



# **SUSTAINABILITY POLICY ON ENVIRONMENTAL AND SOCIAL MATTERS**

November 2022



## INTRODUCTION

The present *Sustainability policy on environmental and social matters* falls within the scope of the good corporate governance policies of Laboratorios Farmacéuticos ROVI, SA and its subsidiaries (hereinafter, “**ROVI**” or the “**Company**”) and is based on ROVI’s firm commitment to strict compliance with applicable laws and regulations.

The present *Sustainability policy on environmental and social matters*, which has been approved by ROVI’s Board of Directors on November 2<sup>nd</sup>, 2022, is aligned with the rest of ROVI’s policies, forming part of the culture and commitment of the Company with the basic principles of sustainable behaviour and aims to reflect:

- a) The principles, commitments, objectives and strategy in relation to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and prevention of corruption and other illegal behaviours.
- b) The methods or systems for monitoring compliance with policies, associated risks and their management.
- c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.
- d) The channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that avoid information manipulation and protect integrity and honour.



## **OBJECTIVES OF THE ENVIRONMENTAL AND SOCIAL SUSTAINABILITY POLICY**

The pharmaceutical **ROVI GROUP** (hereinafter the Group or ROVI) is a group made up of companies dedicated to the research, development, manufacture and marketing of medicines and health products in all their pharmaceutical forms, the manufacture of active ingredients, as well as the manufacture of pressotherapy garments.

### **Objectives of the *Sustainability policy on environmental and social matters* and supporting instruments**

All the companies that make up ROVI GROUP, aware of the improvement in health that our products provide, want to respond to certain social demands in relation to the impacts of our activities on society and on the the Environment.

For this reason, ROVI's economic development must be compatible with our ethical, social, labour, and environmental behaviours and respect for human rights.

The knowledge, dissemination and implementation of these values, which express the Group's commitment to business ethics and sustainability, serve as a guide for the actions of the Board of Directors and other bodies of ROVI GROUP in their relations with stakeholders.

The support instruments developed by ROVI GROUP are, in addition to the present *Sustainability policy on environmental and social matters*, the Integrated Management Policy (Environment and Health and Safety at Work) and the Code of Ethics. These instruments, put into practice, must:

- a. Foster the achievement of strategic objectives
- b. Improve the competitiveness of the Group by adopting management practices based on innovation, equal opportunities, productivity, profitability and sustainability.
- c. Responsible management of the risks and opportunities arising from the evolution of the environment, as well as maximizing the positive impacts of its activity in the different territories in which it operates and minimizing, as far as possible, negative impacts.
- d. Encourage a culture of ethical behaviour and increase corporate transparency to generate credibility and trust in stakeholders, including society as a whole.
- e. Promote relationships of trust and the creation of value for all its stakeholders, giving a balanced and inclusive response to all of them.

### **Corporate strategy and practices or principles of action**

Therefore, and in order to adequately develop these objectives, the following general and specific principles of action are established.



## GENERAL PRINCIPLES OF ACTION

To achieve the stated objectives in terms of sustainability, **ROVI GROUP** adopts the following general principles of action:

- a. Fulfil the **CURRENT LEGALITY** in the places where our companies are located.
- b. Support, through its adoption and dissemination, the integration of the principles of **COVENANT UNITED NATIONS WORLD**, as well as other international instruments, especially in the areas of human rights, labour practices, the environment and the fight against corruption.
- c. Follow the guidelines of the **ETHICAL CODE**, which includes ROVI's commitment to the principles of business ethics and transparency in all areas of action and regulates the responsible behaviour of all the Group's professionals in the development of their activity.
- d. Favour free market practices, rejecting any type of illegal or fraudulent practice, implementing effective mechanisms of **PREVENTION, SURVEILLANCE AND SANCTION OF IRREGULARITIES**.
- e. **COMMITMENT TO TRANSPARENCY** as a way to convey confidence and credibility within stakeholders. This shall include:
  - a. Disseminate relevant and truthful information to stakeholders, complying with the legal requirements for public information that may exist.
  - b. Prepare and publish financial and non-financial information, using, in the latter case, some of the internationally accepted methodologies, and subjecting it to the internal and external verification processes that are considered appropriate and that guarantee its reliability and encourage its continuous improvement.
- f. **PROMOTE THE WAYS OF COMMUNICATION AND DIALOGUE**, as well as favouring relationships of the Group with its shareholders, investors, employees, customers, suppliers and, in general, with all its stakeholders. In this way, it contributes to achieving harmony between business values and social expectations, adapting, as far as possible, the Group's policies and strategies to its interests, concerns and needs, using all the communication instruments at its disposal such as as the direct contact and the corporate website of the GROUP.
- g. **CONSERVATION AND PROMOTION OF THE ENVIRONMENT**. ROVI carries out its activity under the firm commitment to contribute to sustainability from an environmental perspective, materializing this commitment through the integration of the environment in the different business areas, the preservation of biodiversity, the prevention of pollution, the efficient management of resources and adaptation and mitigation of climate change, in accordance with the provisions of the Group's Environmental Policy.
- h. **FISCAL LIABILITY**: The tributes that ROVI pays in the places where it is develops its activity constitute the main contribution of the companies of the Group to the support of public charges and, therefore, one of its contributions to society.



## **PRINCIPLES OF ACTION IN RELATION TO THE MAIN STAKEHOLDERS**

### **WITH CUSTOMERS AND PATIENTS: Offer a service based on quality and experience.**

Customers and patients are the basis of the business, including potential customers and, therefore, ROVI GROUP assumes the following commitments:

- a. Betting on innovative drugs as ROVI's growth engine.
- b. Pay special attention to protecting the health and safety of our customers and patients throughout the entire life cycle of our products, through strict compliance with applicable legislation.
- c. Maintain due confidentiality in the treatment of your data.
- d. Manage and resolve your queries and complaints in the shortest possible time.
- e. Monitor the customer's experience, through surveys that measure their satisfaction and by other means and systems that allow active and permanent listening to the customer in all those processes and operations related to the company.
- f. Maintain adequate and efficient communication channels using the best adapted means.
- g. Respect and comply with the rules that regulate communication and marketing activities and assume the voluntary codes that give transparency and truthfulness to the mentioned actions.

### **WITH EMPLOYEES: Generate enthusiasm and facilitate training and motivation.**

ROVI GROUP has a Code of Ethics, which establishes the rules that should govern behaviour and actions among employees in their relationship with third parties. In addition, it promotes a work environment based on an environment of trust and mutual commitment, which implies:

- a. Respect human and labour rights recognized in national and international legislation.
- b. Guarantee the right to effective equality of opportunities and treatment of all workers that allows them, without exception, to be able to develop personally and professionally.
- c. Promote the establishment of remuneration conditions that guarantee a decent salary, recognizing the performance and contribution of employees to the results of the company.
- d. Encourage the professional growth and personal development of each employee, in an environment in which diversity, equal opportunities and the exclusion of discrimination prevail, as well as supporting the training of employees and basing promotion on merit, ability and Performance.
- e. Achieve an optimal level of occupational health & safety, achieving work environment that allows ROVI professionals to carry out their work in the best physical, mental and well-being conditions.



f. Banning practices below:

- Child labour
  - The need for our employees to leave their identity documents in custody, when starting the employment relationship, or pay as a condition for employment.
  - Discrimination based on sex, religion, disability or sexual orientation.
  - Corporal punishment, physical or mental violence and verbal abuse of workers.
  - Withholding wages from workers
  - The retention of the worker outside of their contracted hours and allowing personnel to terminate the employment relationship, as long as it is notified with reasonable time.
- Involvement of ROVI personnel in human trafficking.

### **WITH SHAREHOLDERS AND INVESTORS: Create more value in a sustainable way**

ROVI considers that the relationship with shareholders and investors, in addition of being based on trust, has to aim at creating sustainable value. In this sense, in accordance with the corporate governance recommendations, ROVI's Board of Directors will be guided by the social interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes its continuity and the maximization of the economic value of the company. Furthermore, ROVI is committed to promote the informed participation of shareholders in general meetings, giving all of them similar treatment.

