



ANTI-BRIBERY POLICY

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INTRODUCTION

MANAGEMENT'S COMMITMENTS IN THE FIGHT AGAINST CORRUPTION

Fighting corruption is everyone's responsibility!

"Arkopharma is committed to complying with the anti-corruption laws and regulations, as well as the ethical principles that govern our global operations.

In a world where transparency, integrity, and ethical conduct are becoming increasingly important, it is imperative that we, both as a company and as individuals, fulfill our responsibilities in the fight against corruption.

Corruption can not only result in serious legal consequences but also undermine the trust of our customers, partners, and society at large.

Acting ethically and with integrity is a fundamental requirement for all Arkopharma employees and business partners.

In addition to the Code of ethics and other measures of the Ethics and Compliance Program, this Anti-corruption Policy embodies our commitment to preventing and detecting any form of corruption and influence peddling and outlines our zero-tolerance policy on this area.

This Policy sets out the rules applicable to all employees, regardless of their level or hierarchical position within the Group. It defines and illustrates the types of behavior to be avoided to ensure that we not only comply with applicable anti-corruption laws and regulations but also integrate our ethical principles into our daily work.

We rely on your support and commitment to uphold the principles set out in this Anti-corruption Policy!"

Arkopharma Management

Hans Feldmeier
(CEO)

Christof Dreibold
(CFO/CCO)

Andreas Eberhorn
(CMO)

WHY ARKOPHARMA HAS AN ANTI-BRIBERY POLICY

This Anti-Bribery Compliance Policy (hereinafter the "**Policy**") restates the commitment of the Arkopharma Group (hereinafter "**Arkopharma**") to complying with international standards and the laws and regulations that apply to the fight against corruption and business ethics.

This Policy is part of Arkopharma's **Compliance Programme**, which has been implemented in accordance with the Sapin II Law of 9 December 2016, and with the other current bodies of anti-bribery legislation and regulations to which the Group is subject. It supplements and is an integral part of the Code of Ethics, which is appended to the internal rules and regulations of Laboratoires Arkopharma France.

The purpose of this Policy is to help Members of Staff and stakeholders understand and apply the basic anti-bribery compliance principles that Arkopharma espouses by explaining the applicable measures designed to manage the related risks of non-compliance.

This Policy does not address every possible situation that Members of Staff may face while doing their jobs. It contains the rules and principles they must apply as they go about their work. All Members of Staff are required to read it carefully, to understand the rules it sets out – namely, by completing the relevant trainings – and to demonstrate common sense in situations they may encounter in their jobs.

This Policy does not address all local laws or regulations, which may be more stringent than the rules contained in this document. Members of Staff of the Group's foreign entities are required to ask the relevant persons within their entity about locally applicable legislation. If local legislation is stricter than the rules set out in this Policy, the stricter rule will be enforced.

WHO THIS POLICY APPLIES TO

- All **Members of Staff of the Arkopharma Group** working for the Group in France or abroad
- **External and casual workers** such as interns, temporary workers, service providers, consultants or any other natural person working on-site at a Group entity
- All Arkopharma **Corporate Officers**
- All **trading partners** (suppliers, subcontractors, intermediaries, customers, etc.), who must comply with it, or enforce standards that are at least as stringent as it in order to ensure consistency and the enforcement of the principles and values that Arkopharma upholds

PROHIBITED PRACTICES AT ARKOPHARMA

Arkopharma prohibits certain practices that run counter to the applicable regulations and its ethics principles and values. This prohibition applies to its Members of Staff as well as its partners and stakeholders. **These practices will not be tolerated.**

BRIBERY / CORRUPTION

DEFINITION



Bribery is the act of **proposing, offering, giving or agreeing to give**, either directly or indirectly, any **undue advantage** to an individual – whether for themselves or for someone else – so that they **perform or refrain from performing** (or because they performed or refrained from performing) a particular **action in the course of doing their job**.

Bribery may occur in several forms:

ACTIVE

This is the act of bribing (by the **briber**), namely, offering or giving the undue advantage. For the briber, the mere offer is enough to constitute the act of bribery even if the bribe is declined

PRIVATE

The bribee is a person in the private sector with no particular status

DIRECT

The briber has a direct relationship with the bribee

PASSIVE

This is the act of being bribed (by the **bribee**), namely, to hold decision-making power and receive an advantage or request an advantage

PUBLIC

The bribee is a person in the public sector (state or government employee, civil servant, etc.)

