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CORPORATE POLICY ON ANTI-MONEY LAUNDERING AND COUNTERING THE FINANCING OF TERRORISM

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01. PURPOSE

This Corporate Policy on Anti-Money Laundering and Countering the Financing of Terrorism aims to establish an adequate control system to prevent any customer or supplier from attempting to use Ferrer's structure for money laundering transactions.

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02. SCOPE OF APPLICATION

Subjective scope and territories

The Policy applies directly to the entire Ferrer Group, meaning companies over which Ferrer exercises effective control or in which it has a majority stake and/or voting rights. Therefore, it shall govern the actions of all members of the different executive and governing bodies, management and/or employees, irrespective of their seniority, role and geographical area.

Objective scope

Applicable Persons must comply with and promote compliance with the principles contained in this Policy internally and externally to ensure that no third party uses Ferrer Group or any of its companies for money laundering purposes.

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03. DEFINITIONS (1_3)

Money laundering any of the following activities is considered money laundering:

a) **The conversion or transfer of property**, knowing that such property is derived from criminal activity or from an act of participation in such activity, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in the commission of such an activity to evade the legal consequences of that person's action.

b) **The concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of, property**, knowing that such property is derived from criminal activity or from an act of participation in such an activity.

c) **The acquisition, possession or use of property**, knowing, at the time of receipt, that such property was derived from criminal activity or from an act of participation in such an activity.

d) **Participation in, association to commit**, attempts to commit and aiding, abetting, facilitating and counselling the commission of any of the actions referred to above.

Money laundering shall be regarded as such even where the activities which generated the property to be laundered were carried out in the territory of another State.

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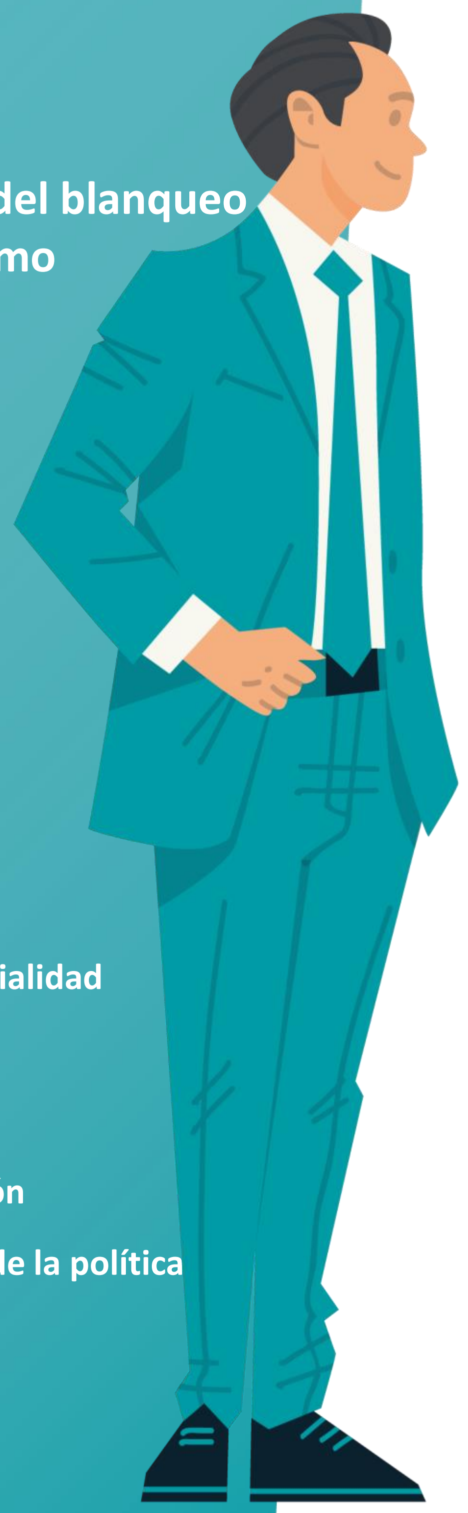

03. DEFINITIONS (2_3)

Property derived from criminal activity: any type of asset the acquisition or possession of which has its origin in a crime, whether corporeal or incorporeal, movable or immovable, tangible or intangible, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or an interest in, such assets, including the defrauded share in the case of crimes against the Public Treasury.

