

AFT PHARMACEUTICALS LIMITED

(AFT Pharmaceuticals)

Anti-Bribery and Anti-Corruption Policy

1. General

AFT Pharmaceuticals is committed to ensuring that business is conducted according to ethical, professional and legal standards in a fair, honest and open manner. It is vital for us to maintain this reputation as it instils confidence in our workforce and customers.

AFT Pharmaceuticals rejects all forms of bribery and corruption in its business practices.

This Policy should be read in conjunction with the Conflicts of Interest Policy (including paragraph 6 of that policy relating to the giving and receiving of gifts) and the Code of Culture & Ethics.

2. Purpose of this Policy

Bribery and corruption has the potential to expose AFT Pharmaceuticals, its directors, employees and business partners to the risk of civil and criminal prosecution, as well as severe administrative punishment in addition to harming AFT Pharmaceuticals' reputation. It is vital that employees and those who work on our behalf understand their responsibilities and operate to high ethical standards and comply with all laws and regulations wherever AFT Pharmaceuticals does business.

This Policy also applies to all directors, officers, employees, contractors, secondees, agents and intermediaries (including those engaged through third party agencies) of AFT Pharmaceuticals and any of its subsidiaries (each a **Relevant Person**). This Policy provides principles and certain specific rules regarding anti-bribery and anti-corruption matters. However, as AFT Pharmaceuticals is a multinational company operating in various jurisdictions, this Policy may be supplemented with specific guidance relevant to a local jurisdiction's operations provided that such local supplement does not in any way undermine the scope, intent and application of this Policy. If any dispute is raised with respect to specific rules under this Policy and a localised policy, the terms of this Policy prevail unless the local policy has been approved by the board of directors of AFT Pharmaceuticals (the **Board**).

If you do not understand any part of this Policy, or how it applies to you, you should raise the matter with your manager and the CFO or the CEO for guidance.

3. Defining Bribery and Corruption

There are three important concepts that apply with this Policy:

- (a) bribery;
- (b) corruption; and
- (c) facilitation payments.

“Bribery” is the offer, promise, giving, demanding or acceptance of any money, valuable consideration, office, or employment, or any other benefit or an advantage (direct or indirect and whatever the value), as an inducement or reward for the improper influence or performance of a function or activity which is expected to be performed by another person to that person or another person’s advantage. In many countries, bribery is a criminal act. It does not matter if the bribe or the offer, promise or receipt of a bribe occurs in commercial dealings between parties or between one commercial party and a government or public official.

“Corruption” or **“corrupt conduct”** is the direct or indirect misuse of power or trust for private gain; or the direct or indirect misuse of power in relation to the business affairs of AFT Pharmaceuticals. Corrupt practice covers a wide array of illicit behaviour, including Bribery, extortion, fraud and kickbacks.

A **“facilitation payment”** is a small payment to ‘speed up’ or ‘encourage’ an otherwise routine government action of a minor nature. They are covered in section 5 of this Policy.

Anti-bribery and anti-corruption laws prohibit bribery and corruption and impose severe sanctions on individuals and companies that engage in such conduct.

4. Prohibition on Bribery and Corruption

AFT Pharmaceuticals prohibits bribery and corruption, in any form, whether direct or indirect (and whatever the value).

Bribery and corruption are criminal offences in New Zealand and many other jurisdictions.

There are potentially serious consequences, including fines, imprisonment, and cancellation of business licences for contravention of the various international anti-bribery and anti-corruption laws AFT Pharmaceuticals is subject to.

To this end, you **MUST NOT**, directly or indirectly:

- offer, pay, promise or solicit bribes in any form or any value;
- ask for, agree to receive or accept any bribes;
- give or accept gifts or hospitality unless allowed by the Conflicts of Interest Policy; or
- engage in any conduct, whether for the benefit of AFT Pharmaceuticals, yourself or another party where you know or suspect a benefit is intended to or is likely to improperly influence a person in the exercise of that person’s job or which might reasonably be regarded or perceived as being corrupt conduct.

Any requests, or suspected requests, for a bribe or any other payment or benefit such as a facilitation payment, must be reported to your manager, CFO and CEO or the Board as appropriate or otherwise in accordance with AFT Pharmaceuticals’ Whistleblowing Policy.