INDIRECT

The undue advantage is passed on by a third-person intermediary

The undue advantage may take forms other than money. It could, for example, be gifts, hospitality (meals, invitations to events, trips), the disclosure of confidential information, services rendered, promises to be hired or preferential treatment.

SANCTIONS

Bribery is an offence that may be punished by severe criminal or financial penalties and consequently could affect the image and reputation of the offender and the Arkopharma Group. For example, French law stipulates the following sanctions for bribery:

- **Natural person:** liable to imprisonment for five years (for private bribery) to ten years (for public bribery) and a fine ranging from €500,000 (for private bribery) to €1,000,000 (for public bribery), which could be increased to double the pecuniary gain derived from the offence

- **Legal entity:** fine ranging from €2,500,000 (for private bribery) to €5,000,000 (for public bribery), which could be increased to double the pecuniary gain derived from the offence, plus additional punishments

📌 RULES OF CONDUCT

It is strictly prohibited to propose, offer, give or accept an undue advantage to or from a person in return for any action whatsoever. Arkopharma enforces a zero-tolerance policy in this regard.

📌 WHAT TO DO

- Remain ethical and honest in all circumstances as you perform your job
- Enforce a zero tolerance policy on bribery by rejecting any undue advantage and by refraining from offering or giving an undue advantage
- Acquaint stakeholders with and invoke Arkopharma's Compliance Programme, and particularly this Policy
- Be vigilant about warning signs/indicators of bribery (e.g. forged invoices/over-billing, unusual terms of payment, geographic region, refusal to provide information or documents, etc.), particularly in risky processes or activities
- Use the internal whistleblowing system or any other channel to report any behaviour that is suspicious or runs counter to the law, anti-bribery regulations or Arkopharma's Compliance Policy

📌 PRACTICAL EXAMPLES

▶ *In the framework of a current call for tender, a supplier that is submitting a tender would like to invite you to a famous restaurant in order to discuss Arkopharma's needs "in peace and quiet".*

In this scenario, it is completely inappropriate for the supplier to invite you to a restaurant during a call for tender because this could influence a decision and the award of a contract.

→ **Always decline any gift or invitation during a call for tender, contract negotiation or decision-making process, and make sure that you abide by the Gifts and Invitations Policy. Report this situation using the internal whistleblowing system or directly to the Compliance Manager.**

▶ *A pharmacist customer whom you know well offers to hire your daughter, who has been looking for a job for several months, under very beneficial terms, in return for special sales discounts.*

In this scenario, offering an undue advantage to an Arkopharma Member of Staff in order to gain special sales terms constitutes an act of bribery. Moreover, the question of conflict of interest arises and may result in a bribery offence.

→ **Never accept such an offer, and always prioritise Arkopharma's interests over your own. Be particularly vigilant in your dealings with Healthcare Professionals.**

INFLUENCE PEDDLING

DEFINITION

Influence peddling is when a person receives or requests benefits or donations with the aim of abusing their influence – whether actual or assumed – over a third person to encourage them to make a favourable decision.

It involves three parties:

- The beneficiary: the person who supplies benefits or donations
- The intermediary: the person who uses the credibility they have due to their position
- The target: the person who has the decision-making power (public authority or administration, magistrate, expert, etc.)

Influence peddling may be **active** (from the beneficiary's side) or **passive** (from the intermediary's side).

Influence peddling is punished by the same sanctions as those stipulated for bribery.

RULES OF CONDUCT

It is strictly prohibited to request any benefit whatsoever to exercise one's influence over a third person in order that a favourable decision is taken. Conversely, it is prohibited to give a benefit to a person who has influence in order that they take a decision that is favourable for Arkopharma.

PRACTICAL EXAMPLES

► *One of your contacts, a public official in the ministry of a foreign country, promises that they will have a word with the final decision-maker so that Arkopharma can receive authorisation to market its products in the country, in exchange for an undue advantage.*

This scenario is an example of influence peddling because the intermediary (in this case, your ministry contact) is offering to exercise influence so that a favourable decision will be taken to benefit Arkopharma, which offers the official a benefit.

