

# INTERNAL WHISTLEBLOWING SYSTEM POLICY<sup>1</sup>

OCTOBER 2024

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<sup>1</sup> This is an English translation of the "Política del Sistema Interno de Información". The Spanish version shall prevail over the English version in case of discrepancies.

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## 1. PURPOSE OF THE INTERNAL WHISTLEBLOWING SYSTEM POLICY

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The Company FAES FARMA, S.A. and all the companies within its group of companies (all referred to as "FAES FARMA" or "FAES Group", hereinafter), within the framework of their Corporate Compliance system and in accordance with the provisions of Law 2/2023, of 20 February, regulating the protection of persons who report regulatory and anti-corruption infringements (hereinafter, the "Whistleblower Protection Act"), have implemented an internal whistleblowing system so that any member of the FAES Group or any third party outside the Faes Group knowing or suspecting the existence of a regulatory breach can report it internally, either identified or anonymously.

The internal whistleblowing system can also be used to make queries relating to the regulations applicable to FAES FARMA.

FAES FARMA undertakes to abide by all the principles set out in Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law and in the Whistleblower Protection Act and, pursuant to these principles it approves this *Internal Whistleblowing System Policy*, the provisions of which are complementary to those set out in the *Procedure for the management, investigation and response to communications received through the internal reporting system ("GIR Procedure")*.

The purpose of this Policy is to establish the main principles of FAES FARMA's internal whistleblowing system, the rights of whistleblowers, as well as the procedure for reporting the matters referred to in the following section.

## 2. MATERIAL SCOPE

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This Policy provides the highest level of protection to those natural persons reporting any of the following:

1. Actions or omissions that may constitute an infringement of European Union law, as defined by the Whistleblower Protection Act.
2. Actions or omissions that may constitute a criminal or serious or very serious administrative offences. It includes all criminal and serious or very serious administrative offences resulting in any financial loss for the Public Treasury and the Social Security.

In addition, the internal whistleblowing system may also be used for the following purposes, although in these cases neither the whistleblower, nor the communication will benefit from the protection afforded by the Whistleblower Protection Act and this Policy:

3. The reporting of actions or omissions constituting a breach of the FAES Group's internal regulations, (as long as they do not constitute a breach of European Union law, or a criminal or serious or very serious criminal administrative offence).
4. Any query relating to the scope, compliance, and interpretation of the Corporate Compliance framework and the FAES FARMA's internal regulations.

Communications strictly relating to employment issues, the human resources policy (career development, remuneration, leave, etc.) or professional performance are excluded from the material scope of the internal whistleblowing system. These matters will be redirected, when applicable, to the Human Resources Department.

Furthermore, the internal whistleblowing system should not be used to report events that pose an immediate threat to life or property. When emergency assistance is required, the situation should be reported to the emergency services.

### 3. SUBJECT SCOPE

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This Policy applies to the directors, managers and employees of the FAES Group, and to other collaborators such as volunteers, interns, workers in training periods, candidates, former workers, and workers' representatives, as well as to any person working for or under the supervision and management of the FAES Group's contractors, subcontractors and suppliers, and to the shareholders of FAES Group.

The protection measures of this Policy shall also apply, when applicable: (i) to natural persons of the organisation in which the whistleblower provides services, who assist the whistleblower in the process of reporting; (ii) to natural persons who are related to the whistleblower and who may suffer retaliation, such as co-workers or family members; and (iii) to legal persons, for whom the whistleblower works, with whom the whistleblower has any other employment relationship, or in which the whistleblower is a significant shareholder.

In addition, FAES FARMA's internal whistleblowing system may also be used by FAES FARMA's clients who have gained knowledge or suspicion of any regulatory non-compliance. These clients will benefit from the level of protection expressly provided for in the Whistleblower Protection Act.