Gifts and entertainment, political contributions, charitable contributions and sponsored travel have the potential to be misused as a cover for bribes or improper payments for the purpose of influencing

decisions or obtaining preferential treatment. For this reason, AFT Pharmaceuticals has adopted special rules in relation to these types of payments to promote openness and transparency. These rules are set out in the Conflicts of Interest Policy and must be followed by all Relevant Persons.

5. Prohibition on Facilitation Payments

AFT Pharmaceuticals prohibits the making of facilitation payments.

Any payments or request for such payments must be immediately reported to your manager, CFO and CEO or the Board as appropriate or otherwise in accordance with AFT Pharmaceuticals' Whistleblowing Policy.

Facilitation payments are almost always illegal under local anti-bribery laws even if payment of them seems to be "customary" and the laws are not enforced. In most circumstances a facilitation payment is a bribe and does not fall within what is usually a very narrow legal definition of a permissible facilitation payment.

It is sometimes difficult to determine if a requested payment is a genuine fee for a government service, or if it is actually a bribe dressed up as a permitted facilitation payment. Therefore, when making any payment to public officials, you must be mindful of what the payment is for and whether the amount being requested is proportionate to the goods or services provided. You must always ask for an invoice and a receipt, which details the recipient (which should be the government agency or department and not the individual official) and the reason for the payment. A detailed record must be made of the payment, identifying the person making the payment and signed by that person. All acceptance, approval and payment of the fee must comply with the company's approved Delegated Authorities.

A routine government action (justifying a facilitation payment) does not include any discretionary action, such as a decision whether, or on what terms, to enter into or maintain or extend a business arrangement or approve a permit or licence, or any action taken by someone to influence such a decision.

6. Bribery and Corruption Down the Supply Chain

It may be possible for a parent company or indeed any company, to be legally responsible for the conduct of a third party if that third party engages in bribery and corruption on its behalf. Accordingly, it is imperative that the requirements of this Policy are followed and, in particular, the relationships we have with third parties are properly and proactively assessed, established, managed, monitored and reviewed on an ongoing basis to ensure AFT Pharmaceuticals has the benefit of any potential defences which may be available at law in respect of the conduct of third parties.

7. Political and Charitable Donations

AFT Pharmaceuticals does not make political donations to any political party, politician or candidate for public office in any country unless the donation has been approved in advance by the Board.

All Relevant Persons and third parties acting for or on behalf of AFT Pharmaceuticals must not use AFT Pharmaceuticals' resources to support, directly or indirectly, any political party, individual politicians or associates representing a political party, movement or organisation.

Any charitable donation must not be offered or made on behalf of AFT Pharmaceuticals without the prior approval of the CEO, CFO or Board.

8. Local Agents, Consultants and Representatives

It may, in certain circumstances, be necessary to engage a local representative to represent AFT Pharmaceuticals' interests. Any engagement of this nature should only be undertaken in consultation with the CFO and CEO.

Any representative, agent, consultant or other third party must be made aware of and agree to abide by the terms of and spirit of this Policy.

Working with agents, sponsors and other third parties is legal and a well-established way of doing business in many parts of the world. However, great care must be taken to select, assess, work with and supervise third parties as in many cases, the conduct of corrupt third parties gives rise to serious problems. AFT Pharmaceuticals can be liable for the acts of a third party when they act or purport to act on behalf of the company. AFT Pharmaceuticals may be held liable for the conduct of a third party where it knows or reasonably should have known of the party's unlawful conduct or potential to engage in such conduct. In addition, in some countries, a company is strictly liable for the corrupt conduct of a third party acting or purporting to act on its behalf unless the company can demonstrate adequate internal procedures to prevent such conduct from occurring. Any improper conduct by a third party could damage AFT Pharmaceuticals' reputation and expose Relevant Persons to criminal or civil legal liability or other sanctions. Turning a "blind eye" or ignoring "red flags" that something may be wrong in the conduct of a third party does not exonerate AFT Pharmaceuticals or the Relevant Person from criminal liability.

AFT Pharmaceuticals must review/approve of all third party subcontractors.