→ **Never give in to requests or offer any benefit for a person to exercise their influence in order to obtain an action or decision in return.**

► *An expert from the French National Agency for the Safety of Medicines and Health Products (ANSM) accepts a sum of money from an Arkopharma Member of Staff to exercise their influence with an assessor in order to obtain a favourable decision.*

This scenario is an example of passive influence peddling. It is prohibited to ask to be paid to abuse one's position, whether by Arkopharma or a third party.

→ **Never offer a sum of money or any undue advantage to a third party who may possess influence due to their job or status. Be particularly vigilant in your dealings with the public sector and especially the supervisory authorities.**

RELATED CONCEPTS

FACILITATION PAYMENTS

▾ DEFINITION

Facilitation payments are small, unofficial payments meant to expedite or guarantee the completion of mandatory and legal administrative formalities.

In France, facilitation payments are prohibited, and they constitute an offence that is subject to criminal prosecution for corruption. However, some countries turn a blind eye to them. The amount – which is often modest – is of little importance, as is the frequency of such practices or the fact that the act may be committed abroad.

▾ RULES OF CONDUCT

The Arkopharma Group strictly prohibits the disbursement of facilitation payments in all countries where it does business. All requests for facilitation payments must be denied even if the local laws authorise them. Members of Staff may invoke this Policy and Arkopharma's Code of Ethics.

▾ PRACTICAL EXAMPLES

► *You are on a business trip to Colombia to visit a distributor. At the airport, the official who is checking your papers questions their validity and insinuates that he would let you enter the country in exchange for a cash payment.*

In this scenario, the public sector worker's request for a cash sum as part of an unofficial procedure constitutes a facilitation payment.

→ Explain to the worker that Arkopharma (and French law) prohibit this type of arrangement and politely decline.

► *During a customs inspection, the customs officials tell the Members of Staff in charge of this transaction that it will take 15 days to receive authorisation. However, they say that they can make an exception and issue this authorisation within 48 hours provided that they receive an immediate payment of €50 in cash and without a paper trail.*

In this scenario, the money being requested falls outside the official context. This is a facilitation payment that you must reject and report.

→ Refuse to make such payments by invoking French regulations and Arkopharma's Anti-Bribery Policy.

FRAUD

Fraud may be a consequence or a precondition to an act of bribery by diverting money to bribe or conceal unlawful payments.

This is an action carried out using dishonest means to obtain an undue advantage or consent, or with the aim of bypassing legal or regulatory obligations.

RULES OF CONDUCT AND BEST PRACTICES

GIFTS AND INVITATIONS

Gifts and invitations (hereinafter referred to by the generic term "Gifts") are common in the business world and are not acts that constitute corruption as such. However, they may present a **risk of corruption** when they aim to **obtain from their beneficiary an undue favour in return for the benefit that is received.**

Arkopharma therefore regulates the conditions under which Members of Staff may offer or receive gifts and invitations to or from third parties.

▾ RULES OF CONDUCT

Gifts and invitations that may give the impression of being offered or received with the aim of obtaining preferential treatment in return, influencing a decision or provoking unlawful behaviour must be declined.

The following are permitted:

- Gifts of **modest value** (goodies or promotional items with a value of less than €50)
- Gifts that are **limited in time**: limited to two gifts per year from the same third party with a total value of up to €100 per year
- Gifts that are offered or received in an **appropriate context**

The following are prohibited:

- Sums of money in cash, by bank transfer, cheque, gift certificate or gift card
- Gifts that may be interpreted as being given for personal benefit (e.g. bag, watch, jewellery, etc.) or that concern close friends or family of a Member of Staff
- Gifts given during a negotiation or decision-making period

⚠ Specific rules regarding:

- The public sector: prior approval of the Compliance Manager for any gift or invitation applying to **public figures** (civil servants, state officials, etc.)
- Healthcare Professionals: gifts are prohibited and invitations are strictly regulated

▾ WHAT TO DO

- Abide by the terms and conditions for offering and accepting gifts and invitations: value, requests for approval as applicable, frequency and context
- Ask yourself whether the gift or invitation creates or seems to create the sense of needing to grant Arkopharma an action or kindness in return, affects or seems to affect the impartiality of the person who receives it, or may be considered an inappropriate attempt to influence a business decision. If the answer to any of these questions is yes, do not give or accept the gift
- Report all gifts and invitations received and given to Third Parties, no matter what their value, in the register created for this purpose, <https://gifts.arkopharma.com>

