



Policy on the
**Garrigues internal
reporting system**

GARRIGUES

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1. Purpose

Law 2/2023 of February 20, 2023 on the protection of persons who report breaches of the law and on combating corruption (the “**Informant Protection Law**”), which writes into Spanish law Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019, requires companies like Garrigues to have an **internal reporting system** as defined in that directive.

The primary goals of putting in place an internal reporting system is to protect individuals who in a job-related or professional context detect serious or very serious criminal or administrative infringements and report them using the specified mechanisms, as well as to strengthen and build a reporting culture as a mechanism for preventing and detecting irregular conduct.

The purpose of this Policy is to set out the general principles underlying the internal reporting system for J&A Garrigues, S.L.P., Garrigues Portugal, S.L.P. and any other companies in the Garrigues group (“**Garrigues**” or the “**Firm**”), together with other elements specified in the Informant Protection Law, such as the channel or avenue made available to receive reports relating to breaches, the procedure that will have to be implemented to handle those reports, the internal reporting system officer or the protection measures and protections in place for informants, which will only be applicable to the reports falling under that Law. For any Group companies not falling under the Informant Protection Law this Policy will be applied with observance of the legislation that will be determined to be applicable in each case.

2. Scope

- a) This Policy is applicable to all **members of Garrigues who report**, using the procedures it contains, on:
- Acts or omissions that may constitute a serious or very serious criminal or administrative infringement. These will be considered to include any serious or very serious criminal or administrative infringements implying a financial loss for Spain’s finance authority and for the social security system.
 - Types of conduct that may imply, as a result of an act or omission by a member of Garrigues, facts that have an actual implication on the professional relationship with Garrigues of the individual who is the subject of the report, which must be facts related to the commission in a job-related or professional context of an act contrary to the conduct rules in the Garrigues Ethical Code or to other provisions in the Firm’s internal regulations.
 - Any acts or omissions that may constitute infringements of

- European Union law¹.

Members of Garrigues are anyone who from time to time is a partner, employee or collaborator of the Firm (including individuals with of counsel and similar relationships, among others).

- b) This Policy is also applicable to **informants other than members of Garrigues who obtained information on any of the acts or omissions mentioned in letter (a) above in a job-related or professional context**, including in all cases:
- any individual who works for or under the supervision or management of Garrigues, its contractors, subcontractors and suppliers
 - individuals who in the past have been members of Garrigues, and their employment or statute-based relationship with the Firm has ended.
 - voluntary staff and interns, regardless of whether they receive compensation for their services.
 - individuals whose employment relationship has not yet commenced, where the report on infringements was obtained during the recruitment or precontractual negotiation process

The mentioned acts or omissions that may be reported under this Policy include any that may constitute a breach of Anti-Money Laundering and Counter-Terrorist Financing Law 10/2010 of April 28, 2010 (“AML/CFT”) and its implementing legislation, or the policies and procedures put in place to comply with them, and which are committed within the Firm as an obliged entity under that Law. These acts or omissions may be reported by Garrigues employees, managers or agents in accordance with article 26 bis of that Law.

3. Internal reporting system

The Garrigues internal reporting system under this Policy is the preferred avenue for reporting the acts or omissions described above in section 2.

The main components of the internal reporting system are the reporting channel created to receive the reports described in the scope of this Policy; the internal reporting system officer; and the procedure that must be implemented to handle those reports, called the

¹ This Policy is applicable to those acts of omissions where: **(1)** They fall within the scope of application of the European Union acts listed in the annex to Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, regardless of the characterization made of them in Spanish domestic law; **(2)** They affect the financial interests of the European Union as set out in article 325 of Treaty on the Functioning of the European Union; or **(3)** They have an impact on the internal market, as defined in article 26.2 of the TFEU, including infringements of EU competition rules and rules on aid granted by the member states, as well as breaches relating to the internal market in relation to acts breaching corporate income tax rules or to arrangements of which the purpose is to obtain a tax advantage defeating the object or purpose of the applicable corporate income tax law.

“Procedure for managing and handling reports received on the internal reporting system”
 (“Internal Reporting System Procedure”).

3.1. General principles

The Garrigues internal reporting system is managed internally, as an independent unit, and is governed by the following general principles:

- a) **Accessibility:** all the individuals mentioned in section 2 of this Policy may report information on the infringements described in that section, **in writing or verbally**, which may be done **anonymously**.
- b) **Integration:** the **internal reporting channel** put in place at Garrigues is an integral part of the internal reporting system.
- c) **Security, confidentiality and observance of the data protection legislation:** the Garrigues internal reporting system is designed, put in place and managed **securely**, which involves protecting the **confidentiality** of the informant’s identity and that of any third party mentioned in the report, and the confidentiality of any steps taken in the management and handling of the report, as well as protecting the **rights to privacy, reputation, defense and to the presumption of innocence** of the individuals involved in the investigation process initiated as a result of receiving a report filed on the internal reporting system, and ensuring **data protection**, by preventing access by unauthorized personnel.

