

***Conflict of Interest Policy***  
*(Corporate Transparency Project)*



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**APPROVALS**

<b><i>DEPARTMENTS</i></b>	<b><i>Approval Date</i></b>
Finanzas Corporativas	18.10.21
Legal	18.10.21

**CHANGE CONTROL**

<b><i>Person(s) Responsible</i></b>	<b><i>Changes</i></b>	<b><i>Version Change and Date</i></b>

## **OBJECTIVE**

The objective is to have the necessary guidelines so that GRUPO FARMA's employees always conduct themselves with integrity and honesty, while respecting the highest ethical standards of the pharmaceutical industry, the current regulations and the policies of GRUPO FARMA. These guidelines pertain to any situation related to business operations with clients, suppliers, officials of any kind, among co-workers, with GRUPO FARMA corporation, and with any third party, in order to preserve trust in GRUPO FARMA by all the aforementioned entities.

## **SCOPE**

Applies to all areas or processes that may be susceptible to conflict of interest.

## **WHO DOES IT PERTAIN TO**

Applies to all GRUPO FARMA employees, regardless of the area, unit, region and/or country where they work.

## **GENERAL CONCERNS**

GRUPO FARMA recognizes and respects the right of its employees to participate in activities that they consider appropriate and desirable provided that these activities do not harm or interfere with the performance of their duties or their ability to behave correctly with the best interests of GRUPO FARMA. All employees must avoid situations that present a potential or real conflict between their interests and the interests of GRUPO FARMA.

A transparent environment at GRUPO FARMA demands employees be obliged to avoid conflicts of interest in order to preserve the values of respect and corporate responsibility that are essential elements of the culture of GRUPO FARMA.

A "conflict of interest" occurs when an employee does something or has an interest that may directly or indirectly interfere with the performance of their responsibilities and/or functions within GRUPO FARMA.

Conflicts of interest can also occur when an employee or a member of their family receives any direct or indirect benefit not associated with the benefits stated in the employment contract as a result of any commercial action leveraged on the position that the employee has at GRUPO. FARMA.

Conflicts of interest may imply a risk for business, especially for the reputation of GRUPO FARMA. So by avoiding them, the integrity and sustainability of the business is maintained, generating trust between all employees and third parties.

Any possible conflict of interest must be reported by the GRUPO FARMA employee to the immediate supervisor and they will analyze the case together or report the situation to a superior who can better resolve the issue. See policy POL-TC400-V01: Anti-retaliation.

## **POLICY**

When faced a possible of a conflict of interest:

GRUPO FARMA employees must:

- Above all be able to identify situations of conflicts of interest whether between employees and GRUPO FARMA, and/or between employees and third parties with whom GRUPO FARMA is tied to for business purposes i.e. clients, suppliers, or officials of any kind. All said situations must be avoided and thus everyone must conduct business ethically, with integrity and objectivity. GRUPO FARMA employees must avoid situations that present or originate the appearance of a potential conflict between their personal interests and the interests of GRUPO FARMA.
- Use work time only for activities related to the work of GRUPO FARMA. Avoid using GRUPO FARMA's resources for their own benefit i.e. the facilities, the equipment, or materials.
- Prevent one's private or family interests from influencing operations that one is in charge of.
- Inform the Ethics Committee if there is a family member or relative among the employees and/or among employees of the third parties that do business with GRUPO FARMA .

GRUPO FARMA employees cannot :

- Compete directly and indirectly with GRUPO FARMA business .
- Associate directly or indirectly with suppliers, clients, contractors or subcontractors with whom GRUPO FARMA does or may do business with.
- Offer or accept gifts, and/or benefits of any kind i.e. favors, loans, services, payments, kickbacks, advantages, or objects that can be interpreted to be or intended to influence one's decision related to one's field of work. See POL-TC200-V01: Anti-Corruption and Anti-Bribery Policy.

In general, given that it is impossible to describe all hypothetical situations of conflict of interest, GRUPO FARMA employees must conduct themselves transparently, honorably and ethically.

## GLOSSARY

**Employee:** Term used for someone who works at GRUPO FARMA.

**Conflict of interest:** a situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity. These situations can cause risk to the business, especially damage the company's reputation. Thus avoiding these possibilities the integrity and sustainability of the business is maintained, generating trust between employees and interested third parties.

A conflict of interest in general, happens when an activity, an interest (financial or personal) or an employee directly or indirectly compromises independence or judgment, causing the interests of that employee or another person to improperly influence a business decision.

**Third parties:** persons or entities that establish a relationship with GRUPO FARMA, for example: independent contractors, outsourcing services, suppliers, clients, business partners or advisers.