

# Anti-Corruption and Anti-Bribery Policy



**INDEX**

INTRODUCTION	2
APPLICABILITY	3
AREAS OR ACTIVITIES OF INCREASED RISK	4
FINANCIAL BOOKS AND RECORDS	8
GENERAL PRINCIPLES	3
RESPONSIBILITIES OF THE AFFECTED PERSONS	9
TRAINING, REPORTING AND ASSISTANCE	10

## **1. INTRODUCTION**

- 1.1 This Anti-Corruption and Anti-Bribery Policy (the “**Anti-Corruption Policy**”) sets forth the rules that must be followed by the Companies of NEURAXPHARM and the Affected Persons (as such terms are defined in Section 3 below), in order to avoid or significantly reduce the risk that any of them carries out any corrupt practices; including, receiving, offering or promising anything that may be deemed to be a bribe.
- 1.2 Corruption means a wrongdoing through the misuse of a person's position or power in connection with unlawful, unethical or improper gain or other aim. There are many corrupt practices, for example bribery, facilitation payment, extortion, cronyism, abuse of discretion and other improper conducts.
- 1.3 Bribery means requesting, offering, promising, agreeing to receive, accepting or giving an undue financial advantage or any other kind advantage to another person, or receiving it from another person, with the intention of influencing a behavior, in a public, commercial or private setting, in order to obtain or retain a commercial, contractual, regulatory or personal advantage. Bribery can be "active" (offering, promising or giving a financial or other advantage) or "passive" (requesting, agreeing to receive or accepting a financial or other advantage).
- 1.4 Bribery and corruption can take many forms, for example, a direct or indirect promise or offer of something in value, such as cash or gifts, abnormally high commissions, unauthorized rebates, charitable donations, disguised professional services agreements. Bribery can take place in many circumstances, for example, during a tender or contracting process, or through the handling of administrative tasks or customs matters.
- 1.5 Bribery and other corrupt practices are not only wholly contrary to the values of the NEURAXPHARM but they are also illegal. The consequences of non-compliance with the laws are significant to companies and to persons involved.

There are an increasing number of investigations and enforcement actions worldwide. Individuals and companies can face civil and criminal charges that can result in large fines, imprisonment, and disbarment from public procurement processes. In addition, individuals may be subject to criminal liability under applicable anti-corruption laws regardless of whether the company has been found guilty or prosecuted for violation.

## **2. APPLICABILITY**

- 2.1 This Anti-Corruption Policy is applicable on and is mandatory for all the Companies of the NEURAXPHARM and for all each and all the Affected Persons.
- 2.2 The Affected Persons are all and each one of the following, when acting, directly or indirectly, in the framework of their activities for or for the benefit of any of the Companies:
- (i) members of the management body and any other legal representatives of a Company (including those who have not been formally appointed but that are acting or operating as such);
  - (ii) other persons, different to those indicated in paragraph (i) above, authorized to adopt decisions and/or to act by or on behalf of a Company;
  - (iii) members of the compliance committee and any other persons to whom a Company has delegated the responsibility to control the compliance with obligations by any of such Companies and/or by Affected Persons;
  - (iv) persons with a labour relationship with a Company, including all employees, agents, representatives and other associated persons; and
  - (v) persons with a contractual relationship with a Company who acts for or on behalf of a Company and whom a Company may reasonably be deemed to be able or have the authority to control or influence.

## **3. GENERAL PRINCIPLES**

- 3.1 The NEURAXPHARM values integrity and transparency and has zero-tolerance for all other corrupt activities committed by a Company or an Affected Person, and, therefore, regardless of local custom, business culture, or the nature of the requests for bribes or other corrupt practices, the Companies and each and all Affected Persons are:
- (i) strictly prohibited to engage in or remain willfully blind to corrupt practices, including giving or receiving anything of value, directly or indirectly, for the purposes of improperly obtaining or retaining a business advantage in connection with a Company's business or activity; and
  - (ii) required to comply with this Anti-Corruption Policy, as well as with all local and international anti-bribery and anti-corruption laws and regulations that may be applicable to its business and activities.

