

Cosmo Pharmaceuticals NV

CORPORATE POLICY DOCUMENT

Title: Anti-Bribery & Corruption Policy

Policy Owner: Chief Financial Officer

Effective Date: 1 January 2020

Last Revised: 1 June 2022

1 INTRODUCTION

1.1 This Anti-Bribery & Corruption Policy (the "**Policy**") applies to Cosmo Pharmaceuticals N.V. and its subsidiaries ("**Cosmo**") or (the "**Company**") and supersedes any other existing Cosmo policies relating to bribery and corruption.

2 POLICY STATEMENT

2.1 It is Cosmo's policy to conduct all of its business in an honest and ethical manner. Cosmo takes a zero-tolerance approach to bribery and corruption and all forms of bribery and corruption are unacceptable and strictly prohibited.

2.2 Cosmo is committed to upholding all laws relevant to countering bribery and corruption in each of the jurisdictions in which it operates.

2.3 The purpose of this Policy is to:

- set out the responsibilities of Cosmo, and all individuals who work for Cosmo, in observing and upholding the Company's position on bribery and corruption; and
- provide information and guidance to those individuals working for Cosmo on how to recognise and deal with bribery and corruption issues.

2.4 In this Policy, "**third party**" means any individual or organisation with whom you may come into contact during the course of your work for Cosmo, and includes actual and potential customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

3 APPLICATION OF THE POLICY

3.1 The Policy applies to all directors, officers, employees, family members, consultants and contractors of Cosmo.

3.2 This Policy extends across all of the Company's business dealings and in all countries and territories in which the Company operates. All persons covered by this Policy, in discharging their duties on behalf of Cosmo, are required to comply with the laws, rules and regulations applicable in the location in which Cosmo is performing business activities, and in particular with respect to anti-bribery and corruption laws, rules and regulations.

4 FORMS OF BRIBERY AND CORRUPTION

4.1 Bribery

- (a) A **bribe** is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.
- (b) An **inducement** is something which helps to bring about an action or desired result.
- (c) A business **advantage** means that Cosmo is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.

4.2 **Corruption** is the abuse of entrusted power for private gain, typically involving bribery.

4.3 **Kickbacks** are payment of any portion of a contract made to employees of another contracting party or the utilisation of other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.

4.4 **Extortion** means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.

4.5 **Facilitation Payment** is a payment solicited to facilitate the performance of a routine transaction or service to which the person or company making the payment is legally entitled to receive.

4.6 **Conflicts of Interest** occur when an employees personal interests (i.e. family, friendships, financial or social factors) compromise his or her judgement, decisions or actions in the workplace.

5 ANTI-BRIBERY AND CORRUPTION STANDARDS

5.1 It is prohibited for Cosmo or its directors, officers, employees, consultants or contractors to:

- (a) give, promise to give, or offer, a payment, gift or hospitality to a third party or otherwise engage in or permit a bribery offence to occur, with the expectation or hope that an advantage in business will be received, or to reward a business advantage already given.
- (b) give, promise to give, or offer, a payment, gift or hospitality to a third party to "facilitate" or expedite a routine procedure.
- (c) accept a payment, gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Company in return.
- (d) threaten or retaliate against another employee or worker who has refused to commit a bribery offence or who has raised concerns under this Policy.
- (e) engage in any activity that might lead to a breach of this Policy.

5.2 Any employee acting in contravention of the Policy will also face disciplinary action up to and including summary dismissal.

6 GIFTS AND HOSPITALITY

6.1 This Policy does not prohibit normal and appropriate hospitality to or from third parties.

7 RESPONSIBILITIES UNDER THE POLICY

7.1 All directors, officers, employees, consultants and contractors of Cosmo must read, understand and comply with this Policy.

- 7.2 All directors, officers, employees, consultants and contractors of Cosmo must participate in all training provided by the Company.
- 7.3 The prevention, detection and reporting of bribery offences and other forms of corruption are the responsibility of all those working for Cosmo or under its control. All such persons are required to avoid any activity that might lead to, or suggest, a breach of this Policy.
- 7.4 If you are asked to make a payment on the Company's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Chief Financial Officer, wherever possible, prior to taking any action.
- 7.5 All directors, officers, employees, consultants and contractors of Cosmo must notify the Chief Financial Officer as soon as possible if they believe or suspect that an action in conflict with this Policy has occurred, or may occur in the future, or has been solicited by any person.
- 7.6 Any person who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct. Cosmo reserves its right to terminate its contractual relationship with other persons if they breach this Policy.
- 7.7 It is a violation of the Policy to make any corrupt payments through any subsidiaries, agents, intermediaries, business partners, contractors or suppliers (individuals or organizations) of Cosmo or to make any payment to a third party where there is any reason to believe that all or a portion of the payment will go towards a bribe.