▶ PRACTICAL EXAMPLES

▶ *A marketing agency gives you a luxury bag to thank you for playing a role in Arkopharma's selection of the agency and awarding them a contract.*

PROHIBITED. You may not accept a gift like this because, like gifts of cash, gifts given for personal benefit are prohibited. Moreover, the value of this gift unequivocally exceeds the amounts set by this procedure. Even if the gift is given after a contract is granted, you must politely decline it.

▶ *During a visit by a member of parliament to Arkopharma's premises, you plan to take him/her on a tour of the plant and give him a few products to acquaint him with the brand.*

PERMITTED. This is allowed provided that you have notified the Compliance Manager in advance and received their approval, and that you abide by the internal rules on giving out products. Even if the amount of the gift is negligible, it must be recorded in the gift register.

▶ *A long-time supplier invites you and some colleagues to attend a football match in a box with champagne and appetisers.*

PROHIBITED. You must decline this invitation because the purpose of the event is not related to Arkopharma's business and is inappropriate. This type of invitation is prohibited by the Gifts and Invitations Procedure. Invitations to events must relate to Arkopharma's business (healthcare, beauty, trade shows or professional events, etc.).

▶ *You visit a distributor in East Asia for a business review. The distributor welcomes you by giving you several gifts (office accessories, goodies and local specialities).*

PERMITTED. Some cultures frown on refusing gifts. As an exception, you can accept such gifts in sensitive periods if they are not excessive and you have notified the Compliance Manager, who may require them to be handed in if they are deemed inappropriate.

→ To learn more:

Procedure on gifts and invitations

Code of Ethics, 3.3 Combating unlawful payments, bribery, corruption and influence peddling

Code of Ethics, 3.4 Relationships with Healthcare Professionals

Procedure for Managing Relationships with Healthcare Professionals (Anti-Gift Act and transparency of conflicts of interest)

BUSINESS EXPENSES, BUSINESS TRAVEL

DEFINITION

Business expenses are those expenses incurred by Corporate Officers or Members of Staff in the course of carrying out their jobs (transportation costs, meals, etc.).

RULES OF CONDUCT

Members of Staff who would like to cover the accommodation and travel expenses of Third Parties, irrespective of their amount, must submit an application for prior approval. In any event, Members of Staff are required to abide by Arkopharma's Travel Policy and the procedures in force on reimbursing business expenses. Expenses incurred must concern only the Third Party and not the people travelling with them; Arkopharma will not cover any other ancillary expenses.

⚠ Specific rules for Healthcare Professionals: only hospitality (overnight accommodation, transportation, etc.) at events that are exclusively professional or scientific or to promote products is permitted. As applicable, formalities must be adhered to (signature of an agreement, reporting or authorisation procedure depending on the amount).

WHAT TO DO

- Abide by the terms and conditions for offering and accepting gifts and invitations: value, requests for approval as applicable, frequency and context
- If expenses relate to Healthcare Professionals, ensure that the authorisation or reporting and transparency formalities have been completed

PRACTICAL EXAMPLES

▶ *While planning the biannual visit of a Kuwaiti distributor to Arkopharma's premises, you plan to cover the accommodation and meal costs, and you are planning a tour of the plant as well as a tour of the region during the weekend.*

PROHIBITED. Covering accommodation and meal expenses of Third Parties is permitted provided that you comply with Arkopharma's Travel Policy, have these expenses approved in advance and formalise them by obtaining approval from the Compliance Manager. However, it is prohibited to cover additional tourism expenses because coverage of such expenses must be strictly limited to the professional context.

▶ *You would like to invite some Healthcare Professionals (doctors and pharmacists) to visit Arkopharma's production site, and you want to cover their travel expenses.*

PERMITTED. You may do this provided that you complete the required formalities. Talk to your in-house manager before the event. Note that any hospitality for students in the healthcare professions is strictly prohibited.