The informant’s identity, if known, as well as the identities of any third parties mentioned in the report, in addition to those of the third parties mentioned in the privacy policy, may only be disclosed to the judicial authority, to the public prosecutor’s office or to the competent public authority as part of criminal, disciplinary or penalty investigation proceedings, as long as this does not jeopardize the investigation or court proceeding in progress.

- d) **Diligence, swiftness and efficiency:** all steps taken to examine and clarify the facts contained in the received reports must be carried out **as diligently, swiftly and efficiently** as possible, based on the complexity of the facts. The aim is for the Firm to be the first to know about the potential irregularity, and everything must be done in accordance with the management procedure for the internal reporting system.
- e) **Proportionality, objectivity and respect for the protections of participants:** all steps taken as part of the internal reporting system must be carried out under principles of proportionality and objectivity, with complete observance of the legislation in force, recognition of the rights held by all the participants and respect for all the protections for participants as expressly set out in the procedure for management of the internal reporting system. Any act constituting retaliation against informants is expressly prohibited.

The **individual affected** by the report is entitled to be informed of the facts attributed to them and to be heard at any time. After they have been informed, they

may ask to examine the information and documents in the case file created in the report handling process, although the necessary measures must be taken to ensure that no type of information is disclosed that may reveal the informant's identity.

- f) **Good faith:** a necessary requirement for protection of the informant is that they act in good faith in the honest belief that serious harmful acts have occurred or may occur. Acts running counter to that principle include sending reports with false or distorted information, or with any information that has been obtained illegally.
- g) **Accessible information:** the information needed for informants to be able to use the Garrigues reporting channel must be provided clearly and be easily accessible. This information is set out in this Policy, which may be read on the Garrigues website at the following address: www.garrigues.com.

The Firm's training programs must include suitable information on the existence of this internal reporting system and the internal channel that is an integral part of it.

3.2. Internal reporting channel

A component of the Garrigues internal reporting system is the Firm's internal reporting channel, which is the preferred avenue for reporting the types of conduct described in section 2 of this Policy.

Reports of sexual or sex-based harassment carried out by Garrigues employees as defined in the Protocol to prevent sexual and sex-based harassment in the workplace included in the Firm's Fourth Equality Plan will be included on the internal reporting channel (and therefore on the Garrigues internal reporting system). The Firm's employees may also file a report of sexual or sex-based harassment directly through the internal reporting channel, in the same way as any other informant defined in section 2 of this Policy may file a report.

On that internal reporting channel:

- a) Reports may be made in writing or verbally, or in both ways, subject to the conditions in the Informant Protection Law.
- b) When making a report, the informant may provide an address, email address or safe place at which to receive notices.
- c) Reports may be filed and handled anonymously.
- d) The individuals making the report are informed through the channel, in a clear and accessible manner, about the external reporting channels to the competent authorities and institutions.
- e) Any other reports and disclosures not falling within the scope determined in section 2 of this Policy are received, although those reports and their senders will remain outside its scope of application and the protection given by it.

The appropriate measures will be adopted to protect the confidentiality of any reports sent on channels other than those specified or to staff members not responsible for processing them (who must send the report immediately to the internal reporting system officer).

3.3. Internal Reporting System Procedure

The Internal Reporting System Procedure regulates the management and handling of reports received through the internal reporting channel that is an integral part of the Garrigues internal reporting system. That Procedure is attached in **Schedule 1** to this Policy.

Any reports of sexual and or sex-based harassment made by Garrigues employees under the Protocol to prevent sexual and sex-based harassment in the workplace included in the Garrigues Fourth Equality Plan (an integral part of the internal reporting channel) will be handled in accordance with that Protocol.

If the facts disclosed in the report might constitute an indication of an offense, the Spanish public prosecutor or the European public prosecutor, as applicable, must be notified, which must be done in all cases in line with the Garrigues *“Special protocol for internal investigations relating to a legal entity”*.

3.4. External reporting channels

Alongside the preferred avenue provided by the internal channel for reporting the potential breaches defined in the Informant Protection Law, informants also have access to the channels put in place by the public authorities for these purposes (**“external channels”**), either directly, or with prior notice on the internal channels described above.

Those external channels made available to report breaches include that belonging to the **Enforcement Service of the Anti-Money Laundering and Monetary Infringements Commission** (**“SEPBLAC”**, after its initials in Spanish). Any members (and agents, as applicable) of Garrigues, as an obliged entity under the AML/CFT legislation, who become aware of situations, events or facts that could constitute any of the infringements set out in Law 10/2010 may report them to SEPBLAC. Those reports must be sent to SEPBLAC in writing and include all the supporting documents and information on the reported facts. The reports will be confidential and SEPBLAC may not disclose the identifying particulars of reporting persons.