### 4. OBLIGATION TO REPORT NON-COMPLIANCE

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Any member of FAES FARMA or any third party that maintains professional relations with the FAES Group (in the terms set out in the previous section of this Policy) who becomes aware of any breach committed in a work or professional context may immediately report it through the internal whistleblowing system, without fear of suffering any kind of retaliation (in the case of those who are part of the FAES Group, this is an obligation).

## 5. ROLE OF THE PERSON RESPONSIBLE FOR THE INTERNAL WHISTLEBLOWING SYSTEM

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The Board of Directors has appointed the Ethics Committee to be responsible for the internal whistleblowing system. The Ethics Committee is composed of:

- Chief Executive Officer, who will act as Chairman
- Chief Finance Officer
- Chief People Officer
- Chief Internal Audit and Compliance Officer

All of them offer adequate guarantees of independence, confidentiality, data protection and secrecy of communications.

The aforementioned body has decided to delegate to the Chief Internal Audit and Compliance Officer the specific powers to manage the internal whistleblowing system and to process the information files.

## 6. INTERNAL WHISTLEBLOWING CHANNELS

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FAES FARMA has set up a confidential and secured internal whistleblowing channel that complies with the requirements of the strictest regulations on the protection of whistleblowers and personal data. This channel is managed through the EQS INTEGRITY LINE platform and is accessible through:

- FAES FARMA's corporate website: <https://faesfarma.com/sobre-faes-farma/canal-de-denuncias/>
- The corporate intranet: <https://intranet.grupofaes.com/canal-de-denuncias>

In addition, the whistleblower may request the system administrator to hold a face-to-face meeting to verbally provide the information, which must be held within the seven days following the request. The face-to-face meeting must be duly documented in one of the following ways:

- By means of a recording of the conversation in a secure, durable, and accessible format - after informing the whistleblower that the communication will be recorded, informing him/her of the processing of his/her personal data in accordance with the applicable laws -, or
- Through a complete and accurate transcript of the conversation made by the staff responsible for handling the conversation. The whistleblower will be able to check, rectify, and agree by signing the transcript of the conversation via the EQS INTEGRITY LINE platform.

Likewise, communications may be made anonymously and non-anonymously.

When possible, the communications should contain the following aspects:

- i. Name(s) and surname(s) of the person(s) concerned by the communication.
- ii. Date of the event and all other available information about the event.
- iii. Any documents or other available means of evidence proving the facts and/or conducts that are the subject of the communication.

Without prejudice of the abovementioned, any formal communication made by a judicial body or a public administration shall be considered a valid means of gaining knowledge of a non-compliance event.

In the event of incompatibility or conflict of interest, namely, if the person to which the reported facts relate is a member of the body responsible for the internal whistleblowing system, the whistleblower may send the communication to the attention of any of the other members of the body responsible for the system. For these cases, Faes Farma assures that the person affected by the reported facts will be excluded from the investigation process and any decision on the matter.

## 7. EXTERNAL WHISTLEBLOWING CHANNEL AND PUBLIC DISCLOSURE

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The internal whistleblowing channel is the default channel for reporting actions and omissions constituting an infringement of European Union rights, and criminal or serious or very serious administrative offences. Without prejudice of the abovementioned, any natural person may report directly to the external whistleblowing channel of the Spanish Independent Authority for the Protection of Whistleblowers -and the competent regional authority, where applicable-.

The public disclosure or making available to the public of information on actions or omissions falling within the scope of this Policy, will provide protection to the whistleblower, provided that he/she has made the communication first through internal or external channels, or directly through external channels, without appropriate action having been taken in this respect within the established timeframe, and provided that the requirements set out in the following section are also met.

## 8. WHISTLEBLOWER PROTECTION

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Whistleblowers shall be afforded all the protective rights provided for in this Policy and the *GIR Procedure* provided that:

- Have reasonable grounds to believe that the information communicated to FAES FARMA is truthful at the time of the communication and falls within the material scope of this Policy.
- Have made the communication or disclosure in accordance with the requirements established for this purpose by FAES FARMA and this Policy.