Financing of terrorism: the provision, deposit, distribution or collection of funds, by any means, directly or indirectly, with the intention that they be used or in the knowledge that they are to be used, in full or in part, in order to carry out any of the terrorist offences defined in the AML and CFT Policies.

The financing of terrorism shall be deemed to exist even if the provision or collection of funds or property took place in the territory of another State.

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03. DEFINITIONS (3_3)

Suspicious transactions those transactions that:

a) are complex, unusual and/or do not fit normal transaction patterns or, while not significant, are registered periodically and without a justifiable economic or legal basis;

b) by their nature or volume do not match the asset or liability transactions of third parties based on their activity or transaction background;

c) for no apparent reason are paid in cash deposits by a large number of people or where multiple cash deposits are made by the same person;

d) consist of a plurality of transfers made by several payers to the same beneficiary or by a single payer to several beneficiaries without there being any discernible business relationship between the parties;

e) are movements to or from territories or countries of risk;

f) are transfers which do not indicate the identity of the payer or the origin;

g) are with agents that, due to their nature, volume, amount, geographical area or other characteristics of the transaction, differ significantly from those usual or ordinary either in the sector or for the reporting party.

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04. PRINCIPLES

In accordance with current legislation, Ferrer undertakes to comply with the following principles regarding money laundering:

- Establish control measures that prevent Ferrer from being used for money laundering purposes. These measures will be formulated and developed through its policies and procedures.
- Establish and verify the identity of persons receiving or contributing funds free of charge.
- Apply procedures to ensure that counterparties are known, including their professional background and that they are fit and proper persons.
- Implement procedures to ensure the suitability of members of governing bodies and other positions of responsibility.
- Apply controls to the execution of the company's activity and the destination of services, products and/or funds.
- Notify any suspicious transactions to the competent bodies.
- Collaborate with the competent bodies in the area of AML and CFT.
- Maintain confidentiality and refrain from carrying out suspicious transactions.
- Provide adequate training to staff in this area.
- Keep the relevant documentation for a minimum period of 10 years.

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05. ANTI-MONEY LAUNDERING

The threat posed by money laundering and the financing of terrorism has led most countries to establish a dual course of action to combat them:

- **The sanctioning route,** whether in administrative or criminal proceedings, aimed at criminalising and punishing money laundering and the financing of terrorism.
- **The preventive route**, aimed at hindering or preventing such criminal activities by establishing a series of obligations and measures in various sectors of activity used by money launderers or terrorists.

From this preventive point of view, a series of obligations are imposed on certain natural and legal persons (called reporting parties) whose activity is liable to be used for money laundering or the financing of terrorism.

Ferrer recognises the huge importance of combating money laundering and the financing of terrorism. Therefore, **Ferrer is committed to working closely with the competent authorities, adopting adequate and effective control mechanisms to prevent this activity.**

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06. DETECTION OF MONEY LAUNDERING

The money-laundering process tends to complicate the tracing of transactions, making the origin and ownership of capital ambiguous, mixing illegal money with legitimate financial transactions. It usually involves three phases:

- **First phase – Placement:** money from illegal activities is brought into financial circulation or transformed through the purchase, usually in cash, of luxury goods.
- **Second phase – Concealment**: illicit funds are separated from their origin. This phase consists of carrying out a series of financial transactions, of varying degrees of complexity, which separate the money from its origin in order to prevent and make it complicated for the competent authorities to trace the transaction.
- **Third phase – Incorporation:** the money is finally incorporated into the money launderer's assets, appearing to come from a legal source.

Ferrer will implement measures and controls that prevent and/or detect any suspicious transaction during any of these phases and will act accordingly, preventing Ferrer from being used for money laundering or terrorist financing.

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07. DUE DILIGENCE MEASURES

Ferrer will put in place due diligence measures to prevent and detect any suspicious transactions. These comprise the following:

- **Identification of third parties**: when a new contractual relationship or transaction begins, Ferrer will verify the identity of the third parties.
- **Identification of the activity carried out by the third party**: when establishing relations with third parties, Ferrer will collect information in order to find out the kind of professional or business activity conducted by the third party.
- **Third party identification register:** Ferrer will prepare a register with the identity of third parties that will be available to the competent bodies.