Moreover, the Informant Protection Law states that any individual may report to the independent informant protection authority, or to the relevant autonomous community authorities or bodies, the commission of any acts or omissions falling within the scope of that Law, either directly or with prior notice through the relevant internal channel.

4. Internal reporting system officer

The individual responsible for managing the Garrigues internal reporting system, appointed by the managing body, is the senior partner at the Firm, who is a single-member body holding the function of overseeing the Garrigues Compliance System.

The appointment of the internal reporting system officer must be notified to the independent informant protection authority or, if applicable, to the competent authorities or bodies of the autonomous community governments, within the scope of their respective powers.

The Garrigues internal reporting system officer will be responsible, in the absence of any conflict of interest, for diligently making a decision on the process initiated in relation to the reports received on the required internal channel, and will ensure that the internal reporting system procedure is implemented adequately. In the event of a conflict of interest, the managing body must appoint the individual responsible for that decision, who in exercising that function will be subject to the same obligations and principles as the internal reporting system officer.

The internal reporting system officer must keep a record book for received reports and for any ensuing investigation procedures, and must protect the confidentiality of the information at all times.

The internal reporting system officer has the necessary material and human resources to perform the required functions correctly, which the officer will carry out with full observance of the general principles governing the internal reporting system, independently and autonomously from the Firm's other bodies, with neutrality, honesty and objectivity towards all individuals involved.

5. Protection measures and protections

5.1. Scope

The protections and protection measures described in this section will be mandatory for the Firm in the event that the Informant Protection Law is applicable.

Informants must act in good faith and their reports must observe the principles of truthfulness and proportionality and only refer to facts that bear some relation to the Firm. Penalties may be imposed for false or malicious reports.

Anyone who reports or discloses infringements falling within the material scope of this Policy will be entitled to the protection measures that it provides if the following tests are satisfied:

- a) they must have reasonable grounds for believing that the described information is true at the time of the report or disclosure, even if they do not produce conclusive evidence, and that that information falls within the scope of application of this Policy.

- b) the report or disclosure must have been made with fulfillment of the requirements set out in this Policy.

This protection extends to any individual who, as part of the organization where the informant provides services, assists the informant in the reporting process, or is related to the informant, as workers' representative, work colleague or family member, and to any legal entity for which the informant works or with which the informant holds another type of relationship in a work-related context or in which an ownership interest is held that gives the informant power or influence over the legal entity.

The protection measures set out in this Policy are to be interpreted without prejudice to those set out in any specific legislation that may be applicable and do not exclude application of the rules relating to the criminal process, including investigative procedures.

In particular, the Firm must adopt measures to ensure that employees, managers or agents who report infringements committed within the scope of AML/CFT Law 10/2010 at Garrigues are protected against retaliation, discrimination and any other type of unfair treatment.

The protection provided in this Policy expressly excludes anyone who reports or discloses:

- a) Information contained in reports that have not been admitted by any internal reporting channel or for any of the following reasons:
- Where the recounted facts have absolutely no credibility whatsoever.
 - Where the recounted facts do not amount to an infringement of the law falling within the scope of this Policy.
 - Where there is clearly no basis for the report or there are reasonable indications that the information was obtained by committing an offense.
 - Where the report does not contain any new and significant information on infringements by comparison with an earlier report with respect to which the necessary procedures have been completed, unless new factual or legal circumstance justify a different follow-up.
- b) Information linked to claims relating to disputes between individuals or affecting only the informant and the individuals to which the report or disclosure relates.
- c) Information that has already been made fully available to the public or which relates purely to rumors.
- d) Information affecting classified information, or affecting obligations resulting from the protection of professional secrecy of legal professionals in the scope of their activities.

- e) Information relating to infringements in the handling of procurement procedures which contain classified information or which has been declared secret or confidential, or any that in their performance must be accompanied by special security measures under the legislation in force, or in which this is required for the protection of important state security interests.

5.2. Prohibition of retaliation

As required by the Informant Protection Law, any acts constituting retaliation are expressly prohibited, including threats of retaliation and attempts at retaliation against individuals who file reports under this Policy.

Retaliation means any acts or omissions prohibited by law, or which, directly or indirectly, entail unfavorable treatment placing the individuals suffering it at a particular disadvantage with respect to another in a job-related or professional context by reason of their informant status.

