee

The Board of Directors delegated Compliance & Audit Committee has a leadership role in monitoring compliance with the Model and all Uriach's compliance and internal audit issues.

To this end, its functions will include:

- Review the annual report on the actions carried out during the previous year by the RCC.
- Approve the RCC's proposed calendar of activities for the coming year together with the necessary budget for its development.

8. MAIN ELEMENTS

8.1. Risk Map

Uriach has a criminal, corporate and tax risk map which identifies the risks in Uriach's activity for each area. The risk maps are constantly updated and are drawn up in collaboration with appointed Members of the Organisation.

8.2. Action Plan

In order to mitigate each of the identified risks, action plans will be established to manage them properly.

The RCC together with each responsible department shall establish an action plan for those risks classified as High or Medium. For the definition of these action plans, the RCC may rely on the areas involved and shall detail, among other aspects, the main actions, the execution period and the persons responsible and/or persons involved in their execution.

8.3. Reporting

To ensure the effectiveness of the risk map the RCC must:

- Meet on a monthly basis with all the members of the RCC and report, at least twice a year, to the BoD Compliance Committee on the risk situation of each area and organisational unit, as well as the evolution of the action plans.
- In the event of incidents considered particularly serious, the RCC must immediately report to the RCC or to the BoD Compliance Committee.

To this end, the RCC will monitor the evolution of the risks identified and assessed in order to ensure continuous monitoring of the main risks.

8.4. Monitoring

The supervisory activity of the RCC consists of assessing the process of identifying the risks that may affect the business (taking into account the controls in place to mitigate them), implementing the action plans within the defined timeframe and periodically checking that they are working effectively.

9. COMPLIANCE CHANNEL

Uriach provides all its stakeholders with a communication channel called "Compliance Channel" which allow them to send confidential, and even anonymous, communications on possible irregular conducts or breaches that may involve the materialisation of a criminal risk.

Communications to the Compliance Channel will be made through an external platform accessible through Uriach's intranet and corporate website.

The operation of the Compliance Channel is described in the corresponding regulation available in the Compliance Channel platform.

10. NON-COMPLIANCE

All Members of the Organisation, regardless of their hierarchical level and functional location, have the obligation to comply with the principles and procedures set out in this Model, as well as the obligation to report any breach.

Consequently, when the RCC receives a complaint through the Compliance Channel, it will propose to the RCC or even the BoD Compliance Committee the disciplinary measures applicable in the territorial work area in question (for Members of the Organisation) or contractual (in commercial relations) that it considers proportional to the risk or damage caused. These measures shall not only be applied to the individuals whose conduct has caused the risk or damage, but also to the Members of the Organisation that have not followed the procedures established by Uriach.

All measures adopted will always be respectful with the applicable regulations, without losing forcefulness or proportionality with the seriousness of the events from which they arise, informing the Workers' Legal Representatives if appropriate.

11. COMMUNICATION, DISSEMINATION AND UPDATING

The Model will be reviewed periodically, unless there is a relevant change in the business (new segments or channels, strategic initiatives, etc.), as well as at the discretion of the RCC.