→ To learn more:

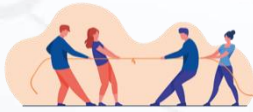
Gifts and invitations procedure

Arkopharma's Travel Policy

Arkopharma's expense reimbursement procedures

CONFLICTS OF INTEREST

DEFINITION



Conflict of interest refers to a situation in which the personal interests of a Member of Staff, or those of the people close to them (relatives or friends) **conflict with** or **compete with** Arkopharma's interests.

Conflicts of interest are not prohibited as such, but they may present risky situations inasmuch as they could affect the neutrality of Members of Staff in their decision-making, given the interference of a personal interest. Conflicts of interest could lead to acts of bribery, so you should be especially vigilant.

RULES OF CONDUCT

Conflicts of interest (actual, potential or apparent) must be **identified** and **reported** in the designated register so that they can be resolved as required.

WHAT TO DO

- Ask yourself if you feel indebted, if your decision could seem inappropriate or raise doubts about your loyalty to Arkopharma's interests, or if your judgement could be altered due to the ties you have with another person
- Report apparent conflicts or breaches of the Conflict of Interest Policy through the whistleblowing system

PRACTICAL EXAMPLES

► *A relative of yours is an executive of a company that may render a service to Arkopharma, and asks you if you could talk to your Purchasing Department and present their sales brochure.*

PERMITTED. It is not forbidden to recommend friends or relatives since you are not interfering in the partner-selection process and where the relative has the required skills and offers good value for money compared to the competition.

► *For a project started in a hurry, you sign off on a quote with your spouse's company. After all, time is short and you are confident of the quality of the services.*

PROHIBITED. This situation is a clear conflict of interest and jeopardises Arkopharma's interests while giving precedence to yours. Not only do you hold financial interests in the company in question – which is not prohibited per se – but you took the decision on your own and in violation of the rules on incurring costs and managing contracts. All conflicts of interest must be reported in the register created for this purpose.

→ To learn more: *Code of Ethics, 2.4 Prevention of conflicts of interest Policy on preventing and managing conflicts of interest*

CHARITY WORK, PATRONAGE AND SPONSORSHIP

DEFINITION

Patronage is financial, skill-based or material support provided by a company, without seeking direct economic compensation, to a non-profit organisation in order to support an activity that is in the public interest, such as art and culture, science, humanitarian and social projects, etc.

Sponsorship is a public relations technique in which a company (the "sponsor") contributes financially and/or materially to a social, cultural or sporting initiative in order to gain a direct benefit: visibility of the sponsor company's values and wider publicity.

These activities must be approached with particular vigilance because they can be used to conceal an undue advantage.

RULES OF CONDUCT

Charity work, patronage and sponsorship are permitted provided that they comply with the applicable laws and regulations and Arkopharma's current Procedure.

WHAT TO DO

- Obtain prior approval from Senior Management for the campaign that is being considered
- Ensure that the donations and patronage and sponsorship activities are not being given or carried out to gain or give an undue advantage or to wrongfully influence a decision; do this by auditing the entities and beneficiaries of these activities and the use of the funds

PRACTICAL EXAMPLES

▶ *You are contacted by a friend who chairs a non-profit association that works on protecting a plant species that is used in Arkopharma products. He asks you if Arkopharma can make a donation to support this cause.*

PERMITTED. This sort of practice (corporate philanthropy) is permitted, subject to the prior approval of Senior Management and provided that the Compliance Manager has thoroughly vetted the association, beneficiary and use of the funds.

▶ *You are an enthusiast of team sports who is involved in a football club that is looking for new sponsors. Naturally, you think of Arkopharma and you tell the president of the club that a sum of money could be paid in return for putting the Arkopharma logo on the players' shirts and advertising banners.*

PROHIBITED. You cannot commit Arkopharma to such initiatives without obtaining prior approval because the company's image is associated with the sponsored company or association. Moreover, the organisations or initiatives that Arkopharma supports must always be connected to natural healthcare or, at the very least, be in step with Arkopharma's public relations campaigns.

→ To learn more: *Procedures related to charity work, patronage and sponsorship*

INVOLVEMENT IN ORGANISATIONS AND POLITICS

DEFINITIONS

Political contributions are notably donations or gifts to parties, or political or trade union organisations, leaders of political parties, elected officials or candidates for political or public office.