By way of example, the following are considered to be retaliation:

- Suspension of an employment contract, dismissal or termination of an employment or statute-based relationship; imposition of any disciplinary measure; reversal or denial of promotion and any other material modifications to working conditions; and failure to convert a temporary employment contract to a permanent contract, where the person who made the report had legitimate expectations that it would be converted.
- Damage or harm, including reputational damage, or financial loss, coercion, intimidation, harassment or ostracism.
- An adverse assessment or references with respect to performance in a job or in professional practice.
- Inclusion on blacklists or the dissemination of information in a specific sector, which make it difficult for or prevent the individual from obtaining work or contracts for project works or services.
- Denial or cancellation of a license of permit.
- Withholding of training

In particular, Garrigues will adopt measure to ensure that employers, managers or agents who report infringements committed within the scope of AML/CFT are protected against retaliation, discrimination and any other type of unfair treatment for that reason.

5.3. Protection and support measures

The Informant Protection Law also contains a number of protection and support measures for informants who report any of the acts or omissions set out in article of that law and reproduced in section 2 of this Policy. These measures which, should the case

arise, would assist the task of the independent informant protection authority or other competent authority or body, in addition to any specific support and assistance measures that may be implemented by the Firm, consist of the following:

Support measures

Anyone who reports or discloses infringements falling within the scope of application of this Policy through the procedures it specifies will have access to the following support measures:

- a) Complete, cost-free, and independent information and advice on the available procedures and resources, protection against retaliation by the affected individual, and protection with respect to that individual's rights.
- b) Effective assistance by the competent authorities with respect to any relevant authority involved in protection of the reporting individuals against retaliation, including a certificate that they are entitled to protection under the Informant Protection Law.
- c) Legal assistance in criminal proceedings and in cross-border civil proceedings under EU legislation.
- d) Financial and psychological support, in exceptional cases, if the independent informant protection authority so decides, after assessing the circumstances derived from filing the report.

In particular, as stated in article 65.5 of AML/CFT Law 10/2010, anyone exposed to threats, hostile actions or adverse work-related measures due to reporting on the Garrigues internal reporting channel or to SEPBLAC (an external channel) on activities related to money laundering or the financing of terrorist activities will be able to file a claim with the independent informant protection authority, pursuant to the terms in the Informant Protection Law.

Protection measures

As set out in the Informant Protection Law:

- a) The informant will not be considered to have infringed any restriction on the disclosure of information, and therefore will not incur any types of liability in relation to a report, if they had reasonable grounds to believe that the report was necessary to disclose a breach, in accordance with the definition included in the Informant Protection Law. That measure will not apply to any type of criminal liability.

The foregoing provisions in this section extend to reports made by workers' representatives, even where they are subject to legal obligations of confidentiality or not to disclose secret information. All of which is subject to the specific rules on protection applicable under the labor legislation.

- b) The informant will not incur any liability with respect to acquisition of or access to the reported information, where that acquisition or access does not constitute an

offense. Any other potential liability for the informants derived from acts or omissions that are not related to the report or which are not necessary to disclose an infringement under this Policy, may be sought under the applicable legislation.

- c) In proceedings before a court or other authority relating to the losses caused to the informants, if the informant has reasonably shown that they made a report and that they suffered a loss, it will be presumed that the loss took place as retaliation for reporting. In such cases, the individual who took the harmful measure will have to prove that that measure was based on properly justified reasons not related to the report.
- d) In court proceedings, including any relating to defamation, copyright infringement, breach of secrecy, infringement of data protection rules, disclosure of trade secrets, or to petitions for indemnity based on labor law or the law on statute-based relationships, the informant and anyone legally entitled to informant protection will not incur any liability of any type as a result of reports protected by the Informant Protection Law. Those individuals will be entitled to plead in their statement of objections and within those court proceedings, the fact that they reported, provided that they had reasonable grounds to believe that the report was necessary to disclose an infringement under that law.
- e) During the handling of the procedure, the individuals affected by the report will be entitled to a presumption of innocence and will have the right to be heard. Moreover, restricted access to the case file will be allowed, their identity will be protected and the confidentiality of the facts and data relating to the proceedings will be ensured.

6. Reporting record book.

On the internal reporting system a record will be kept of the received reports and of any ensuing internal investigations conducted, with the required protection of confidentiality and compliance with the data protection legislation.

The following information regarding those received reports must be entered in that record book:

- Date of receipt
- Identification code
- Actions performed
- Adopted measures
- Closure date

That record is not accessible by the general public, and only following a reasonable request by the competent judicial authority, by order, and within a judicial proceeding conducted by that judicial authority, may access be obtained to all or part of its contents.

7. Data protection

Any processing of personal data performed in the context of the internal reporting system must be done with full compliance with the general principles and obligations set out in the data protection legislation and in the Informant Protection Law.

Any data collected as part of the internal reporting system must be processed by J&A Garrigues S.L.P. acting as data controller.

8. Record of versions

Version	Date	Summary of changes made
V1	June 2023	Initial version of the Policy on the internal reporting system