

AFT PHARMACEUTICALS LIMITED

(AFT Pharmaceuticals)

Code of Culture & Ethics

1. General

This Code of Culture & Ethics is the framework of standards by which the directors, employees, contractors for personal services of AFT Pharmaceuticals and its related companies (**AFT Pharmaceuticals people**) are expected to conduct their professional lives and has been approved by the board of directors of AFT Pharmaceuticals (the **Board**). This Code is not intended to prescribe an exhaustive list of acceptable and non-acceptable behaviour, rather it is intended to facilitate decisions that are consistent with AFT Pharmaceuticals' values, business goals and legal and policy obligations.

AFT Pharmaceuticals' directors and managers are committed to:

- (a) leading in accordance with these standards of ethical and professional conduct; and
- (b) ensuring that such standards are communicated to the people who report to them.

2. Values and Culture

At AFT we strongly believe it is our people who make the company a success. We hire the 'best person' for the job, regardless of gender, age, culture/religion.

We are fully accepting and tolerant of other people and respect one another. In all our business interactions with customers, business associates, and colleagues; we treat others as we would like to be treated regardless of their position. Our workplace is safe and free of discrimination of any kind.

We work hard to ensure best practice in all that we do. We believe in honesty and integrity and this is always at the forefront of our business practices. We share ideas across teams and strive and encourage open flow of ideas and opinions from all employees at all times.

We speak many languages and come from all walks of life and over 20 different birthplaces, reflecting our diversity as a company and our worldwide customer base.

As an organisation we aim to succeed on an International level by taking our products to the world and putting New Zealand on the worldwide pharmaceutical map, delivering the highest growth and profitability possible for our investors.

3. Conflicts of interest

A conflict of interest occurs when an individual's interests interfere, or appear to interfere, with AFT Pharmaceuticals' interests. AFT Pharmaceuticals expects AFT Pharmaceuticals people to act in AFT Pharmaceuticals' best interests at all times. AFT Pharmaceuticals people will not without the prior consent of AFT Pharmaceuticals:

- (a) engage in any other business or commercial activities which would conflict with their ability to perform their duties to AFT Pharmaceuticals;
- (b) support a political party or organisation other than in a personal capacity; and

- (c) engage in any other activity which could conflict with AFT Pharmaceuticals' interests.

4. **Gifts**

"Gifts" and "personal benefits" can include accommodation, goods, services, discounts and special terms on loans. AFT Pharmaceuticals people will not accept gifts or personal benefits of any value from external parties if it could be perceived that such acceptance might compromise or influence any decision by AFT Pharmaceuticals.

5. **Corporate opportunities**

AFT Pharmaceuticals expects its people to advance its legitimate interests when the opportunity to do so arises. AFT Pharmaceuticals people will not:

- (a) take for themselves any opportunity discovered through the use of AFT Pharmaceuticals property, information or position;
- (b) use AFT Pharmaceuticals property (including AFT Pharmaceuticals' name), information or position for personal gain;
- (c) compete with AFT Pharmaceuticals; or
- (d) trade in shares, or any other kind of property, based on information that comes from their roles for AFT Pharmaceuticals if that information has not been reported publicly.

6. **Confidentiality**

AFT Pharmaceuticals people will maintain and protect the confidentiality of information entrusted to AFT Pharmaceuticals about work colleagues, stakeholders and AFT Pharmaceuticals' business and financial affairs, except where disclosure is allowed by AFT Pharmaceuticals or is required by law.

7. **Behaviours and responsibilities**

The actions and statements of AFT Pharmaceuticals people, whether to customers, suppliers, competitors, or employees, can impact on the way people see AFT Pharmaceuticals and whether they choose to do business with us. AFT Pharmaceuticals people will:

- (a) undertake their duties in accordance with AFT Pharmaceuticals values;
- (b) conduct themselves in a way that demonstrates that their honesty is beyond question and will not behave in a manner that has the potential to bring AFT Pharmaceuticals' image into disrepute;
- (c) deal honestly with AFT Pharmaceuticals' other people, professional advisers and stakeholders;
- (d) not enter into transactions or make promises on behalf of AFT Pharmaceuticals that AFT Pharmaceuticals cannot or does not intend to honour;
- (e) undertake their duties with care and diligence;

- (f) value individuals' differences and treat people in the workplace with respect in accordance with AFT Pharmaceuticals' philosophies of equal employment opportunities, and anti-harassment and discrimination policies;
- (g) to the best of their ability, use reasonable endeavours to ensure that AFT Pharmaceuticals records and documents, including financial reports, are true, correct and conform to AFT Pharmaceuticals reporting standards and internal controls; and
- (h) not accept or offer bribes or improper inducements to or from anyone.