Individuals who have communicated or publicly disclosed information about actions or omissions covered by this Policy anonymously, but who have subsequently been identified and meet the conditions set out in this section, are entitled to protection as provided for in this Policy.

Individuals reporting before the relevant institutions, bodies, offices, or agencies of the European Union on infringements falling within the scope of Directive (EU) 2019/1937 shall be entitled to protection in accordance with the provisions of this Policy.

On the other hand, persons who communicate or disclose any of the data below will not enjoy the protection provided for in this Policy:

1. Information about communications declared inadmissible for any of the following reasons:
  - a. The facts reported lack from credibility.
  - b. The facts reported do not constitute an infringement of the laws falling within the scope of the Policy.
  - c. The communication is manifestly unfounded or when, in the opinion of the person responsible for the system, there are reasonable indications that it was obtained through the commission of an offence. In the latter case, in addition to the inadmissibility, the Public Prosecutor's Office will be informed about such a possible offence.
  - d. The communication does not contain significant new information about infringements which were subject to a previous communication in respect of which the relevant proceedings have been completed, unless there are new factual or legal circumstances which justify a different approach in the investigation. In such cases, the system administrator shall notify the decision in a reasoned manner.

2. Information linked to complaints about interpersonal conflicts or involving only the whistleblower and the persons to whom the communication or disclosure relates.
3. Information which is already fully available to the public or which constitutes mere rumours.
4. Information relating to actions or omissions outside the material scope of this Policy.

The rejection of the communication made through the authorised channels will be communicated to the whistleblower, unless the communication was made anonymously or the whistleblower had waived to receive communications relating to the procedure.

## 9. PROHIBITION OF RETALIATION

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FAES FARMA will take all necessary measures to prohibit any retaliation act, including any retaliation threat and attempt, against whistleblowers.

Retaliation means any acts or omissions that are prohibited by law, or that directly or indirectly involve unfavourable treatment solely because of their status as whistleblowers, or because they have made a public disclosure. The following are examples of retaliation acts:

1. Suspension of the employment contract, dismissal, or termination of the employment or statutory relationship.
2. Early termination or cancellation of contracts for goods or services.
3. Imposition of any disciplinary measure, demotion, or denial of promotion, and any other substantial modification of working conditions.
4. Failure to convert a temporary employment contract into a permanent one, if the worker had legitimate expectations that he/she would be offered a permanent job.
5. Damage, including reputational damage, or economic loss, coercion, intimidation, harassment or ostracism.
6. Negative evaluation or references regarding work or professional performance.
7. Blacklisting or dissemination of information in a particular sectoral area, which hinders or prevents access to employment or the contracting of works or services.
8. Refusal or revocation of a licence or permit.
9. Refusal of training.



10. Discrimination, or unfavourable or unfair treatment.

The measures set out in paragraphs 1 to 4 above shall not be considered retaliation when carried out within the regular exercise of management power under labour legislation, due to circumstances, facts or proven infringements that are unrelated to the submission of the communication.

Likewise, it is made known that any actions aimed at preventing or hindering the submission of communications and disclosures, as well as those that constitute retaliation or cause discrimination following the submission of such communications and disclosures, shall be null and void and shall give rise, where appropriate, to corrective disciplinary or liability measures, which may include the corresponding compensation for damages to the injured party.

In addition, whistleblowers will be able to access, as appropriate, the support measures provided in Spain by the Independent Authority for the Protection of Whistleblowers and/or independent autonomous body.

## 10. PROTECTION AGAINST RETALIATION

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FAES Group will take all necessary measures to ensure that whistleblowers are protected against retaliation. The main protection measures provided for in both Directive (EU) 2019/1937 and the Whistleblower Protection Act are set out below:

1. Persons who communicate information about the actions or omissions set out in paragraph 2(1) and 2(2) of this Policy or who make a public disclosure shall not be deemed to have violated any restriction on disclosure of information, and shall not incur any liability of any kind in connection with such communication or public disclosure, provided that they had reasonable grounds to believe that the communication or public disclosure of such information was necessary to flag an action or omission under this Policy. This measure shall not affect criminal liability.

