



CRIMINAL PREVENTION AND ANTI-FRAUD POLICY

CORPORACION FINANCIERA ALBA, S.A.

26 October 2015

CRIMINAL PREVENTION AND ANTI-FRAUD POLICY OF CORPORACION FINANCIERA ALBA, S.A.¹

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I. Purpose and Object

The Board of Directors of Corporación Financiera Alba, S.A. (hereinafter, the "Company", or "ALBA") is responsible for the general function of supervision and the establishment of general strategies and policies of the Company.

This Criminal Prevention and Anti-Fraud Policy has been approved in pursuit of said function, with the following aims:

- a) Convey to all executives and employees of the Company and its Group, and to any third parties that might have a relationship with it, the message that ALBA ensures that its operations are based on respect for the Law, the promotion and defence of corporate values and corporate social responsibility, and in particular the fight against all forms of corruption. This Policy likewise constitutes a commitment of vigilance, prevention and penalisation of any criminal or fraudulent acts or conduct, and the maintenance of effective communication and awareness-raising mechanisms in these spheres, along with the development of a corporate culture of ethics and honesty. The Company will ensure that these principles are translated into specific behavioural guidelines for the people who make up its organisation, and the improvement of the internal and decision-making processes of the Company. All the above within the context of the process of adaptation to the changes made by Organic Act 1/2015, of 30 March 2015, modifying the Penal Code.
- b) Establish the general framework for the Criminal Offence Prevention Model (hereinafter, also the "Model"), with the aim of preventing the commission of offences, avoiding fraud, and also the commission of administrative violations by or at ALBA. The Model will comprise the set of measures intended for the prevention and detection of and reaction to such conduct, identifying risks and the associated controls to be established.

By means of these instruments, the Company aims to ensure before shareholders, Public Authorities, stakeholders and court bodies that it effectively fulfils the duties of supervision, vigilance and control of its operations, establishing appropriate measures to prevent the commission of offences or significantly to reduce the risk thereof, and that it thus exerts the legally applicable due control over directors, executives, employees and other persons or entities dependent on the Company,

¹ Approved by the Board of Directors at its meeting held on 26 October 2015.

This Policy constitutes an update to that approved by the Board of Directors at its meeting held on 14 December 2011, which it replaces.

taking into account its model of governance and that of its Group. The aim is in particular to control the emergence of potential situations of risk of the commission of offences, serious irregularities or violations that could arise within the context of the Company's operations, even if they cannot be attributed to a specific individual, and clearly to express a rejection of corruption and fraud in all forms.

II. Sphere of operation

The Criminal Prevention and Anti-Fraud Policy applies to all directors, executives and employees of the Company, and all other companies belonging to its Group.

The persons acting as representatives of ALBA at companies and entities that do not belong to it will comply with the provisions of this Criminal Prevention and Anti-Fraud Policy, and will as far as possible, within the scope of their powers and responsibilities, promote the application of the principles contained herein at those companies and entities where they exercise powers of representation.

Those directors, executives and employees who are furthermore subject to other specific policies or standards will likewise fulfil said conditions. Appropriate coordination will be established in order to guarantee consistency between such standards and policies and the principles established in this Criminal Prevention and Anti-Fraud Policy.

III. Operational principles

The principles governing this Criminal Prevention and Anti-Fraud Policy are as follows:

- a) Integrate and coordinate the systems and actions developed in order to prevent and react to the possible commission of unlawful or fraudulent acts by any person connected with ALBA, through the definition of appropriate and uniform standards with zero tolerance regarding such acts.
- b) Act in accordance with the legislation in force and respect the Code of Ethics and Conduct and the remaining internal regulations of the Company, promoting a corporate culture of prevention and zero tolerance of the commission of unlawful or fraudulent acts, and the application of principles of ethics and responsible behaviour by all professionals of the Group, irrespective of their hierarchical level and the function they perform.
- c) Establishment of internal standards and operational and decision-making procedures that do not allow one individual or small group of individuals to hold decision-making powers that are not subject to control.
- d) The existence of control systems that are effective, continuous and updatable, allowing for appropriate control of management functions.
- e) Promote self-control in operations and in decision-making on the part of employees

and executives, to ensure that all actions comply with the following principles: (i) the action is ethically acceptable; (ii) it is legal; (iii) it is appropriate for the Company and the Group; and (iv) the appropriate responsibility is taken for the action.