AFT Pharmaceuticals people acknowledge that they have responsibilities to:

- (a) shareholders of AFT Pharmaceuticals and the financial community generally; and
- (b) individually to clients, customers and consumers of AFT Pharmaceuticals.

8. **Proper use of AFT Pharmaceuticals assets and information**

AFT Pharmaceuticals people have a duty to protect its assets from loss, damage, misuse, waste and theft. AFT Pharmaceuticals assets include intellectual property, information, systems and networks.

AFT Pharmaceuticals people will:

- (a) only use AFT Pharmaceuticals assets for lawful business purposes authorised by AFT Pharmaceuticals; and
- (b) only create, and only retain, information and communications required for business needs or to meet legal obligations.

9. **Compliance with laws and policies**

AFT Pharmaceuticals expects that AFT Pharmaceuticals people will act in accordance with all relevant laws, rules and regulations when carrying out their role for AFT Pharmaceuticals. Further, AFT Pharmaceuticals people will familiarise themselves with, and comply with, AFT Pharmaceuticals' policies, frameworks and processes that are relevant to their duties at all times.

10. **Delegated authority**

The Board delegates the responsibility of managing the business and affairs of AFT Pharmaceuticals to the Chief Executive Officer. The Chief Executive Officer in turn delegates to other levels of management certain rights to make operational and financial decisions within defined limits. AFT Pharmaceuticals people will act in accordance with any delegated authority framework in place from time to time.

11. **Additional Director Responsibilities**

Directors are required to:

- (a) undertake appropriate training to remain current on how to best perform their duties as directors of AFT Pharmaceuticals;
- (b) give proper attention to all matters put before them;

- (c) meet their obligation to act honestly and in the best interests of AFT Pharmaceuticals as required by law;
- (d) have an understanding of the regulatory, legal, fiduciary and ethical requirements affecting directors;
- (e) be familiar with up to date business management techniques and related ethics; and
- (f) have an awareness of special wider cultural issues that may impact on AFT Pharmaceuticals' business.

12. **Information for the Board**

AFT Pharmaceuticals' management team shall provide the Board with information of sufficient content, quality and timeliness as the Board considers necessary to enable the Board to effectively discharge its duties.

13. **Reporting concerns**

If you become aware of a breach of AFT Pharmaceuticals Code of Culture & Ethics or any breach of a legal obligation or AFT Pharmaceuticals policy, you are responsible for reporting it to your manager or the Board, as appropriate. If this is not appropriate in the circumstances, you should report the breach to the:

- (a) chairperson of the Board; or
- (b) chairperson of the Audit and Risk Committee.

AFT Pharmaceuticals will stand behind any employee who, acting in good faith, reports a breach, serious problem or wrongdoing. The identity of the person making the report will be kept confidential where possible – there may be situations however where the proper investigation of the matter inadvertently identifies the reporter or requires his or her identification.

AFT Pharmaceuticals requires all directors, senior executives and other employees who receive a report of an actual or suspected violation of this Code of Culture & Ethics to take all reasonable steps within their control to ensure that:

- (a) the behaviour alleged in the report is thoroughly investigated;
- (b) the rules of natural justice are observed in that investigation; and
- (c) appropriate disciplinary action is taken if the allegation is substantiated.

Any person who knowingly makes a false report of a legal or policy breach may be subject to disciplinary action.

If you suspect that a breach of the delegated authority rules or limits has occurred you should advise your manager and the delegated authority holder whose responsibility it should have been to approve the transaction, as soon as possible.

14. **Review**

The AFT Pharmaceuticals Code of Culture & Ethics is subject to regular review by the Board.

Last updated: 22 February 2017

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