

**THE
WHITE
PAPER**
CODE OF CONDUCT

**JANUARY 2022
THIRD EDITION**



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1. MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Each member of the FARMHISPANIA GROUP's team plays a crucial role for the company's success, both from a business standpoint and in terms of a commitment to ethical and responsible conduct.

This commitment is part of our corporate culture and must be reflected by the professional, ethical and responsible behaviour of each and all of the FARMHISPANIA GROUP's employees and collaborators.

It is everyone's responsibility to know, integrate and apply the ethical principles contained in this Code of Conduct in our daily work.

With the involvement of all the FARMHISPANIA GROUP's employees and collaborators, we can contribute to carrying out the company's activity in a sustainable, responsible and socially committed manner, which is the only way to achieve success.

I therefore encourage you to continue along the path we have embarked on and to incorporate the values and ethical principles defined in our strategic plan and contained in this Code of Conduct as a reference framework to guide all your actions. All of us have the duty and responsibility to act correctly and fulfil this commitment.

Yours sincerely,
[Electronic signature of Sergi Ruiz].
Sergi Ruiz
Chief Executive Officer

2. MISSION, VISION AND VALUES

The Farmhispania Group's **mission** is to develop and manufacture the highest quality, technologically advanced active ingredients for the pharmaceutical industry to supply medicines that make a difference to people's health.



CDMO



GENERIC APIs



HPAPI



FERMENTATION

The Farmhispania Group aims at being a valuable partner/supplier and a **European benchmark** for developing and manufacturing complex APIs and HPAPIs.



Our **values** define us:

RESPECT

Our working method is based on respect for the patients, the environment, our employees and their diversity, while engaging with our collaborators.



EXCELLENCE

Ongoing improvement is our way of life since we strive for excellence in all our work.



PASSION

We have a passion for achieving our goals. By taking advantage of our entrepreneurial spirit, we offer innovating and creative solutions.



COLLABORATION

Our business partners are at the very core of all we do. We fulfil our commitments and strive to adapt to our partners' changing requirements.



INTEGRITY

Trust, transparency and honesty are the basis of our relationships with internal and external collaborators.

3. INTRODUCTION: WHY DO WE NEED A CODE OF CONDUCT?

Today more than ever before, our success depends on the trust our customers place in us. The FARMHISPANIA GROUP complies with national and international laws and treaties. However, we must go even further to continue consolidating a sustainable business model. We must behave in accordance with our values by complying with the provisions in this Code of Conduct. The values defined in it convey the following to us:

- Ethical conduct in accordance with the law and the mission, vision and values of the FARMHISPANIA GROUP.
- Loyalty and responsibility towards the FARMHISPANIA GROUP and our surroundings.
- Fair, courteous and respectful treatment of our co-workers.
- Commitment to quality, professionalism, integrity, excellence and humility when performing the company's activities.
- Maximum respect for human rights.

We must continue to make the FARMHISPANIA GROUP's reputation a source for achieving a competitive edge, recognising that respect, integrity and ethical conduct are fundamental for a company such as ours to reinforce and maintain our business relationships with the aim of developing a solid company with a future.

This Code of Conduct serves as a guide for applying our values to our daily activities and for conveying these values to the main parties involved in our scope of action: Our employees, suppliers, shareholders, management, collaborators, authorities, social environment and public opinion.





4. OUR PRINCIPLES

4.1. Performing our work with integrity and ethical principles

All employees and collaborators of the FARMHISPANIA GROUP must comply with the law and observe the highest ethical principles, demonstrate social responsibility and apply good business practices when performing their work. Likewise, they must be familiar with the good business practices related to their work and must implement them.

Our employees should use good judgement and common sense in situations where the legal requirements or good business practices are not entirely clear. They should also seek advice and guidelines from their superiors when such situations arise or when they detect a potential breach of the rules or any doubtful situation that could imply a legal risk.

Remember that results are never more important than compliance with the law, this Code or the Company's rules.

You are expected to be familiar with the laws and policies related to your duties.