### **WITH SOCIETY AND THE ENVIRONMENT: Actively contribute to social progress and to protect the environment.**

ROVI is committed to economic and social development in the areas in which it develops its activity, and for this reason:

- a. It assumes the impact that its activity generates on society, evaluating and managing non-financial, ethical, reputational, social and environmental risks.
- b. It is committed to those initiatives or social activities that benefit society.

In this sense, ROVI considers that its priority areas of social action are: improvements on the needs of people with disability, health promotion, the environment and corporate volunteering. For the development of its areas of action ROVI establishes collaborations with public or private entities.

As a pharmaceutical group, ROVI takes care of the environment as an essential basis for their actions. Together with the principles of quality and occupational safety for the protection of its employees, as they constitute the pillars on which we base the management principles of our activity.



ROVI carries out its activity under the firm commitment to contribute to sustainability from an environmental perspective, materializing through the prevention of pollution, the efficient management of resources and the promotion of environmental responsibility in accordance with the provisions of the Environmental Policy of the group.

### **WITH SUPPLIERS: Finding in ROVI an ally for mutual benefit**

It is essential to ensure a supply chain that respects the principles of *Sustainability* assumed by the GROUP. For this reason we are committed to **promote values** related to *Sustainability*, between **our suppliers and subcontractors of goods and services** doing special emphasis on compliance with legislation, *respect for human rights*, as well as the commitment not to be involved in human trafficking.

### **WITH THE ADMINISTRATION: Creating ways to collaborate with public administration**

Observing the requirements demanded by the Health Agencies makes ROVI a reliable supplier of quality active ingredients, medicines, health products and cosmetics. The industrial development, manufacture and supply of these products, as well as the supply of units for clinical trials, is always performed in an environment of strict compliance with all the legal and regulatory requirements that apply to our activities, as well as Authorizations granted by Health Agencies.

## **METHODS OR SYSTEMS TO MONITOR COMPLIANCE WITH POLICIES, RISKS ASSOCIATED AND THEIR MANAGEMENT**

ROVI's Board of Directors, in accordance with the provisions of Spanish Corporate laws, Corporate statutes and the Board of Directors Regulations, is responsible for approving ROVI's general policies and strategies and, in particular, this *Sustainability policy on environmental and social matters*.

The Audit Committee has among its functions the following:

- Supervise the policy of control and management of risks that affect the achievement of corporate objectives.
- Evaluate and periodically review the corporate governance system and the *Sustainability policy on environmental and social matters* of ROVI, in order to fulfil their mission of promoting the interest and take into account, as appropriate, the legitimate interests of other stakeholders.
- Supervise that ROVI's practices on environmental and social matters conform to the strategy and policy established.
- Supervise and evaluate the process of compounding and packaging, as well as the integrity of the financial and non-financial information, as well as the control and risk management systems of financial and non-financial risks related to ROVI and, where appropriate, to the group - including the operational, technological, legal, social, environmental, political and reputational or related to corruption—, reviewing compliance with regulatory requirements, making an adequate delimitation of the consolidation perimeter as well as the correct application of accounting criteria,



Submitting recommendations or proposals to the Board of Directors, aimed at safeguarding its integrity.

- Periodically reviewing and supervising the internal control and risk management systems, as well as their effectiveness so that the main risks are properly identified, managed and disclosed.
- (viii) Generally ensure that the internal control policies and systems established are applied effectively in practice.
- Identify the different types of risk, financial and non-financial (among others, operational, technological, legal, social, environmental, political and reputational, including those related to corruption) faced by ROVI, including financial or economic, contingent liabilities and other off-balance sheet risks.
- Establish a risk control and management model based on different levels.
- Identify the setting of the risk level that ROVI considers acceptable.
- (c) Identify measures to mitigate the impact of the identified risks, should come to materialize.
- (d) Identify the systems of internal control and information that will be used to control and manage these risks, including contingent liabilities or off-balance sheet risks.

By its side, the Appointments and Remuneration Committee has among its functions the following:

- Supervise the application of the policy of communication of economic-financial, non-financial and corporate information and of communication and contacts with shareholders, institutional investors and proxy advisors and monitor the way in which ROVI communicates and relates to small and medium shareholders.
- Review the *sustainability policy on environmental and social matters*, ensuring that it is oriented to the creation of value.

