



**PUIG**

# Anticorruption Policy



Context and purpose	4
Scope	4
Principles for action	4
When extra care is needed	7
In the organization	7
When starting or renewing a business relationship:	8
During business relationships:	8
Governing bodies and persons responsible for this policy	9
Board of directors.	9
Chief compliance officer.	9
Employees.	9
Approval, publication and review	10





## Context and purpose

**Puig**<sup>1</sup> values integrity and transparency highly as described in the Ethical Code and is committed to being an accountable company which complies with the applicable legal framework and internal principles and standards.

This Anticorruption Policy corresponds to the company's firm undertaking to respect the highest standards of market ethics and to apply, without exception, the principle of zero tolerance to any conduct considered to be corruption.

This Policy is a guide to fair and honest behaviour, business practices, and transactions, and is an expression of the company's Ethical Code commitment to preventing and avoiding corrupt practices.

<sup>1</sup> "Puig" refers to the Puig Brands, S.A. company and its subsidiaries and other entities that may be incorporated in the future in which Puig Brands, S.A. holds or may hold direct or indirect control, according to article 42 of the Spanish Commercial Code.

## Scope

This Policy, approved by the Board of Directors of **Puig** Brands, S.A., applies to all **Puig** entities and activities and especially to relations with stakeholders both in the public sector (e.g., public administrators or politicians) and private sector (people representing companies, associations, foundations, etc.).

The various **Puig** divisions and local business units are permitted to develop this Policy within a divisional or local policy and in such situations such divisional or local policy will comply with the terms, principles and behaviours contained within this Policy.

**Puig** works to ensure that stakeholders throughout the value chain act in accordance with the values and commitments established in the Ethical Code and the principles set out in this Policy.

## Principles for action

Corruption can broadly be understood to be any dishonest or illegal behaviour which leads to an unfair advantage or benefit.

This Policy establishes the following principles to prevent corrupt practices:

- **Puig** has zero tolerance for any form of corrupt behaviour, decision, or initiative.



- **Puig** maintains honest, transparent and professional relationships and acts with integrity and professionalism at all times. Transactions and commercial relationships with third parties must be able to be tracked and monitored transparently. To ensure this:
  - Existing internal processes for the tracing of payments, collections and other interactions with suppliers, clients and others third parties are complied with.
  - Commercial and representation expenses are correctly registered and approved.
- **Puig** does not offer or make payments to public officials<sup>2</sup> to facilitate processes with public administrations.
- Personal relationships cannot be used to benefit **Puig** unlawfully by influencing, directly or indirectly through a third party, the decisions of public officials.
- **Puig** does not make payments or payments in kind to political parties or political candidates.
- **Puig** does not offer, promise, deliver or accept money, discounts or other things of value not permitted by law or by our internal regulations, to or from public officials or representatives of other companies with whom we do business, either directly or through third parties.
- **Puig** forbids any form of money laundering, broadly understood to be any action aimed at introducing money of illicit origin into the economy.
- **Puig** rejects any conduct leading to the financing of terrorism.
- As a general rule, gifts or hospitality may only be given or accepted when permitted by this Policy and internal procedures. According to this Policy, giving or accepting gifts or hospitality is subject to the following restrictions:
  - When interacting with the public sector, giving or accepting gifts or hospitality to or from any public official or equivalent is expressly forbidden.

<sup>2</sup> A public official or equivalent is understood to be: Any person who occupies, as holder, a position or job in a public administration, a public company, in public control or in an international public organization, at any level and regardless of decision-making power or seniority. Representatives or persons who carry out official functions on behalf of a public administration, a public company, in public control or in an international public organization . Leaders or members of political parties and candidates for public or political office.



- When interacting with the private sector, giving or accepting gifts or hospitality is forbidden unless:
  - It has been adequately budgeted.
  - It is permitted by specific internal regulations approved by the business area or division. These internal regulations must ensure that:
    - a) It is legal
    - b) It is occasional and a consequence of the company's normal business
    - c) It is not done in the expectation of receiving unjustified preferential treatment or commercial advantage or to exert undue influence on the beneficiary
    - d) It is moderate, i.e., of low value and such that it will be seen as expression of courtesy. The internal regulation must define the value of gifts or hospitality which are considered moderate
    - e) A person is identified with the responsibility for approving gifts and hospitality
  - It is approved by the person responsible and a register of gifts and hospitality is kept.
- Charitable contributions and sponsorships must relate to legitimate business interests and take place in accordance with applicable law and internal procedures. Such contributions and sponsorships must be adequately budgeted and approved by the business area or division.
- Conflicts of interest in which personal or financial interests conflict with the interests of **Puig** do not necessarily constitute dishonest or illegal behaviour. However, when conflicts of interest do occur:
  - Decisions and behaviours must prioritise the interests of **Puig** and comply with the applicable legislation and internal regulations and procedures.
    - Use of **Puig** assets and information for personal benefit or for inappropriate purposes or for purposes other than those for which they are intended is not permitted.
    - Internal procedures must be followed when recruiting and hiring and when entering service agreements with third parties.