Under no circumstances is it permitted to infringe any law or policy nor is it allowed for anyone to advise or pressure someone to do so, even if it could improve the final result or help achieve a performance target.

4.2. Respect for our employees

The basis for prosperous and productive work is a good working environment. The FARMHISPANIA GROUP ensures there is an environment that is respectful of all its employees and free of any form of discrimination or harassment, respecting the personal dignity, privacy and personal rights of each employee. It also undertakes a commitment to ensure there is a workplace where such situations do not occur.

All employees are entitled to work in an environment free of intimidation, harassment or abuse. The FARMHISPANIA GROUP does not tolerate any type of physical or verbal conduct by any employee that could harass another, interfere with his/her work performance or create an intimidating, offensive, abusive or hostile work environment. In addition, inappropriate sexual advances, requests for sexual favours or other unwelcome verbal or physical conduct of a sexual nature are also strictly prohibited.

This commitment is reflected in the following:

- *Protocol for the Prevention and Treatment of Harassment in the Workplace.*
- *Protocol for the Prevention and Treatment of Sexual or Gender-Based Harassment.*

which are available to all our employees on the Employee Portal.

The FARMHISPANIA GROUP is proud of the diversity among its staff, which it considers an asset, and undertakes a commitment to ensure there is a working environment free of discrimination and harassment on the grounds of race, creed, politics, religion, nationality, gender, disability, sexual orientation, age or any other reason.



4.3. Respect for the patients

Our Quality Policy summarises the essential elements of our passion for excellence. Our aim is to convey trust by offering products that meet our customers' expectations and preferences, undertaking a commitment to supply products that meet the requirements and standards stipulated in international analytical compendia. Quality represents a value that goes far beyond business: It is the very essence of our activity, particularly when products used for human health are involved.

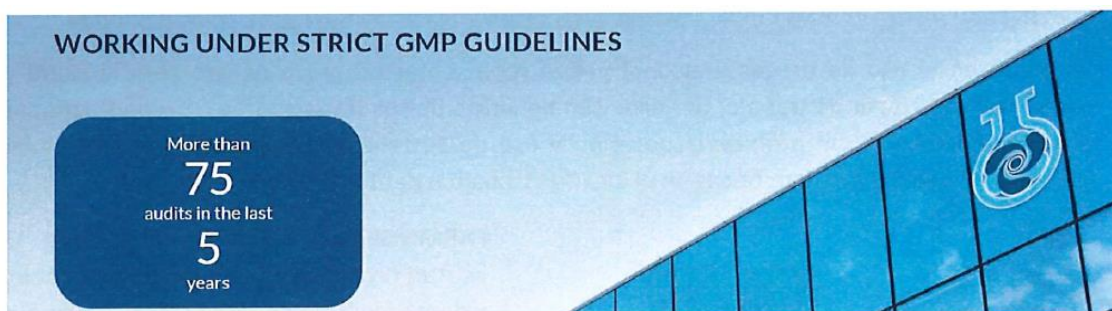
We undertake a commitment to meet all internal and external quality and regulatory requirements for the products we manufacture. The commitment to quality must be everyone's commitment.

Our products achieve the highest quality, guaranteed by our quality management systems, using the most state-of-the-art technologies to provide the safest products, applying the regulations imposed by the regulatory agencies.



We undertake a commitment to never compromise the quality, stability and safety of any product. We use all the know-how and resources we have available to minimise any potential risks and to report their existence as quickly and in as much detail as possible. Product quality is always a priority, above and beyond all economic or other interests.

In order to guarantee the quality of the production of our active ingredients, (APIs, HPAPIs), our production sites conduct regular audits and internal inspections, apart from those carried out by the competent regulatory agencies.



The FARMHISPANIA GROUP undertakes to collaborate with suppliers that meet the required quality, safety and transparency criteria. The FARMHISPANIA GROUP audits its suppliers on a regular basis to ensure that this occurs.

We aim at selecting suppliers that are willing to work in accordance with our Suppliers' Code of Conduct.