Ferrer will verify the veracity of information obtained from third parties through other sources, such as contracting external databases, public records, and audits.

The competent departments are Credit Management, Accounts Payable/Procurement and Ethics & Compliance. Each will duly determine as it sees fit the documents to be collected from each third party and the relevant due diligence measures as well as the risk-mitigation controls. These controls will be set out in different procedures.

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08. RISK PROFILES (1_6)

Based on the information obtained from the third party, Ferrer will assess whether to establish a relationship with that party, taking into account its risk profile.
There are four risk profiles:

- **Low risk profile**: the third party poses no risk or an extremely small one. Ferrer may establish a relationship with it.
- **Medium risk profile**: the third party poses a risk, and therefore Ferrer will study whether to establish a relationship with it and/or to implement controls and measures to mitigate the risks detected.
- **High risk profile**: the third party poses a considerable risk, and therefore Ferrer will not establish a relationship with it unless it previously implements controls and measures to mitigate the risks and carries out a prior assessment of these.
- **Abstention profile**: due to the third-party's circumstances, Ferrer may not establish a relationship with it under any circumstances.

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08. RISK PROFILES (2_6)

In the case of potential customers **with Medium and High risk profiles, prior authorisation from the** director of Customer Service & Credit Management will always be required to establish the business relationship or continue with the execution of the transaction.

In the case of potential suppliers **with Medium and High risk profiles, prior authorisation from the** director of Finance will always be required to establish the business relationship or continue with the execution of the transaction.

In the event of disagreement, the matter will be referred to the CFO for final decision after the requesting unit has submitted a detailed report.

In the case of **Abstention profiles, no relationship with the third party will be established and any pre-existing one will be terminated with immediate effect,** and an assessment made about whether to report the situation to the competent bodies.

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08. RISK PROFILES (3_6)

Low risk profile in the context of anti-money laundering and countering the financing of terrorism.

When third parties have their domicile, nationality or their funds in on of the following countries:

- Spain and/or other countries of the European Union, except Luxembourg, The Netherlands, Ireland and the eastern European countries bordering Russia.
- Norway.
- United States: all states except Delaware, Nevada and Wyoming.
- Canada, Australia and South Korea.

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08. RISK PROFILES (4_6)

Medium risk profile in the context of anti-money laundering and countering the financing of terrorism.

The presence of any of the following circumstances will be indicators of this profile:

- Third parties not from the countries mentioned in the previous section (Low risk profile) and whose transactions are expected to involve large amounts of money.
- Third parties who handle large amounts of cash, banknotes, bearer checks or other anonymous instruments.
- Third parties who only request or offer cash payments of large amounts.
- Third parties offering or requesting donations.
- Third parties whose transactions foresee agreeing prices significantly lower than usual in the market.
- Third parties offering excessive commissions or discounts.
- Third parties using unusual or complex legal mechanisms for no clear economic reason.
- Third parties who are part of a newly created company or corporate group or whose background is not transparent.

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08. RISK PROFILES (5_6)

High risk profile in the context of anti-money laundering and countering the financing of terrorism.

The presence of any of the following circumstances will be indicators of this profile:

- Third parties who refuse to identify themselves, to provide the required information, or to collaborate in the identification and investigation process, or obstruct the identification or investigation.
- Third parties who provide incomplete or inaccurate information or withhold information.
- Companies or corporate groups that lack resources and/or structure.
- Third parties where there are reasons to believe that they are acting on someone else's behalf and are trying to hide the identity of the real customer.
- Persons involved in the production or distribution of prohibited products.
- Third parties with a criminal record or linked to persons convicted of money laundering.
- Third parties operating with bank accounts not held in their name or who make payments via international transfer without the identity of the payer or the number of the account of origin, or by cheque endorsement from a third party.
- Third parties who are nationals of or domiciled in the countries or territories considered jurisdictions of risk or third parties who operate with bank accounts located in those territories.
- Third parties who are nationals of or domiciled in countries or territories considered to be tax havens or third parties who operate with bank accounts located in those territories.
- Third parties who hire other third parties to perform tasks or operations that they can perform themselves or that do not require any special knowledge or skills.

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08. RISK PROFILES (6_6)

Abstention profile in the context of anti-money laundering and countering the financing of terrorism.

