

Anti-Corruption Policy – OKTAL PHARMA GROUP

Overview

Bribery of any kind and in any situation is illegal and prohibited.

Bribery is a promise, an offering or giving of any benefit that inappropriately influence official decisions of a Government Official or any other person, in order to gain or obtaining an unjustified benefit or advantage for an individual or a related group of people.

This Anti-Corruption Policy (the “Policy”) expressly prohibits corruption of any kind in all business dealings, whether with the government or in the private sector.

In particular, this Policy prohibits offering, promising or giving any kind of benefit, directly or indirectly (through a third party) to a Government Official or any other individual (whether or not a Government Official) to induce him or her to act improperly.

Special care is required when dealing directly or indirectly with Government Officials which includes employees of state-owned enterprises and in the public sector.

Anyone who violates this Policy is subject to disciplinary action, including but not limited to termination of employment or business relationship, and referral to authorities for possible criminal and civil actions and penalties.

1. Persons Subject to the Policy

This Policy supports the commitment of companies within the Oktal Pharma Group: Oktal Pharma d.o.o. Zagreb (OPH Zagreb) and all its affiliates according to their business operations in accordance with the highest ethical standards and legal requirements

The Policy applies to all companies’ employees within the Oktal Pharma Group: Oktal Pharma d.o.o. Zagreb (OPH Zagreb) and all its affiliates, directors, officers, shareholders, principals, and any third-party intermediaries assisting or doing business on the Company’s behalf (collectively referred to as “Individuals”).

For the purposes of this Policy, an “affiliate” has the meaning of any legal entity that is majority owned or controlled, directly or indirectly, by OPH Zagreb or its affiliate in any country.

2. The Policy

It is forbidden to:

- **WHAT:** promise, offer, pay, give or authorize the giving of any benefit such as: money, gifts, charitable contributions, hospitality, meals, travel, discounts, goods, services, jobs for relatives, confidential information and other ways of bribery;
- **HOW:** directly or indirectly (through a third party);
- **TO WHOM:** to any Government Official, or to any other individual (whether or not a Government Official)
- **FOR WHAT PURPOSE:** to influence a business or official decision outcomes or to instigate an improper / illegal conduct;
- **FOR WHAT AIM:** gaining or obtaining unjustified business advantage and/or obtaining or retaining business

This prohibition applies regardless of whether the payment is called a grease, facilitation or expediting payment and specifically includes giving benefits to any third party while knowing or being aware of a high probability that the third party will, in turn, offer, promise or provide a benefit prohibited by this Policy.

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3. Key Definitions

Benefit (Anything of Value) – Any item of tangible or intangible value, broadly defined, in any form, including but not limited to cash, cash equivalents (loans, scholarships, gift cards, gift certificates and merchandise discounts), gifts, charitable contribution travel, lodging, meals, travels, discounts, merchandise, services, jobs for relatives, confidential information, and any other thing of value that may be deemed as a bribe.

Government Official – Refers to any public or elected official, officer, employee, or person acting on behalf of a:

- national, provincial, or local government,
- state-owned or state-controlled company,
- public international organization,
- political party.

Examples include, but are not limited to: issuers of government permits, approvals or licenses; the hospital managements and health professionals employed by state-owned hospitals / county or city-owned hospitals, county or city-owned pharmacies, employees of state / county / city-owned companies, customs officers, tax officials, ministers, officials and officers of the judiciary, representatives of foreign governments.

Health professionals (HCP) – People who have medical education and professionally, as an employees in hospitals, pharmacies, health centers, etc. participate in providing health care to individuals, regardless of whether they work in a public or private institution.

Healthcare professionals working in government institutions are considered Government Officials.

Business Partner – Any natural or legal person with whom the Company makes business contact. In the context of this Policy, other companies within the Group and their employees are not considered business partners.

Third party - Any individual or legal entity engaged by the Company who is expected to interact with Government Officials on behalf of the Company. Examples include, but are not limited to: agents, intermediaries, advisors, consultants, representatives, lawyers, accountants.