4.4. Respect for Safety, Hygiene and Environmental Protection

The FARMHISPANIA GROUP strives to protect the Environment, the Health and Safety of our employees, collaborators and the communities where we operate. The FARMHISPANIA GROUP's Environment, Health and Safety (EHS) team is responsible for setting our standards, ensuring that the company complies with all the EHS standards and policies applicable to our activities for sustainable creation of value for both the company and society.

All our employees are monitored to ensure they take responsibility for compliance with the EHS standards and policies.

The Company undertakes the following:

- To comply with all the safety rules and regulations,
- To immediately report any accident to the person or body responsible,
- To detect any weaknesses in our safety standards and suggest improvements,
- To report any infringement or unsafe working conditions to the FARMHISPANIA GROUP's management or organisation,
- To provide the necessary resources to its employees so that they are protected while performing their work,
- To constantly work on improving efficiency, performance and service regarding the use of natural resources and the environment,
- To expand our environmental protection measures and industrial safety regulations,
- To be accountable for all our products during their entire life cycle,
- To conduct our operations in an environmentally sustainable manner.

Due to these commitments, the FARMHISPANIA GROUP ensures it is informed and active regarding all safety matters, guaranteeing a clean, safe, healthy working environment, where there are no hazards that could cause accidents, emergencies, health problems or safety risks.

The abuse of drugs and alcohol can imply a serious danger to health and safety in the workplace; therefore, for the benefit of its employees and the company, the FARMHISPANIA GROUP prohibits the possession and use of illegal substances and alcoholic beverages or narcotic substances in the workplace or during working hours.



The FARMHISPANIA GROUP promotes a proactive attitude in favour of the environment and EHS measures, recognising that the best measure is prevention and ensuring there is a safety culture that reduces potential risks and accidents in all the areas of our organisation.

As recognition for its results in occupational accident prevention in 2020 by having recorded a ZERO Frequency Index.

Madrid, 9 June 2021

[Illegible signature]
 Ángel Monzón
 President



4.5. Ongoing improvement

The FARMHISPANIA GROUP promotes and invests in a state-of-the-art culture of research, innovation and ongoing improvement. We constantly review the manufacturing processes for our active ingredients, maintaining a protective attitude towards the environment and striving to reduce waste and emissions, save natural resources and, to the extent that this is compatible with the foregoing, lower costs.

Our ongoing improvement scheme is based on setting performance targets, executing implementation plans and a commitment to corrective action if any deficiencies are detected in the internal and external audits, as well as the inclusion of any new improvements that appear in the market.

4.6. Equality

The FARMHISPANIA GROUP guarantees equal opportunities for all its employees, in particular in terms of recruitment, training, remuneration, promotion and professional development, always in accordance with their knowledge and skills.

The FARMHISPANIA GROUP is committed to designing and developing policies that include equal treatment and opportunities between women and men, without directly or indirectly discriminating on the basis of gender. It also promotes and encourages measures being applied to achieve real equality within our organisation, including equal opportunities between men and women as a strategic principle of our Corporate and Human Resources Policy, in accordance with the definition of this principle in Act 3 of 22 March 2007 on effective equality between men and women.

This commitment is reflected in the [Equality Plan](#) of Farmhispania S.A., signed jointly with the workers' representatives on 16 December 2020.

4.7. Representatives

The FARMHISPANIA GROUP's workers are represented with the management by the Works Council, a body determined in the Spanish Labour Relations Act as the spokesperson for the purpose of negotiating and resolving existing problems and disputes or those that could arise in the future.

4.8. The Farmhispania Group's commitment to its employees

The FARMHISPANIA GROUP is convinced that a committed worker will have a more positive influence and will initiate a cycle of excellence in his/her work. The FARMHISPANIA GROUP's Human Resources Policies are based on sound principles designed to retain talent and offer the best place to work, as follows:



- Working to attract, motivate and retain the best professionals.
- Creating the right conditions for each employee to put their professional skills into practice and contribute to their personal growth.
- Developing a working environment in which workers can express their concerns, suggestions and opinions (suggestion box).
- Encouraging ongoing training to improve the employees' professional development according to their required needs and expectations.
- Undertaking a commitment to ensure the employees' health and safety and offering an Occupational Hazard Prevention Department that guarantees compliance with the necessary safety requirements to achieve the best working conditions.
- Developing anti-smoking initiatives for its employees through a scheme supervised by the medical department, launched in 2012.