The presence of any of the following circumstances will be indicators of this profile:

- Third parties who do not carry out their stated profession or activity.
- Third parties who provide or present false documentation or that differs considerably from the information detected.
- Third parties whose data cannot be found out or, in the case it is provided, is impossible to check.
- Convicted or known offenders or persons related to criminal or terrorist groups or organisations.
- Third parties with known links to money laundering.

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09. EXTERNAL AND INTERNAL MONEY LAUNDERING SUPERVISORY BODIES

There are **external** bodies to whom activity in or violations of Anti-Money Laundering and Terrorism regulations must be reported. **Each country shall report to its external control bodies.**

Internally at Ferrer, **Credit Management** for customers and **Accounts Payable** for suppliers will be the departments **responsible for establishing the relevant controls and ensuring their compliance.**

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10. REPORTING AND CONFIDENTIALITY OBLIGATIONS (1_3)

Notification of suspicious transactions

Applicable Persons must immediately inform the director of Customer Service & Credit Management in the case of customers or the director of Finance in the case of suppliers **if they detect a suspicious transaction** or fact in connection with a given transaction or those involved in it, such that the transaction may pose a risk of being related to money laundering or terrorist financing.

The notification must be made in **writing by email**, identifying the transaction, those involved and the grounds for suspicion.

The director of Customer Service & Credit Management in the case of customers or director of Finance in the case of suppliers will be responsible for assessing the risk that an indicator of money laundering is at issue and halt or authorise the transaction, as the case may be.

If it is considered that there are grounds for suspecting that money laundering is being carried out, **an inquiry will be opened** and include the details of the third party, the intended transaction, the parties and the grounds for suspicion. The department that made the notification will be informed within a maximum period of 72 hours about the steps to be taken in the inquiry and its conclusions.

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10. REPORTING AND CONFIDENTIALITY OBLIGATIONS (2_3)

Notification of suspicious transactions to the competent bodies.

The director of Customer Service & Credit Management will maintain the necessary communication with the competent body and follow up on any money laundering inquiries.

The director of Customer Service & Credit Management will set out their conclusions as to whether or not the transaction should be notified to the competent body. In addition, they **will report to the Ethics, Compliance and Audit Advisory Board**.

Ferrer undertakes to notify the authorities responsible for money laundering of any act or transaction for which there is any indication or certainty that it is related to money laundering or the financing of terrorism.

10. REPORTING AND CONFIDENTIALITY OBLIGATIONS (3_3)

Confidentiality

In the event that a money laundering inquiry is opened by the director of Customer Service & Credit Management in the case of customers or director of Finance in the case of suppliers, or such a possibility is being considered, **it is prohibited to inform the potential counterparty of the reasons for delaying the transaction or withdrawing from it.** In particular, the counterparty in question may not be informed that a money laundering inquiry has been opened because it is considered a third party "of risk" liable of being notified to the competent authorities.

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11. RULES ON SANCTIONS

Current anti-money laundering legislation **establishes a severe penalty system** in the event of failure to comply with the legal obligations, **imposing significant sanctions both on companies and those in management positions.**

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12. DOCUMENT CUSTODY AND RECORD-KEEPING

The forms and other documents that are generated as a result of the application of this policy **will be filed and kept** by the **Customer Service & Credit Management** department in the case of customers and by the **Accounts Payable** department in the case of suppliers.

The **documentation will be kept** in the information systems **for 10 years or longer**, whenever necessary and proportionate, for the purpose of complying with the applicable legislation and regulations, in accordance with Ferrer's document-keeping policies.

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13. COMMUNICATION, AWARENESS AND TRAINING

Credit Management will ensure that **everyone at Ferrer receives the Policy** and is informed of any changes to it and that **appropriate training on it is carried out.**

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14. CONTINUOUS IMPROVEMENT: POLICY APPROVAL AND REVIEW

This Policy will be subject to continuous review and improvement, especially as required by corporate, organisational, regulatory or any other kind of circumstance. In any case, it will be reviewed annually as a matter of course and updated where necessary.

This Policy has been approved by Ferrer's CEO and Chief Financial & Corporate Services Officer on **1 October 2021** and made available to the Applicable Persons for mandatory compliance. Failure to comply with this Policy may result in disciplinary action.