The provisions of the preceding paragraph extend to the communication of information made by employee representatives, even if they are subject to legal obligations of confidentiality or not to disclose confidential information. This is without prejudice to the specific rules of protection applicable in accordance with labour legislation.

2. Whistleblowers shall not incur liability in respect of the acquisition of or access to information that is publicly communicated or disclosed, provided that such acquisition or access does not constitute a criminal offence.

3. Any other potential liability of whistleblowers arising from acts or omissions that are not related to the communication or public disclosure, or not necessary to disclose a breach, will be enforceable under applicable law.
4. In proceedings before a court or other authority concerning harm suffered by whistleblowers, once the whistleblower has reasonably established that he or she has communicated or made a public disclosure and that he or she has suffered harm, it shall be presumed that the harm occurred in retaliation for reporting or making a public disclosure. In such cases, it shall be for the person who has taken the detrimental action to prove that such action was based on duly justified reasons not linked to the communication or public disclosure.
5. In legal proceedings, including those involving defamation, copyright infringement, breach of secrecy, breach of data protection laws, disclosure of trade secrets, or claims for damages based on employment or statutory law, persons making a communication in accordance with this Policy shall not incur any liability of any kind as a result of protected communications or public disclosures. Such persons shall have the right to assert in their defence in such legal proceedings that they have communicated or made a public disclosure, provided that they had reasonable grounds to believe that the communication or public disclosure was necessary to expose a breach.

## 11. PROTECTION MEASURES FOR THE PERSONS CONCERNED BY THE COMMUNICATION

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FAES FARMA will guarantee that the persons concerned by the communication are heard within the framework of the internal investigation, have the right to the presumption of innocence, the right to defence and the right of access to the file under the terms regulated in the legislation in force.

Likewise, the identity of the person to whom the reported offence relates shall be protected and treated as confidential, as shall the facts that are the subject of the report, in the same way as the identity of the whistleblower himself, subject to such exceptions as may be necessary to ensure the proper conduct of the investigation or any communication to the competent authorities.

## 12. SANCTIONS

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The sanctions that may be imposed in each case shall be those provided for in the Workers' Statute, in the applicable Collective Bargaining Agreement, or in the applicable labour legislation and shall be graduated according to the seriousness of the acts committed, and may take into consideration circumstances such as the damage or harm caused, the

circumstances of the victims, if any, etc. In addition to disciplinary measures, other measures may also be taken, including appropriate complaints or the reporting of the facts to the appropriate administrative, police or judicial authorities.

In addition to possible labour discipline violations and sanctions, the Independent Authority for the Protection of Whistleblowers can impose fines of up to 300,000 euros for conduct such as:

1. Prevent or attempt to prevent communications from being made or frustrate or attempt to frustrate their monitoring.
2. Take retaliatory measures against whistleblowers.
3. Promote abusive procedures against whistleblowers.
4. Breach their duty of confidentiality regarding the identity of the whistleblower or persons involved in the communication, as well as their duty of secrecy regarding any information relating to the communication.
5. Knowingly communicate or publicly disclose information that is false.

## 13. CONFIDENTIALITY

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FAES FARMA ensures the confidentiality of the whistleblower's identity and that of any third party mentioned in the communication, and of the actions carried out in relation to the communication, as well as the protection of personal data, preventing access by unauthorised personnel.

By virtue of the above, access to the communication's data is only allowed to those members specifically authorised by FAES FARMA to receive, monitor or resolve the communications, as well as to those third parties (for example, a judicial authority, the Public Prosecutor's Office, or the competent administrative authority) when it is necessary and proportionate for FAES FARMA to comply with an obligation imposed by applicable regulations, in the context of an investigation carried out by the national authorities, within the framework of a judicial process, or, in particular, when the disclosure is intended to safeguard the right of defence of the person concerned.