The FARMHISPANIA GROUP's commitment to its employees is also shown by other social welfare measures that imply an improved working environment and guarantee a better quality of life, such as the following:

- A Private Health Insurance Policy: At present, all the FARMHISPANIA GROUP's employees and their immediate family members can take out a private Health Insurance Policy.
- Social Activities: The FARMHISPANIA GROUP allocates an amount of money to social activities for its workers with the aim of promoting social relationships between them all and creating a feeling that they belong to the company, thus helping to create personal bonds and promote teamwork.
- Educational Aid: The FARMHISPANIA GROUP allocates resources to subsidise part of the educational expenses incurred by its employees and their children.
- Training: Languages, duties, skills, technical training, etc.).
- Use of apartments during the summer holidays.
- Productivity Bonuses.
- Permanence Awards.
- Award for new ideas and ongoing improvement.
- Likewise, in line with the flexibility and conciliation measures, for the jobs where it is considered possible, part of the employees' hours can be worked from home. The hours in the day by working from home are regulated in an individual document between the company and the employee and in accordance with the provisions in the *Digital Disconnection in the Workplace Policy*, which is available on our Employee Portal. When working from home, it is important to highlight the importance of protecting confidential information as specified in the section *Confidential Information* of this Code of Conduct, as well as respecting the provisions in the supplementary documents to the contract called *Rules for the Use of IT Resources* and the document available to workers called *Rules for the Use of Digital Devices*.

4.9. Freedom of association and political and social activity

The FARMHISPANIA GROUP ensures there is open communication and a direct commitment with the workers and their representatives to resolve any problems and concerns that may arise in the working environment. The FARMHISPANIA GROUP respects the workers' rights, as stipulated in local, national and international laws, in terms of free association, union membership, the right to hold union elections to appoint representatives, etc. and they can openly communicate about the working conditions of their representatives with no fear of threats of reprisals, intimidation or harassment.



The FARMHISPANIA GROUP recognises its employees' right to be members, in a private capacity, in clubs, associations, political parties and other social, political or cultural institutions that pursue legally permitted objectives. However, such participation must never jeopardise fulfilment of the obligations that the collaborators have undertaken with the FARMHISPANIA GROUP nor must it have any repercussions on its reputation or image. Therefore, when collaborators express private opinions in the social, political or cultural sphere, they must not refer to their position in the FARMHISPANIA GROUP, unless expressly authorised to do so by the FARMHISPANIA GROUP.

4.10. Anti-bribery and anti-corruption

The FARMHISPANIA GROUP undertakes a commitment to transparency and accountability in its business and prohibits any form of bribery or corruption and any other form of business conduct that could create the appearance of unfair influence.

Our employees, either directly or through intermediaries, may never offer or promise an unfair personal or financial favour in order to obtain or secure business or an advantage from a third party, whether the latter is public or private. Nor should employees accept such an advantage in exchange for preferential treatment by a third party.

Our employees should be aware that offering or giving unfair benefits in order to influence the recipient's decision, even if the recipient is not a public official, may not only lead to disciplinary sanctions but may also result in criminal consequences.

This commitment is reflected in the *Anti-Bribery and Corruption Policy (ABAC)* available to all the employees on the Employee Portal.

4.11. Conflicts of interest

A conflict of interest occurs when the personal, social, economic or political interests of an employee or collaborator or the interests of a third party interfere with the company's interests. In this situation, it may be difficult for the employee to fully act in the best interests of the FARMHISPANIA GROUP.

Personal interests must never compromise the company's interests. No person or enterprise may unfairly benefit from the FARMHISPANIA GROUP through an employee or the position he/she holds. Any action by an employee to his or her own actual or potential benefit is strictly prohibited.