- 3.2 Requesting, offering, promising, agreeing to receive, accepting or giving a bribe, or participating in any other corrupt practices, indirectly, through a third party, is also prohibited if the Company or the Affected Person knows or reasonably should have known of the third party's unlawful conduct.
- 3.3 In some countries, it may be the local practice for businesses to make payments to Government Officials in order to secure, expedite or "facilitate" the performance of government actions (e.g. to obtain permits, licenses or other official documents; to avoid or reduce fines; to load or unload cargo; or to pass inspections). The NEURAXPHARM deems any kind of such facilitating payments by a Company or Affected Person.
- 3.4 The Companies and the Affected Persons are also prohibited from receiving a payment with money that has been generated, directly or indirectly, through from an illegal or improper source and from participating in any transaction which is carried out to conceal the existence of an illegal or improper source of money or income.
- 3.5 Considering the foregoing, if requested to offer, pay, give, accept or, in general, do anything that may be deemed as a bribe or any other kind of corrupt practice, a Company or an Affected Person must absolutely refuse to do so and also report the request or conduct to [compliancecommittee@neuraxpharm.com](mailto:compliancecommittee@neuraxpharm.com).
- 3.6 No Affected Person will suffer retaliation, demotion or other adverse consequences for refusing to pay or accept a bribe or to provide any improper advantage or for complying with this Anti-Corruption Policy, even if it may result in NEURAXPHARM losing business.

#### **4. AREAS OR ACTIVITIES OF INCREASED RISK**

##### **4.1. Working with Government Officials**

Benefits given to those working in the public sector are more likely to be considered as a bribe or another form of corrupt practice. For this reason, heightened awareness is required when interacting with representatives of the public sector or government officials.

The term "Government Official" has been broadly interpreted to include:

- (i) any officer or employee of a government-owned or government-controlled company. This includes companies that operate in the commercial sector, but are partially-owned or controlled by a government or government agency;
- (ii) any person engaged in public duty in a government agency. This includes: (i) any elected or appointed official or employee of a government (including any officer or employee of a public international organization (such as the European Union, United Nations or the World Health Organization);

- (iii) “healthcare professionals” employed by a state-owned or publicly- funded healthcare service providers.
- (iv) any political party, official of a political party, and any candidate for a political office; and
- vi) family members and close associates of Government Officials (e.g., it is not permissible to give a lavish gift to the sibling, spouse, or child of a government employee if such a gift to the government employee would be prohibited under this Anti-Corruption Policy).

Meetings may be scheduled with Government Officials for the purpose of discussing legitimate business matters provided that the meetings are held in a transparent manner in order to minimize the perception of any corruption.

It is mandatory that, when entering into professional services agreements with Government Officials, the Companies only do so if the Government Official's knowledge and expertise is considered to be adequate, there is a legitimate interest on the Government Official's services, the services are unrelated with the facilitation of any act or decision of the Government Official providing the service, any other Government Official or any public administration, the consideration, directly or indirectly, paid and other benefits granted by the Companies to the Government Official is at fair market value and such engagement is allowed by all potentially applicable laws, including local laws and industry codes.

All interactions with Government Officials have to be documented properly and payments supported by original receipts

## **4.2** Dealing with healthcare professionals

In many cases, healthcare professionals (“HCPs”) qualify as Government Officials; therefore, any interactions with any such HCPs may present a higher risk of being considered as a bribe or another form of corrupt practice. The particular risk areas include:

- (i) gifts and hospitality provided to HCPs;
- (ii) sponsorships of HCPs to attend conferences, congresses and other meetings (e.g. training and educational events);
- (iii) donations and samples provided to healthcare institutions and HCPs;
- (iv) fee for service arrangements.

### 4.3 Gifts

Gifts. Gifts include anything of any value that is transferred to someone else e.g. money, tickets, loans, services, etc. The intention behind the gift should always be considered before offering or accepting such gift. It is prohibited for the Companies and the Affected Persons to offer or accept any gifts or other incentives above a monetary limit set by the applicable local laws or ethical rules. In no event may a gift involve cash or cash equivalents (e.g., gift cards, store cards or gambling chips) or be intended to unduly influence a behavior, in a public, commercial or private setting, in order to obtain or retain a commercial, contractual, regulatory or personal advantage. Inappropriate gifts must be politely but firmly refused and never offered to any third parties.