Except in the cases foreseen, FAES FARMA guarantees that no unauthorised person will know the identity of the whistleblower or any other information allowing to infer directly or indirectly his/her identity. In particular, FAES FARMA guarantees that the person concerned by the facts reported will not be informed of the identity of the whistleblower or, where appropriate, of the person who has made the public disclosure.

Likewise, FAES FARMA will ensure that the confidentiality of the information and facts provided is safeguarded even when the communication is sent through other designed

channels or to staff members not responsible for its processing. To this end, FAES FARMA has adequately trained its personnel in this matter and has warned of the infringements due to breach of the duty of confidentiality and has also established the obligation of the recipient of the communication to immediately send it to the person responsible for the system.

In compliance with all of the above, FAES FARMA has implemented technical and organisational measures in its internal channels to preserve the identity and guarantee the confidentiality of the data of the persons concerned and to any third party mentioned in the information provided, especially the identity of the informant in the event that he/she has been identified.

In relation to the persons affected by the communication, the FAES Group guarantees that during the processing of the file, these persons will be entitled to the same protection established for whistleblowers, preserving their identity and guaranteeing the confidentiality of the facts and data of the procedure.

On the other hand, those who receive public disclosures have the same obligations as described above and, in no case, shall obtain data that allow the identification of the informant and must have appropriate technical and organisational measures in place.

Disclosures made under this paragraph shall be subject to safeguards laid down in the applicable rules and, in particular, the informant shall be informed before his or her identity is revealed, unless such information could jeopardise the investigation or judicial proceedings. Where the competent authority so informs the informant, it shall send him or her a written statement explaining the reasons for the disclosure of the confidential data concerned.

In any case, FAES FARMA will ensure that the competent authorities that receive information on infringements that include trade secrets do not use or disclose them for purposes that go beyond what is necessary for the correct monitoring of the proceedings.

## 14. DATA PROTECTION

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The personal data processed in the execution of this Policy, including the exchange or communication of personal data with the competent authorities, will be processed by FAES FARMA, S.A., with registered offices at Avda. Autonomía 10, 48940 Leioa (Vizcaya), and, where appropriate, by the subsidiary of FAES FARMA, S.A. of which it forms part, as joint controllers of the processing in accordance with the provisions of the regulations on personal data protection (the "**Joint Controllers**").

FAES FARMA has appointed a Data Protection Officer who can be contacted by interested parties at [rgpd@faesfarma.com](mailto:rgpd@faesfarma.com).

Personal data provided through the internal system will be processed for the purpose of receiving and analysing the reported actions or omissions and, where appropriate, deciding whether to initiate an investigation into the reported facts. In addition, certain information may be processed to provide evidence of the operation of the system. In the latter case, the FAES Group guarantees that the information stored as evidence will be anonymised.

In the event of receiving information that is not necessary for the processing and investigation of the actions or omissions referred to in the second section of this Policy, the Joint Controllers shall immediately delete it. Likewise, any personal data that may have been communicated and that refer to any conduct that is not included in the scope of application of the Whistleblower Protection Act and of this Policy shall be deleted, as well as any information or part thereof that is proven to be untruthful, unless such untruthfulness may constitute a criminal offence.

Joint Controllers shall process personal data provided by the data subject in compliance with a legal obligation, in particular in compliance with the Whistleblower Protection Act. In addition, the processing of sensitive data may be processed by the controller for reasons of essential public interest in accordance with Article 9(2)(g) of Regulation (EU) 2016/679.

Personal data collected through internal channels shall be kept in accordance with the provisions of the applicable legislation. Specifically, these data shall be kept exclusively for the time necessary to decide whether to initiate an investigation into the reported facts, which, in any case, may not last for more than three months from the date of receipt of the communication. However, should it be necessary to process the personal data for a longer period in order to continue the investigation or, where appropriate, because it is considered necessary to initiate the appropriate legal actions, the data will be kept, in an environment other than the internal channels, for as long as necessary to conclude the investigation or for the exercise of the corresponding actions by FAES FARMA.