RULES OF CONDUCT

Any direct or indirect financial or in-kind contribution paid by Arkopharma or its Members of Staff in its name to political organisations, parties or figures is prohibited.

Members of Staff who would like to participate as private individuals in political activities or organisations are permitted to do so provided that they ensure that their participation is strictly personal, occurs only during their free time and at their own expense, and that they do not use Arkopharma's property or resources for this.

Membership of professional associations in Arkopharma's name must be approved by the Executive Committee Advisers.

WHAT TO DO

- Do not make any political contributions in Arkopharma's name
- Request approval from your Executive Committee Adviser before joining a professional association in Arkopharma's name
- Separate personal, political and organisational activities from the duties performed at Arkopharma and never associate Arkopharma's image with them

PRACTICAL EXAMPLES

▶ *Your spouse chairs an association that is connected to the healthcare sector and asks if you can find out if Arkopharma can join it.*

PERMITTED. Joining professional associations is allowed provided that you obtain the consent of your Executive Committee Adviser before committing Arkopharma. Make sure that you report the situation of conflict of interest in this case.

▶ *You are very involved in local politics in a personal capacity, to the extent that you are sometimes required to perform some tasks during your working hours, using Arkopharma's property and resources.*

PROHIBITED. Although you may participate privately in political activities or organisations, it is prohibited to do so during your working time and to use Arkopharma's property and resources. These activities must remain strictly personal. In addition, you must ensure you never associate Arkopharma's image with the organisations or political activities in which you are involved in a personal capacity.

→ To learn more: *Procedures related to involvement in politics, organisations and lobbying*

LOBBYING

DEFINITION

Lobbying activities seek to influence the public decision-making process by sharing with decision-makers information and explanatory materials that may defend the company's interests and promote the development and competitiveness of the companies that are doing the lobbying.

RULES OF CONDUCT

Lobbying on behalf of or in the interests of Arkopharma is reserved for members of Arkopharma's Executive Committee or any other Member of Staff who is duly authorised by Senior Management.

WHAT TO DO

- Refrain from any lobbying activity unless you have express authorisation
- Act with integrity in any lobbying actions and abide by the procedures in force at Arkopharma
- Share reliable information with public decision-makers and protect Arkopharma's confidential information
- Remain transparent by filing reports in the registers of interest representatives, following the procedures in force at Arkopharma

PRACTICAL EXAMPLES

▶ You would like to invite a member of parliament to Arkopharma's premises for a tour of the plant and to present a groundbreaking project with a view to advancing a law on dietary supplements that could greatly contribute to the success of this project. You have obtained Management's consent on this initiative.

PERMITTED. Lobbying activities are not prohibited within Arkopharma, but they are strictly regulated and must satisfy the conditions of the applicable Procedure on Lobbying. Any activity of this type must be reported in the registers of interest representatives.

▶ During the visit by this same member of parliament, you take the initiative of offering him/her a bottle of luxury champagne in the hope of seeing this project come to fruition; you do this without telling anyone within the organisation.

PROHIBITED. Gifts given to public figures must always be approved by the Compliance Manager, no matter what the amount, and reported in the internal gifts register. Furthermore, in this case, you could be guilty of active bribery because you are hoping for a quid pro quo by influencing a decision.

→ To learn more: *Procedures related to involvement in politics, organisations and lobbying*

DEALINGS WITH THIRD PARTIES IN GENERAL

DEFINITION

Third Parties are all companies or natural persons outside of Arkopharma who interact in the context of business relationships to conduct the Group's business: customers, suppliers, subcontractors, distributors, intermediaries, consultants, etc. ("**the Third Parties**"). They may be a source of risk for Arkopharma if they do not abide by the applicable laws and regulations, particularly on corruption. Arkopharma's reputation could suffer from a breach by one of its partners in this matter.

RULES OF CONDUCT

The integrity of current or future Third Parties must be verified through audits conducted:

- At the start of the business relationship for new partners
- During the business relationship for current partners
- In the case of a particular event (e.g. change in control or shareholding, M&A transaction, etc.)

As soon as a Third Party breaches this Policy or Arkopharma's Compliance Programme, the relationship may be sanctioned by the severing of the partnership.