Offering or giving gifts to Government Officials. Gifts, including anything of value, are never allowed in connection with Government Officials, unless it is clear that the giving of gifts is permitted by the applicable laws and ethical rules, it is not related with the facilitation of any act or decision of the Government Official receiving the gift, any other Government Official or any public administration and the gift is of nominal value and provided it is done in a fully transparent way.

Repeated gifts. Even if giving or accepting a gift itself fully complies with this Anti-Corruption Policy, the Companies and Affected Persons must not give or accept gifts from the same person, company or organization more occasions than set by the applicable local laws or ethical rules.

Funding the gift. Gifts that are not acceptable in accordance with this Anti-Corruption Policy or any applicable laws are so regardless whether they are paid out of Company's funds or from an individual's (Affected Person or Third Party's) pocket, to be later reimbursed by a Company or not.

Documentation. Any gifts must be fully documented and supported by original receipts and accurately recorded in the Company's records.

### 4.4 Meetings and Hospitality

Hospitality. Hospitality includes invitations to entertainment or similar events, meals, and related travel and accommodation costs. Hospitality must not be lavish or luxurious, must be reasonable and proportionate, must not be offered as a means of influencing another person's business decision, and may only be extended to the persons who qualify as participants in their own right. Providing travel, entertainment and meals to HCPs, Government Officials or business partners is prohibited, if they are excessive, unreasonable, offered as a reward, connected to performance incentives or goals, or are provided to unduly influence a behaviour, in a public, commercial or private setting, in order to obtain or retain a commercial, contractual, regulatory or personal advantage.

Offering hospitality to Government Officials. Payment or reimbursement of expenses relating to registration fees, travel, accommodation and meals of Government Officials to attend site visits or educational meetings is only permitted when the governmental body for which the Government Official works does not cover all expenses relating to such visits, is and extends only as permitted under the applicable laws and industry codes, and is not made to unduly influence a behaviour, in a public, commercial or private setting, in order to obtain or retain a commercial, contractual, regulatory or personal advantage.

Documentation. Any hospitality offered to the public or private sector must be fully documented and supported by original receipts as well as accurately recorded as such in the Company's records.

#### **4.5 Employment Internships**

On occasion, Government Officials or Companies' business partners may request that internships or employment opportunities be provided to certain individuals. Offering internships or employment to Government Officials or Companies' business partners may be viewed as providing an item of value to them.

This Anti-Corruption Policy sets forth guidance for handling such requests from Government Officials or Companies' business partners. If a candidate is interviewed for an internship or employment within the ordinary course of filling a position, the Compliance Committee must be notified of the candidate's relationship to a Government Official or a Company's business partner. If a candidate related to a Government Official or a Company's business partner is interviewed outside of the ordinary course of filling a position, any internship or employment offer must be pre-approved by the Compliance Committee. This notification allows the Compliance Committee to fully analyse the appropriateness of any such retention to avoid even the appearance of impropriety.

#### **4.6 Political Contributions and Charitable Donations**

Affected Persons may not make political or charitable donations, whether in their own name or in the name of a Company, to obtain or retain business or to gain an improper business advantage. Any political or charitable contributions by Companies must be permitted under the law, permissible pursuant to the terms of this Policy, made to a bona fide organization, and in the case of political contributions or charitable contributions connected to any Government Official or government entity made with the prior approval of the Compliance Committee. In certain instances where there is heightened risk of corruption, the Compliance Committee may require diligence to be conducted. The Compliance Committee must be notified if a Government Official solicits a political or charitable contribution in connection with any government action related to a Company or its affiliates. Individual employees or agents may not make political contributions on behalf of any Company or its affiliates.

#### **4.7 Corrupt Practices Through Third Parties**

Dealing with Third Parties. Corrupt practices are deemed to be so regardless whether engaged directly or indirectly. This means that the Companies may incur liability for a corrupt practice when third party engaged to represent or provide a service to, or on behalf of, a Company pays or offers a bribe or otherwise engages in a corrupt practice in the course of its work for a Company. This exposure may arise notwithstanding that the payment or corrupt conduct in question is prohibited or instructed by a Company and/or that such Company had no knowledge of this bribery or corrupt conduct.