In order to fulfil the purposes described above, the Joint Controllers may provide access to personal data to:

1. Third-party service providers, such as consultants and external collaborators who provide support in the management or, where appropriate, investigation of communications received through internal channels.
2. Those areas or departments relevant to the handling of the report and, where appropriate, to the investigation and possible action to be taken with respect to the reported conduct if and when necessary.
3. Likewise, personal data may be transferred to the Judges and Courts, to the Public Prosecutor's Office, as well as to the competent Public Administrations as a result of the investigation that may be launched.

In relation to the above, the Joint Controllers inform data subjects that, as the person responsible for the internal information system is located in Spain and therefore the

information provided through the internal information channel reaches that country, their personal data may be transferred to third countries located outside the European Economic Area where the subsidiary of the FAES FARMA Group to which the data subject belongs is located in order to forward the information collected in the ethical channels to the subsidiaries where the reported events have taken place. In these cases, the Joint Controllers will adopt the appropriate safeguards to provide appropriate protection for the personal data. If the interested party has any doubts or wishes to obtain more information on the international transfers of their data, they may contact FAES FARMA at the following address: [rgpd@faesfarma.com](mailto:rgpd@faesfarma.com).

On the other hand, the data subject is informed that, under the conditions established in the applicable regulations, he/she may exercise the rights recognised in the data protection regulations by sending, for the attention of the Data Protection Delegate, an ordinary letter to the registered office or an e-mail to the following address: [rgpd@faesfarma.com](mailto:rgpd@faesfarma.com).

However, FAES FARMA informs that, in the event that the person to whom the facts related in the communication or to whom the public disclosure refers exercises the right of opposition, it will be presumed that, unless there is proof to the contrary, there are compelling legitimate interests that legitimise the processing of their personal data.

Without prejudice to the rights that correspond to the whistleblower, in accordance with data protection regulations, in the event of having made the communication verbally, FAES FARMA offers the opportunity to check, rectify and accept by signing the transcription of the conversation through the EQS INTEGRITY LINE platform.

Data subjects also have the right to lodge a complaint with the Spanish Data Protection Agency ([www.aepd.es](http://www.aepd.es)).

The system administrator shall regularly review the proper functioning of the internal information system and the provisions of this Policy.

## 15. BASIC PRINCIPLES OF THE GIR PROCEDURE

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The *GIR Procedure* is governed by the following principles, which shall be observed during the processing of any file:

- **Confidentiality:** The *GIR Procedure* shall ensure the confidentiality of the identity of the whistleblower, of any third party mentioned in the report and of the data relating to the incident reported, except for communication to the judicial authority, the Public Prosecutor's Office or the competent administrative authority in the context of a criminal, disciplinary or disciplinary investigation.
- **Impartiality:** The person responsible for the system must be governed in all cases by the principle of impartiality, giving homogeneous treatment to all

communications, regardless of the persons involved and avoiding any type of conflict of interest.

- **Independence of the person in charge of the system:** The person in charge of the system shall enjoy full independence and autonomy to agree on the practice of the proceedings he/she deems necessary to clarify the facts reported, pursuing in all cases the search for the truth.
- **Documentation:** Each communication will result in a file, in which the system administrator will include detailed documentation of the entire investigation procedure.
- **Good faith:** The provisions of the *GIR Procedure* and this Policy shall be interpreted in accordance with the principles and requirements of good faith.

## 16. REGISTER OF COMMUNICATIONS

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FAES FARMA will keep a record of all communications and queries it may receive through the internal information system, compiled in the so-called "log-book", complying at all times with the confidentiality requirements established, and for the time strictly necessary and proportionate to comply with the legal and regulatory requirements of the European Union.

## ANNEX I. APPROVAL AND AMENDMENTS

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<b>Version number</b>	2
<b>Responsible</b>	Responsible for the system
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