The rules defined in this respect are set out in the *Anti-Bribery and Corruption Policy (ABAC)* available to all the employees on the Employee Portal.

4.12. Reliability of the financial information and its disclosure

All information in the financial statements, books, records and accounts of the FARMHISPANIA GROUP reliably reflect its transactions, in accordance with legal requirements and accounting standards. This includes financial reports, transaction receipts, invoices, expense receipts, payroll and benefits records and other economic and financial data that are essential for the company.

Ensuring at all times honest conduct and complying with its obligations by accurately reflecting all the financial records in accordance with the accounting standards.



Dishonest disclosure of information, whether internally or externally, is absolutely prohibited and will be duly prosecuted and sanctioned.

The Financial Department, including the Chief Financial Officer and others performing similar duties, are responsible for the full, true, accurate, fair, strict and understandable disclosure of the information to the company's internal and official external bodies.

4.13. Asset protection

The FARMHISPANIA GROUP's employees and collaborators must respect the company's tangible and intangible assets and property, including its know-how, confidential or privileged information and computer systems and must use them properly and efficiently, protecting them from any loss, damage, misuse, theft, fraud, embezzlement or destruction.

4.14. Responsible management of confidential information

Confidential information is considered to be all information specified as such related to the FARMHISPANIA GROUP, its collaborators and employees, including personal health information, and it cannot be disclosed without the consent of the data subject and if it has not been expressly approved to be in the public domain. The FARMHISPANIA GROUP guarantees that this confidential information is only accessible by authorised staff and that the applicable personal data protection regulations are fulfilled when it is collected and processed, observing the right to privacy as stipulated in the General Data Protection Regulation (GDPR).

The FARMHISPANIA GROUP protects the confidential and personal information collected or generated by all its employees by implementing material and/or computer security measures to prevent its loss, misuse, theft, fraud, unauthorised access, disclosure or alteration.

The employees must abstain from disclosing privileged information to third parties, including their friends and family members. The FARMHISPANIA GROUP's employees who have access to personal data are expected to apply the principles of legality, loyalty and transparency when processing personal data, respecting purpose limitations as well as the principles of minimisation, accuracy, storage limitation, integrity and non-disclosure of the data and must always comply with data protection legislation when processing personal data of any type of group, as set out in the company's Privacy Policy: www.farmhispaniagroup.com/privacy-policy

Whenever information exchange is required, non-disclosure agreements must be signed with the potential recipients of such information to ensure that its use and disclosure is in accordance with the law and for legitimate purposes.



Help us protect confidential or personal information by applying the guidelines set out in the *Staff's Duties and Responsibilities* document (related to data protection), which is available to all the employees in the Human Resources library or Human Resources Department, and the following principles must be observed:

- Carefully use the electronic means of storing and sending information contained in the contractual supplementary documents *Rules for the Use of IT Resources* and in the *Rules for the Use of Digital Devices*.
- Do not disclose information to third parties, customers or suppliers, without the required authorisation and without the necessary non-disclosure agreement.
- Do not discuss confidential information in public places where you could be overheard or where unauthorised third parties could have access to it.
- Be wary of informal telephone or email requests from third parties seeking information.

The unauthorised use, disclosure or loss of confidential information must be immediately reported to the FARMHISPANIA GROUP by notifying the Data Protection Officer (dpo@fhrt.com).

Unauthorised use, disclosure, fraud, unauthorised access or alteration of the information is punishable by law and may result in personal, criminal and civil liability.

4.15. Intellectual property

The FARMHISPANIA GROUP protects its intellectual property as a fundamental asset and part of its competitive edge, including its patents, trademarks and copyrights, know-how and technical and scientific knowledge as well as the experience acquired when performing its activities. The FARMHISPANIA GROUP's employees and collaborators must ensure the protection, maintenance and defence of the company's intellectual property rights and make a reasonable and responsible use thereof.