## **NON-FINANCIAL RISK, ETHICAL RISK AND BUSINESS CONDUCT SUPERVISION MECHANISMS**

ROVI's Board of Directors is empowered to design, evaluate and generally review this *Sustainability policy on environmental and social matters*. This Policy will be developed and complemented by the different policies approved by the Group that are directly related to the general and specific principles of action established.

The *Social Performance Team*, a permanent internal body, with powers of information, advice and proposals within its scope of action, will be in charge, acting in accordance with the powers established, of reporting annually to the Board of Directors and the Appointments and Remuneration Committee and the Committee on ROVI audit on the degree of progress of the compliance with the Policy and the sustainability compliance with the Policy and the sustainability



Strategy.

On the other hand, ROVI has an internal and confidential mechanism for the communication of unethical conduct, these are the "ROVI Ethical Channel" and the "ROVI Ethical Channel for Suppliers". Both channels are regulated in the Ethical Channel Regulations for Employees and Suppliers, the latest version of which was approved by the ROVI Board of Directors on May 7, 2019.

Through the Ethical Channel, any employee, director, manager, supplier, contractor, business partner, and in general any person or entity subject to the ROVI Code of Ethics or the ROVI Group's Code of Ethics for Suppliers is obliged to communicate the following behaviours: ( i) Any legal breaches of which they are aware, including breaches of those regulations that ROVI has voluntarily decided to comply with, such as the Code of Good Practices of the Pharmaceutical Industry, (ii) Any behaviour that may constitute a crime or a breach of the Group's Crime Prevention Model, (iii) Any behaviour that may be classified as unethical, or contrary to ROVI's Code of Ethics or the Code of Ethics for Suppliers, (iv) Any financial or accounting irregularities or any other that could have a potential transcendence in the functioning and operations of the companies of the Group and (v) Those breaches of internal policies or procedures of which they are aware.

The management of the Ethical Channel is attributed to the Ethical Channel Management Committee who studies, investigates and resolves the communications that are made through this communication channel. The Ethics Channel Management Committee is made up of the Head of the Internal Audit Department and the Head of the Compliance Department.

In turn, the Head of the Compliance Department periodically and in writing informs the Compliance Committee, the Audit Committee and the Board of Directors about the communications received through the Ethics Channel and the corrective actions undertaken by the organization, all this while respecting the confidentiality of said communication channel.

## **CHANNELS OF COMMUNICATION, PARTICIPATION AND DIALOGUE WITH STAKEHOLDERS**

The Board of Directors recognizes, as a strategic objective, the adoption of measures that promote ROVI's information transparency to communicate economic-financial, non-financial and corporate information and thereby contribute to the promotion of ROVI's good reputation, as stated in the *Policy regarding the communication of economic-financial, non-financial and corporate information and communication and contacts with shareholders, institutional investors and proxy advisors approved by the Company*. Likewise, this promotion of transparency in the dissemination of information is carried out by adopting responsible communication practices at all times, with the aim of avoiding information manipulation and protecting integrity and honour.

ROVI is committed to communicating with transparency, honesty, integrity, and responsibility. To this end, all ROVI areas will provide their stakeholders with truthful, clear and verifiable information, preserving the coherence of the messages issued, in any of their supports and channels.



All the above mentioned while respecting the obligations that apply to listed companies regarding the publication and treatment of confidential information, as well as those that affect the promotion of health products included in the Code of Good Practices of the Pharmaceutical Industry, to which ROVI has adhered voluntarily.

The corporate website ([www.rovi.es](http://www.rovi.es)) is the general space for the publication of ROVI information, together with the channels of consultation, information or complaint that the previously detailed ROVI stakeholders may need.

Additionally, and since ROVI is certified according to the SA-8000 standard, there is the possibility of communicating any breach of it to:

Social Accountability International (SAI): [info@sa-intl.org](mailto:info@sa-intl.org)

SGS (certifying entity): [sa8000@sgs.com](mailto:sa8000@sgs.com)