- The **Puig** Speak Up culture requires all conflicts of interest to be reported, either through formal or informal channels, or directly to the Chief Compliance Officer or to managers responsible for compliance in business divisions.
- A person who has a conflict of interest must not be involved in any decision-making processes which may be affected by the conflict of interest.
- The **Puig** Speak Up culture encourages all stakeholders to ask questions, express concerns and report potentially irregular behaviour. This is especially important where corruption is suspected.

To do this, any formal or informal channel can be used, including the company's secure and confidential Reporting Channel. This channel, available on the **Puig** corporate website [www.Puig.com](http://www.Puig.com), allows reports to be made anonymously and is operated by an independent third party. It is especially recommended for reporting behaviour which is suspected to breach this Policy.

## When extra care is needed

All **Puig** employees are expected to use the principles contained in this Policy to guide their behaviour and to encourage others to do the same, and managers have a particular responsibility for spreading the anticorruption message at **Puig**: "Anticorruption starts with me".

However, extra care needs to be taken in the certain situations. These are some examples:

### In the organization:

- On receiving unexplained or insufficiently justified travel and/or representation expenses
- When in close contact with public officials linked to the business
- When information is obtained through internal due diligence procedures, especially regarding corrupt practices.



#### **When starting or renewing a business relationship:**

- When third parties are reluctant to accept the Ethical Code or other internal regulations and cannot provide their own equivalents
- When third parties are reluctant to include the language regarding compliance and/or anticorruption clauses proposed by **Puig**
- On receiving requests for or offers of cash payments or payments in kind
- On receiving requests for or offers of payments through an intermediary without justification, or for amounts not included in the agreement or invoice
- When information is obtained through internal due diligence procedures, especially regarding corrupt practices.

#### **During business relationships:**

- When handling invoices that refer to broad, nonspecific concepts or ones that include services or goods that are not those that have been received or provided
- When requests or recommendations are made from or to public officials or politicians to hire certain people or services
- When requests for commissions seem abnormally high or unusual in some way
- When requests or offers are made with unusually favourable payment terms or contain unjustified or disproportionate price increases or discounts on goods or services
- When requests are made to pay third parties located in non-cooperative countries and territories (commonly known as tax havens).



# Governing bodies and persons responsible for this policy

The following bodies and persons are responsible for this Policy:

## **Board of Directors**

The Board of Directors of **Puig** Brands, S.A approved this Policy and ensures the necessary resources so it can be complied with, reviewed and improved whenever necessary.

The Board of Directors promotes the monitoring of the principles set out in this Policy through the Audit and Compliance Committee, the business divisions' Executive Committees and corporate functions.

## **Chief Compliance Officer**

The Chief Compliance Officer acts independently in carrying out the following functions:

- Promoting and spreading the principles of this Policy internally and externally
- Monitoring the application of and compliance with this Policy, as well as the procedures that develop it and its associated processes and controls
- Coordinating training and communication initiatives for employees (appropriate to their role) that promote a culture of corruption risk management
- Coordinating and promoting processes to guarantee compliance with this Policy
- Reporting any circumstances or information which might impact compliance with this Policy to the **Puig** Board of Directors, Audit and Compliance Committee, business divisions' Executive Committees and corporate functions

## **Employees**

Employees must:

- Comply with and implement this Policy and any related regulations
- Expressly undertake to comply with its contents at all times



- Attend training or communication initiatives associated with the Policy
- As part of the Speak Up culture at **Puig**, use the Reporting Channel or other formal or informal channels to report any illegal or corrupt behaviour as well as any questions or concerns related to corruption

## Approval, publication and review

This Policy has been approved by the Board of Directors of **Puig** Brands, S.A. on 30 of May of 2023 and came into force at that time.

This Policy is also published on the intranet, on the **Puig** website and will be communicated to **Puig** employees and other stakeholders where appropriate.

This Policy is subject to continuous review and improvement, and its contents will be revised as required. It replaces and supersedes any previous policy or procedure.

Failure to comply with this Policy may lead to disciplinary measures and other legal consequences.