The FARMHISPANIA GROUP also respects the intellectual property of third parties, including written materials, computer support, patents and other intellectual property rights, undertaking not to use them without the authorisation of their owner and to make reasonable use thereof, in accordance with current legislation and the agreements entered into with their owner.

4.16. Anti-trust and fair competition

The FARMHISPANIA GROUP is committed to respecting free competition to the benefit of society and all consumers. Therefore, it seeks to achieve the success of its business through the excellence and quality of its products along with its competitive edge in the market, always complying with the anti-trust laws applicable to its activity.

Due to the complexity of the anti-trust regulations, agreements with customers, suppliers or competitors that may adversely affect competition must be submitted to the Legal Department for its consideration. Such agreements include those containing exclusivity, territorial restrictions or price discrimination clauses.



The FARMHISPANIA GROUP prohibits (verbal or written) agreements with competitors aimed at agreeing on their activity on the market, including all agreements that could imply the following:

- Fixing prices or conditions of sale;
- Allocating territories or markets, customers or production shares; or
- Determining boycotts or refusals for supply or doing business with third parties.

The FARMHISPANIA GROUP also prohibits conduct that prevents effective competition from being developed and maintained, (such as market restrictions, unfair prices, price pressure, tied sales, manipulation or falsification of competitive bids).

Any communication with competitors concerning the production, sale or distribution of products, volumes, prices, wages, costs, profits, sale conditions, market shares or commercial strategies is also discouraged.

4.17. Compliance with the customs and international trade regulations

The Farmhispania Group undertakes a commitment to comply with the customs and international trade regulations. The Farmhispania Group only does business with suppliers who share its commitment to quality, service, sustainability and ethical business practices.

5. ADVICE AND REPORTING MISCONDUCT

All the Farmhispania Group's employees must comply with the provisions in this Code of Conduct and help others to do so.

If in doubt, ask yourself if it is legal, if it seems right to you, if it complies with the provisions in this Code of Conduct etc. Bear in mind that no Code of Conduct can include all the situations that are likely to imply an infringement. Use your common sense. If you finally consider that there is a possible infringement of the law, this Code of Conduct, the Farmhispania Group's internal policies or internal procedures you must report it as soon as possible to your Line Manager or Department Head, Human Resources, the Legal Department or the Works Council.

Retaliation against any employee who seeks advice, raises a concern or reports misconduct in good faith is strictly prohibited. The FARMHISPANIA GROUP will take appropriate action if an individual, regardless of his or her role in the FARMHISPANIA GROUP, retaliates against an employee who has truthfully reported a potential infringement. Likewise, appropriate measures will be taken when a company employee wilfully submits a false report.



6. INFORMATION, TRAINING AND MONITORING

The FARMHISPANIA GROUP makes every effort to inform and train all its employees and collaborators in order to avoid situations of infringement of this Code, internal regulations or national and international laws.

All the employees must sign the relevant Read Log by posting it in our document manager (ShareMe) and on the Employee Portal, which will certify that all the employees have read the Code of Conduct, it is available and accessible to them and they agree to comply with all its provisions. Failure to read the Code or sign the read log does not excuse an employee from his/her infringement of the Code of Conduct nor does it release the employee from his/her responsibility.

7. APPLICATION AND NON-COMPLIANCE

The Code of Conduct is not just another set of rules. The Code is the essential framework that must be used for performing our daily work and it is each employee's responsibility to ensure full compliance with its provisions and, if necessary, to seek assistance from their Line Manager, the Human Resources Department, Legal Department and Works Council in order to always act correctly and ensure the highest standards of integrity.

Any infringement of this Code may result in disciplinary action, including dismissal and, when appropriate, legal action or criminal sanctions.

Disciplinary measures may also be taken in the following situations:

- Authorising or taking part in an infringement,
- Failure to report an infringement or suspected infringement,
- Refusing to cooperate in the investigation of a suspected infringement in which the employee is involved, or
- Retaliating against a person who reports a suspected infringement in good faith.

The existence of this Code of Conduct does not exclude the right to file a claim, at any time, to the Labour and Social Security Inspection Department as well as in the civil, labour or criminal courts.