Signed by:

Mario Rovirosa CEO	David Ferrer CFO

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Version control

Version	Changes made
0.1	First version (01.06.2018)
0.2	Second version (01.10.2021)

Departments/governing bodies involved

	Department/GB	Entity	Date
Prepared by	Credit Management	Grupo Ferrer Internacional,S.A.	01 / 08 / 2021
Approved by	CEO + Chief Financial & Corporate SS Officer	Grupo Ferrer Internacional,S.A.	01 / 10 / 2021

Relevant information

Scope (global/local)	Global
Related policies	Code of Ethics ABAC Policy Credit Management Policy Sustainable Purchasing Policy Business Partners Due Diligence Policy Trade Controls Policy Collection and payment Policy
Department with main monitoring responsibility	Credit Management Department
	Accounts Payable Department

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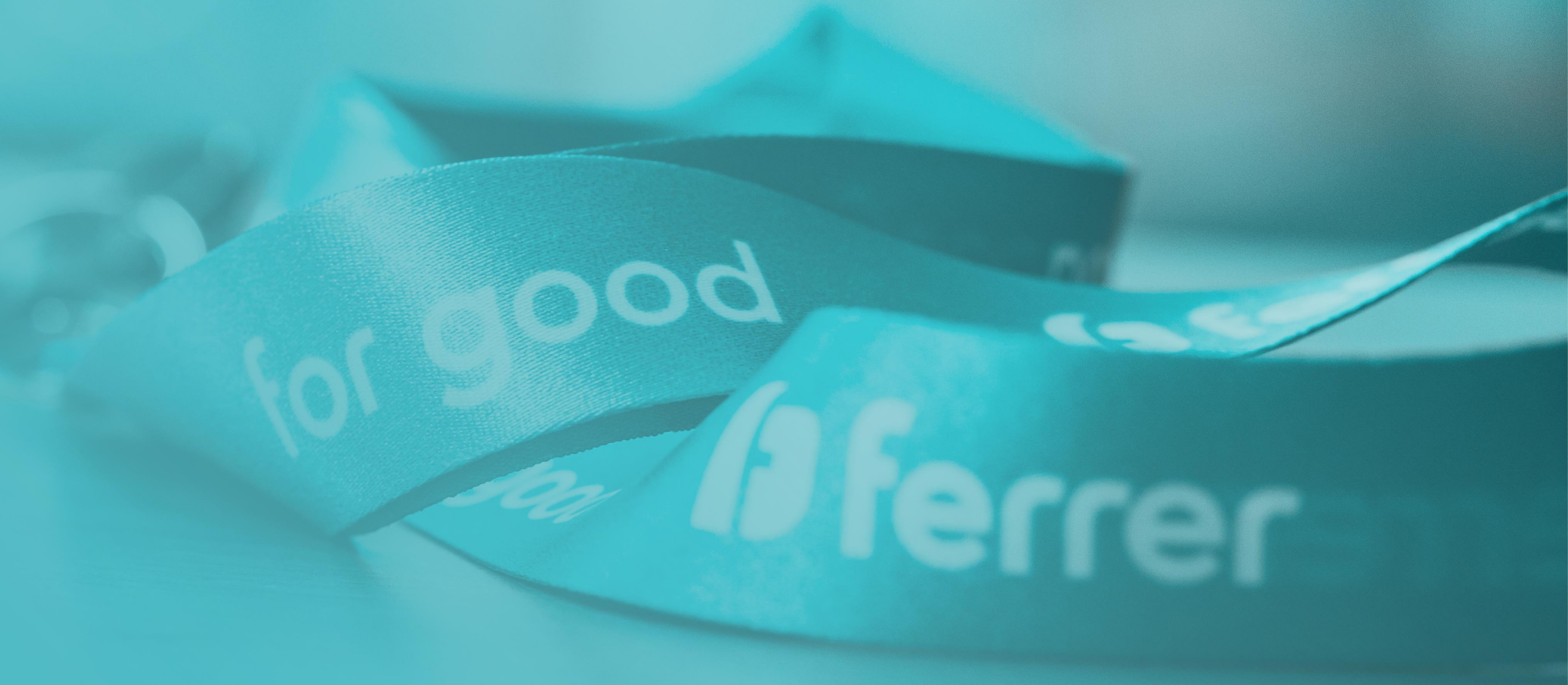

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