8 REPORTING VIOLATIONS OF THIS POLICY

- 8.1 All directors, officers, employees, consultants and contractors must adhere to Cosmo's commitment to conduct its business and affairs in a lawful and ethical manner. All directors, officers, employees, consultants and contractors are encouraged to raise any queries with the Chief Financial Officer.
- 8.2 In addition, any director, officer, employee, consultant and contractor of Cosmo who becomes aware of any instance where Cosmo receives a solicitation to engage in any act prohibited by this Policy, or who becomes aware of any information suggesting that a violation of this Policy has occurred or is about to occur is required to report it to the Chief Financial Officer.
- 8.3 Cosmo encourages openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. No directors, officers, employees, consultants and contractors of Cosmo will suffer demotion, penalty, or other adverse consequences for refusing to engage in or permit a bribery offence or for raising concerns or for reporting possible wrongdoing, even if it may result in the Company losing business or otherwise suffering a disadvantage.
- 8.4 Cosmo prohibits retaliatory action against any person who raises a concern in good faith.

9 INVESTIGATION AND DOCUMENTATION OF REPORTS

- 9.1 Any report of solicitations to engage in a prohibited act or possible violation of the Policy will be investigated initially by the Chief Financial Officer. Where the matter is deemed potentially serious it will be promptly reported to the Chief Executive Officer, the Chairman of the Audit Committee, and where appropriate, to the Chairman of the Board, and the following procedure will be followed:

- (a) A written report will be prepared detailing the report of possible violation of the Policy received and an investigation initiated.
- (b) The Chairman of the Audit Committee will promptly commission the conduct of an investigation. At the election of the Chairman of the Audit Committee, the investigation may be conducted by Cosmo personnel, or by outside counsel, accountants or other persons employed by the Chairman of the Audit Committee. The investigation will document all relevant facts, including persons involved, times and dates. The Chief Executive Officer or the Chairman of the Audit Committee shall advise the Board of Directors of the existence of an investigation.
- (c) The identity of a person filing a report will be treated as confidential to the extent possible, and only revealed on a need-to-know basis or as required by law or court order.
- (d) On completion of the investigation, a written investigative report will be provided by the persons employed to conduct the investigation to the Chief Executive Officer and the Chairman of the Audit Committee. If the investigation has documented unlawful, violative or other questionable conduct, the Chief Executive Officer or the Chairman of the Audit Committee will advise the Board of Directors of the matter.
- (e) If any unlawful, violative or other questionable conduct is discovered, the Chief Executive Officer shall cause to be taken such remedial action as the Board of Directors deems appropriate under the circumstances to achieve compliance with the Policy and applicable law, and to otherwise remedy any unlawful, violative or other questionable conduct. The persons employed to conduct the investigation shall prepare, or cause to be prepared, a written summary of the remedial action taken.
- (f) In each case, the written investigative report (or summary of any oral report), and a written summary of the remedial action taken in response to the investigative report shall be retained along with the original report by or under the authority of the Chairman of the Audit Committee.

10 RESPONSIBILITY OF MANAGERS

- 10.1 Managers will have full authority to implement the Policy within their spheres of responsibility. The measures taken by managers will be proportionate to the risks associated with their areas of responsibility but may include:
- (a) devising, implementing and maintaining systems and controls designed to prevent bribery, minimize the risk of bribery and detect instances of bribery;
 - (b) ensuring that employees are aware of the Policy; and
 - (c) ensuring that employees participate in anti-bribery training and that training specific to the needs of particular employees or job functions is provided when appropriate.
- 10.2 A manager to whom an employee's concerns are expressed must act promptly and escalate the matter in accordance with this Policy.
- 10.3 Where it is decided that further investigation is not appropriate the reporting employee must be given a prompt and full explanation of the reasons for reaching this conclusion.

11 COMMUNICATION OF THE POLICY

- 11.1 This Policy is available on Cosmo's internal website for review. New directors, officers and employees of Cosmo will be provided with a copy of this Policy and will be educated about its importance.
- 11.2 Training on this Policy will form part of the induction process for all new directors, officers, employees of Cosmo.
- 11.3 Cosmo's zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter. For advice on these communications, please contact the Chief Financial Officer.

12 RESPONSIBILITY FOR THE POLICY

- 12.1 The Company's Board of Directors has overall responsibility for ensuring this Policy complies with Cosmo's legal and ethical obligations, and that all those under Cosmo's control comply with it.
- 12.2 The Chief Financial Officer has primary and day-to-day responsibility for implementing this Policy, and for monitoring its use and effectiveness. Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this Policy.

13 MONITORING AND REVIEW

- 13.1 The Chief Financial Officer will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness. Any deficiencies identified will be rectified as soon as possible.
- 13.2 Internal control systems and procedures will be subject to audits to provide assurance that they are effective in countering bribery and corruption.
- 13.3 All directors, officers and employees of Cosmo are responsible for the success of this Policy and should ensure they follow the procedures set out herein to disclose any suspected wrongdoing.

14 CONSEQUENCES OF NON-COMPLIANCE WITH THE POLICY

- 14.1 Failure to comply with this Policy may result in severe consequences, which could include internal disciplinary action or termination of employment or consulting arrangements without notice. If it appears in the opinion of the Board that any director, officer, employee, consultant or contractor of Cosmo may have violated such laws, then Cosmo may refer the matter to the appropriate regulatory authorities, which could lead to civil or criminal penalties for Cosmo and/or the responsible person.

15 QUERIES

- 15.1 If you have any questions about how this Policy should be followed in a particular case, please contact the Chief Financial Officer or the Chief Operating Officer of Cosmo in the first instance.