Mechanisms must also be established and implemented at the business operations level to accurately and regularly monitor and assess the performance of the third party for the duration of the relevant agreement.

9. Contractual Counterparties

In engaging third-party suppliers and distributors, contractors and consultants (together, a "**counterparty**"), employees should seek to make compliance with this Policy part of the relevant contractual obligations. The contract should also seek to include provisions relating to the counterparty's compliance with any relevant anti-bribery and anti-corruption laws that may apply and that AFT Pharmaceuticals has the capacity to cease all dealings with the counterparty, without penalty, in the event that the counterparty breaches any applicable anti- bribery and anti-corruption law.

10. Record Keeping

AFT Pharmaceuticals' books and records must accurately record all payments it makes or receives. All financial transactions must be authorised by appropriate management in accordance with internal control procedures.

The falsification of AFT Pharmaceuticals' accounting records may constitute a criminal offence under applicable legislation, for both AFT Pharmaceuticals and the individuals involved, in addition to giving rise to civil penalties and claims.

11. Compliance and Monitoring

Policy compliance requirements are critical to ensuring that AFT Pharmaceuticals and all Relevant Persons and third parties understand this Policy and comply with its terms. AFT Pharmaceuticals is committed to regular auditing and monitoring of its business and the conduct of its third parties to promote compliance with this Policy.

12. Compliance Exceptions

Any exceptions to this Policy must be approved by the Board.

13. Non-Compliance

Contraventions or non-compliance with this Policy, including attempts to circumvent this Policy by bypassing or knowingly manipulating the process, system, or data which records AFT Pharmaceuticals' financial and other transactions will be the subject of an investigation by AFT Pharmaceuticals and may result in disciplinary action, up to and including termination, consistent with local laws.

Matters may also be referred to relevant law enforcement agencies.

14. Reporting Violations

You are required to report conduct which you may reasonably believe involves a suspected or actual violation of this Policy. The report may be made to your manager, CFO and CEO or the Board as appropriate or otherwise in accordance with AFT Pharmaceuticals' Whistleblowing Policy.

In making a report of a suspected or actual violation of this Policy, you will not suffer any form of retaliation, reprisal or detriment from AFT Pharmaceuticals for raising a concern or reporting in a violation (or suspected violation) of this Policy; nor will you suffer any form of reprisal from AFT Pharmaceuticals for refusing to make or to give effect to a bribe or a corrupt payment.

15. Examples of Conduct

What is generally acceptable (subject to local laws and regulations and specific company policies)?

- taking a potential client out for a modest meal and a drink;

- inviting potential clients to our offices for a demonstration of our product(s);
- offering AFT Pharmaceuticals branded promotional items (e.g. sample products, umbrellas, bags, coffee mugs etc.);
- buying small gifts for third parties such as customers and suppliers (e.g. wine, chocolate) within the allowed limit for such gifts;
- celebrating important cultural events or occasions with modest gifts (of a reasonable, local nominal value) for employees or other third parties.

What is unacceptable?

- excessive gifts, entertainment or hospitality;
- offering employment or contracts to the friends, family members or other close associates of the person you are dealing with as an inducement;
- paying a company, individuals or their associates (e.g. friends, family, colleagues, acquaintances) to use or buy our product. For example, making a payment to an employee of a client (or his associate) where that employee is making a recommendation to the client to purchase AFT Pharmaceuticals products;
- the work requires a third party to interact with public officials or the work is intangible (i.e. services such as logistics or legal advisory or marketing services with little detail provided or recorded in reports) in a country with a perceived high corruption risk;
- a third party requests that it or its owners', principals' or partners' identity/identities be undisclosed, refuses to fully disclose its business practices, or information about its ownership structure or backers or has a structure that obscures ownership;
- the third party requests payment to be made in cash or to be paid to an account located in a place that has no connection with the place where the goods or services were provided or the account of another party;
- a local in a foreign country, or a third party, tells you that you will get no business done unless you adopt the “local ways” and that “everyone does it” and “it’s the only way of doing business here” and you follow that advice.

If you are unsure what is considered acceptable, please contact your manager, the CFO or the CEO for guidance.

16. Review

This Policy is subject to regular review by the Board.

Last updated: **February 2022**

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