f) Ensure that the organisation has in place the material and human resources required to oversee the functioning, efficacy and fulfilment of this Policy and developments hereof, without prejudice to the responsibilities assigned to other bodies at the Company.

g) Maintain a climate of transparency, with internal channels to encourage the notification of possible irregularities or reporting of unlawful practices for actions.

h) Maintain a particularly proactive attitude in risk prevention and detection activities, without prejudice to effective reactive actions, through investigations and the application of any applicable penalties.

i) Investigate with all possible urgency any acts suspected of comprising a crime, fraud or irregularity, irrespective of the amount involved, maintaining the confidentiality of the whistleblower where applicable, and in all cases ensuring the rights of the persons investigated. The Company and companies of the Group will likewise provide any assistance and cooperation that might be required by court and official bodies for the investigation of allegedly criminal, fraudulent or irregular acts in which its employees and executives might have been involved.

j) Apply any penalties that might be appropriate in a fair, non-discriminatory and proportionate manner, respecting the terms of the legislation in force at all times or, where applicable, ensuring that criminal or fraudulent acts and behaviour are penalised by the competent authorities.

k) Consider it to be the duty of all professionals at the Group to report any act that might potentially comprise a crime, fraud or irregularity of which they might learn, and in particular any indication or suspicion that the operation could be associated with money laundering or the funding of unlawful activities.

l) Undertake any training activities that would be appropriate and proportionate for the professionals of the Group, with sufficient frequency so as to guarantee the refreshment of their knowledge in this sphere and the development of a culture of corporate ethics and compliance with the Law.

IV. Supervision, evaluation and review

The supervision, evaluation and review of the Model will be performed through the actions of the following bodies.

a) Criminal Prevention Model Supervision Body

The Supervision Body will be responsible for adopting and effectively executing the Model. It has primary responsibility for coordination and supervision, reporting to the

Audit Committee, with the support of the Code of Ethics and Conduct Monitoring Committee.

This Body will be vested with authority and independence, and will have in place the required human and technical resources in order to perform its functions with optimal efficiency.

This Body will, among others, be attributed the following functions:

- Propose an annual verification summary.
- Oversee the effective functioning of the Model through the coordination and facilitation of guidelines to maintain and update the Model.
- Perform documentation and present results and recommendations for improvement.
- Implement improvement plans and periodic monitoring as a consequence of the evaluation of the design and effectiveness of the Model.
- Update the documentation connected with the Model, with support from the Company's Directorial Departments.
- Promote the dissemination of the Model.

b) Audit Committee

The Audit Committee will foster compliance with the Model and perform the following functions:

- Monitoring of the annual Model verification summary
- Report the results of the supervision of the Model to the Board.

c) Code of Ethics and Conduct Monitoring Committee

The Code of Ethics and Conduct Monitoring Committee will support the Supervision Body through the following functions:

- Oversee the integrity of the Model through coordination and facilitation of the guidelines defined for its maintenance and updating.
- Analyse the results of evaluation of the Model.
- Adopt decisions regarding recommendations and action plans as a consequence of the evaluation of the design and the effectiveness of the Model and its monitoring and supervision.
- Promote and coordinate improvement and monitoring plans as decided, as a consequence of the evaluation of the design and effectiveness of the Model.

d) Directorial Departments of the Company

The Directorial Departments of the Company will have the following specific functions as regards the Model, reporting to the Supervision Body.

- Ensure the integrity of the criminal risk provisions identified in the Model, in accordance with the functions and responsibilities performed by each.
- Evaluate the integrity of the Model controls, to ensure that they properly

- mitigate the risks identified, and that they are sufficient.
- Design and propose improvements for the updating of criminal risks or controls.
 - Participate in the implementation of action or rectification plans identified by the Supervision Body.
 - Train and raise awareness of the personnel under their responsibility as to the scope and impact of the commission of offences, and the guidelines implemented for the prevention thereof.

Madrid, 26 October 2015