WHAT TO DO

- Ensure that the necessary due diligence and audits have been completed before entering into any new business relationship or during a business relationship
- Be particularly vigilant with Public stakeholders, officials and intermediaries, and beneficiaries of patronage or sponsorship
- Report to the Compliance Manager any dubious information that may affect the corruption risk level of a Third Party

PRACTICAL EXAMPLES

▶ *As part of the opening of a highly promising market in Libya, you decide to hold business negotiations at a very advanced stage with a prospect to the extent that you request that a distribution agreement be drawn up urgently so as to enter the partnership within eight days.*

NOTE: In this scenario, the potential distributor has a high-risk profile given their geographic location and the anticipated volume of business. Due diligence must always be performed before embarking on the business relationship, in particular in order to be sure of the integrity of the third party.

▶ *You are placing a €300 order with an office supplies company located in France with whom a master agreement has been formalised for the year. Before placing this order, you did not complete any formalities or audit of this third party.*

In this scenario, since a master agreement has been formalised with this supplier, the due diligence has already been conducted in this context. Moreover, a supplier of this type is likely to have a low-risk profile, and the audits to be performed upon entering into the business relationship are consequently adjusted. Nevertheless, in accordance with best practice, you should ensure that all necessary steps were indeed taken before you initiate any transaction with this third party.

→ To learn more: *Assessment procedure for third parties*

DEALINGS WITH HEALTHCARE PROFESSIONALS

DEFINITION

Healthcare Professionals are professionals in the field of healthcare (pharmacists, pharmacy technicians, physicians, etc.) and their associations, and students in these professions and their associations.

ARKOPHARMA RULES



It is forbidden to give or promise prohibited benefits directly or indirectly to Healthcare Professionals. For legal exemptions, always enter into an agreement with the recipient of the benefit and declare it or request approval from the competent authorities. Make public all benefits \geq €10, agreements and compensation in the Transparence Santé public database.

The following are, however, permitted:

- Impromptu meals (max. €30 including all taxes per person and max. two per year)
- Product samples or demonstration products (max. €20 per sample and max. three per person per year or with no limit if given for educational or training purposes)

WHAT TO DO

- Be vigilant in your dealings with Healthcare Professionals: ask yourself if the transaction you are considering is permitted or prohibited. If it is permitted, abide by the thresholds and administrative formalities
- Never give a gift (even one of low value) to a Healthcare Professional – they are prohibited

PRACTICAL EXAMPLES

► *You would like to give a box of chocolates to a pharmacist as a holiday gift as a thank you for his/her loyalty.*

PROHIBITED. The law prohibits Arkopharma from giving or promising such benefits because they do not fall under the list of legal exemptions. Do not give such gifts to Healthcare Professionals, no matter what the context.

► *During a training session for a team of pharmacists, you are considering giving the participating pharmacists some product samples to show them what is new.*

PERMITTED. Product samples are benefits of negligible value within the meaning of the law and are consequently authorised without any prior formalities. Furthermore, samples handed out for educational or training purposes are not limited in terms of amount or frequency.

► *You would like to invite some pharmacists to a conference on phytotherapy where you are an exhibitor (Arkopharma booth) by covering their registration fees.*

PERMITTED. The event in question is professional, and it is related to Arkopharma's business. Nevertheless, formalities must be completed.

DEALINGS WITH THE PUBLIC SECTOR

DEFINITION

People who hold public office, that is, who are officers of the state (civil servants, etc.) or those with a public service role (administrators and agents appointed by the courts, members of public bodies, administrative authorities) or who have an elected position (members of parliament, other elected officials, etc.) are called "Public Stakeholders" in this procedure.

So-called "public" bribery and other examples of breaches of integrity (influence peddling, illegal acquisition of interests, corruption, favouritism, etc.) are subject to harsher sanctions than in the private sector.

ARKOPHARMA RULES

It is strictly prohibited to try to gain favourable treatment from a public official by any means whatsoever. In addition, requests from public officials must be declined.

WHAT TO DO

- Be vigilant in your dealings with Public Stakeholders and the authorities
- Always obtain prior approval from the Compliance Manager for any gift or invitation given or received with regard to a Public Stakeholder
- Obtain approval from Senior Management for any patronage or sponsorship transaction

PRACTICAL EXAMPLES

▶ *As part of the placement on the market of a very promising future medical device that you want to start marketing as soon as possible, you offer a sum of money to an ANSM official so you can obtain the CE marking faster than planned.*

PROHIBITED. It is strictly prohibited to promise or offer any undue advantage to an official in the public or private sector for the purpose of carrying out an action. Be particularly vigilant in your dealings with the public sector.