Considering the foregoing, the Companies and Affected Persons who deal with third parties are responsible for taking reasonable precautions to ensure that third parties conduct business ethically and in compliance with all applicable laws. Such precautions may include, for third parties representing a Company in public tenders or before governmental entities, conducting an integrity due diligence review of a third party, inserting appropriate anti-corruption compliance provisions in the third party's written contract, requiring appropriate third party compliance certifications, and monitoring the reasonableness and legitimacy of the services provided by and the compensation paid to the third party during the engagement.

**Payments to Third Parties.** All fees and expenses paid to third parties must represent appropriate, justifiable and proportionate remuneration, which is commercially reasonable under the circumstances, for legitimate services rendered by the third party and must never represent a payment to unduly influence a behavior in order to obtain or retain a commercial, contractual, regulatory or personal advantage.

Except as otherwise and up to the limits permitted by applicable laws, all payments to third parties must be effected by electronic funds transferred directly into such bank account of the third party as the third party indicates in writing from time to time.

**Monitoring.** It is important that the business activities and operations of each relevant business partner of a Company are regularly monitored so that a reasonable bribery and corruption risk assessment can be carried out if circumstances change and there is a suspicion of bribery or corruption on the part of a third party with a relationship with a Company.

## **5. FINANCIAL BOOKS AND RECORDS**

- 5.1 In order to prevent the existence of bribes and other corrupt practices the, Companies must keep accurate books and records that reflect transactions and asset dispositions in reasonable detail, supported by a proper system of internal accounting controls.
- 5.2 Special care must be exercised when documenting and recording transactions may involve payments to Government Officials.
- 5.3 No accounts must be kept "off-the books" to facilitate or conceal bribes and other corrupt practices.
- 5.4 Personal funds must not be used to accomplish what is otherwise prohibited by this Anti-Corruption Policy.

## **6. RESPONSIBILITIES OF THE AFFECTED PERSONS**

6.1 All Affected Persons are responsible for understanding and complying with this Anti-Corruption Policy, as it relates to their activities for or on behalf of the Company. Therefore, every Affected Person has an obligation to:

- (i) be familiar with this Anti-Corruption Policy and comply with it at all times;
- (ii) ask questions if this Anti-Corruption Policy or action required to be taken in a particular situation is unclear;
- (iii) properly manage and monitor activities in order to try to prevent that any corrupt practices occur;
- (iv) promptly report existing, threatened or reasonably suspected corrupt practices to [compliancecommittee@neuraxpharm.com](mailto:compliancecommittee@neuraxpharm.com)
- (v) or through appropriate channels instituted by the Companies; and
- (vi) report to the relevant authorities existing, threatened or reasonably suspected corrupt practices as required by applicable law.

6.2 Any violation of this Anti-Corruption Policy will be treated seriously and may result in disciplinary action, including the termination of contractual relationships, against the violating Affected Persons, as permitted by applicable law. Breaches of law may also result in civil or criminal penalties for the Companies and/or the relevant Affected Persons. Ignorance of NEURAXPHARM standards and/or policies and/or the law is not an excuse for failure to comply.

6.3 The Companies must apply a zero-tolerance policy for retaliation against any Affected Persons or third parties who have reported or participated in an investigation of possible violations of this Anti-Corruption Policy or other corrupt acts or wrongdoings. Any Affected Person attempting to retaliate or to otherwise persecute or harass an Affected Person or third party for making a report in good faith will be subject to appropriate disciplinary measures, up to and including termination.

## **7. TRAINING, REPORTING AND ASSISTANCE**

- 7.1 Considering that this Anti-Corruption Policy is mandatory to all Affected Persons, and in order to further facilitate its understanding and compliance, the Companies will provide trainings for all the Affected Persons, consistent with the Affected Person's responsibilities and risk profile.
- 7.2 Any Affected Person who is aware or reasonably suspect of the existence or threaten of a corrupt practice by a Company or an Affected Person or, in general, any acts which violate this Anti-Corruption Policy, must promptly report so to [compliancecommittee@neuraxpharm.com](mailto:compliancecommittee@neuraxpharm.com)
- 7.3 Any Affected Person who has any questions or concerns regarding this Anti-Corruption Policy or its application, must seek guidance and assistance from the Compliance Committee at [compliancecommittee@neuraxpharm.com](mailto:compliancecommittee@neuraxpharm.com)