▶ *An official from the Alpes-Maritimes department approaches you to find out if Arkopharma might be interested in promoting its image by having its logo included during a cultural event related to naturalness, in return for financial support.*

PERMITTED. This scenario amounts to sponsorship. This request does not conceal any undue advantage in return for an action or any receipt of favours. However, you should ensure that you abide by the rules on sponsorship in such situations and formalise an agreement with the legal department.

→ To learn more:

Code of Ethics, 3.7 Transparency and integrity in dealings with public authorities

Code of Ethics, 4. Compliance rules as a socially responsible Group

Procedures related to involvement in organisations, politics and lobbying

IMPLEMENTATION

ROLE OF MEMBERS OF STAFF AND COMPLIANCE NETWORK

Senior Management is responsible for this Policy and has delegated its design and rollout to the Group Compliance Manager.

All Members of Staff and Corporate Officers of the Arkopharma Group must abide by this Policy, and they all play a role in preventing and detecting corruption. Abiding by the compliance rules and behaving ethically must be an integral part of their day-to-day work. Management and Managers have a duty to behave in an exemplary manner and to motivate their teams and ensure they abide by the rules on appropriate behaviour.

If Members of Staff have any questions or problems regarding these rules and their implementation within the Group, they may approach their line manager or members of the Compliance Network (see the list in the appendix to the Code of Ethics):

- Compliance Officers
- Executive Committee Advisers
- Group Compliance Manager
- Compliance Committee

REPORTING INAPPROPRIATE BEHAVIOUR

To ensure that the Compliance Programme is effective, all Members of Staff, including **employees, temporary workers, work-study students, interns** and any **Third Parties** who have any doubts about the legitimacy of a practice within Arkopharma or a practice that potentially runs counter to the Code of Ethics or this Policy is encouraged to report them, insofar as they are acting in good faith and not receiving any financial consideration.

Arkopharma has set up a whistleblowing system in accordance with the laws in force on protecting whistleblowers, namely:

- A reporting platform that is open to Members of Staff and Third Parties
<https://arkopharma.signalement.net>
- A phone line (France): 01 86 47 67 97 (organisation code: 1980)

This whistleblowing system is **secure** and has **stringent guarantees of confidentiality** for the whistleblower as well as the persons named in the report. Reports are collected and processed in accordance with the procedure in force at Arkopharma.

Whistleblowers may also report these situations to the relevant outside authorities, the judicial authority or the Defender of Rights.

→ To learn more: *Report collection and processing procedure*
Code of Ethics, 5.5 Processing compliance incidents

NON-COMPLIANCE WITH THE POLICY

INTERNALLY

Any breach of this Policy may expose any Member of Staff to **disciplinary sanctions** as severe as dismissal in accordance with the internal rules and regulations in force, and depending on the severity of the actions, without affecting any **civil or criminal proceedings** that Arkopharma may institute against the offender.

EXTERNALLY

Any action taken in violation of the applicable laws and regulations on the fight against corruption may result in **criminal sanctions** for both the Member of Staff in question and for Arkopharma. The appropriate sanctions and proceedings will be those stipulated by the law that applies to the Member of Staff in question, and will be initiated in accordance with the locally applicable legal procedures.

VERSION AND PUBLICATION

This Policy was approved by Arkopharma's Compliance Committee on 5 October 2023.
Last updated: 05/10/2023

This Policy is posted on the website <https://fr.arkopharma.com> and on Arkopharma's intranet, which is reserved for Group Members of Staff who have access to it. In addition, it has been emailed to all Members of Staff in post on the date it was updated and shared with all new hires in the Arkopharma Group during their onboarding.

This Policy may be updated at any time, especially in response to circumstantial and regulatory changes, the results of the Group's risk mapping, and any incidents that may be detected. Make sure to view the most up-to-date version.

CONTACT

If you have any questions about this Policy, you may contact your line manager, your local Compliance Officer or the Group Compliance Manager (compliance@arkopharma.com).



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