4. Books and Records

The Company requires that a system of adequate internal accounting controls be maintained, and Individuals are expected to report and reflect all transactions fairly, accurately and in reasonable detail in the Company's books and records. Books and records must not contain any false or misleading statements or entries, and transactions should never be misclassified as to accounts, departments or accounting period. Documentation supporting all transactions should be accurate, appropriate and reasonably detailed, and should be kept in accordance with the Company's records and information management positive policies.

5. Gifts and Business Hospitality

Business decisions should be based on the principles of fair competition. The offer or acceptance of gifts or business hospitality can create an impression that business decisions are being influenced by other factors. Gifts or business hospitality should never be offered or accepted for improper purposes.

Expenditures directly related to the promotion or demonstration of the Company's business products or services may be acceptable if they are reasonable and are not made to secure an improper and / or undue advantage.

However, nothing should be promised, offered, paid, given or approved to be given to a Government Official, or to any other person, if it could reasonably be perceived as an attempt to influence for an unprecedented business advantage in obtaining or retaining a job, or if it would adversely affect the Company's reputation.

The principles underlying this Policy must be followed regardless of the monetary value of anything given to a Government Official or any other third party.

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Gifts:

- Money and money equivalents, regardless of their monetary value, rights and services given or accepted without compensation (charge) or an expectation of reciprocity.

Business Hospitality – includes business hospitality and support for Health Care Professional travels.

- Business Entertainment
 - Business conditioned entertainment for Government Officials, Health Care Professionals and Business Partners in the form of meals, drinks, receptions and business events.
- Health Care Professional travels
 - Support for professional training of Health Care Professionals in the form of registration costs, accommodation, transport, etc., all related to travel of Health Care Professionals to professional medical congresses in the country and abroad.

Gifts and Business Hospitality should be:

- consistent with all laws and regulations, and Company's internal acts;
- consistent with the Company's business interests;
- consistent with customary business practices;
- not excessive by local or industry standards;
- not in the form of cash or cash equivalents, regardless of the amount or the recipient;
- infrequent in occurrence;
- given and accepted without an expectation of reciprocity;
- Recorded in accurate, appropriate, and reasonably detailed documentation.

The procedure for approving expenses for gifts and business hospitality is carried out in accordance with the Company's internal acts.

Employees may not use personal resources or third parties to circumvent the requirements set out in this Policy.

5. Donations

As a socially responsible legal entity, the Company donates part of its earnings for humanitarian, cultural and other general useful purposes, bearing in mind the social responsibility, moral and professional ethics principles it stands for.

Donations must be made without any past, present or future commitment by the recipient to the Company as a donor, or the expressed or implied intention to obtain or maintain a business relationship between the donor and the recipient and / or the donor and any person having a status of employee, member, a person duly appointed to conduct the business of the recipient or to perform any business directly or indirectly related to the donation recipient's activities or to obtain any business advantage for the donor.

Decisions on donations are made in accordance with the procedure prescribed by the Company's internal act.

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7. Entering the contractual relationship with Business Partner or the third party

The Company will not engage or do business with a Business Partner or any third party if Company believes there is a material risk that the Business Partner and / or the third party will violate anti-corruption laws or the prohibitions set out in this Policy.

Prior to entering into a business relationship with any Business Partner / third party, a process of verification and approval of the Business Partner / third party will be carried out, in accordance with the Company's internal procedure for verification and selection of Business Partners / third parties.

8. Employee Cooperation, Training, and Certifications

The Company's commitment to high standards of ethical business conduct depends on all Individuals to whom this Policy applies. To that end, the Company expects all Individuals to adhere to this Policy, attend training where appropriate, and, upon request, provide written certification of their compliance with this Policy.

From time to time, the Company may ask for Individual's help regarding the implementation of this Policy, in which case they are expected to provide full support and cooperation. Any failure to provide full, complete and truthful cooperation is itself a violation of this Policy.

Depending on the job responsibilities of the Individuals, the Company may require them to attend training on matters related to this Policy, given the fact that such training is common for the implementation of this Policy, and consistent with widely followed anti-corruption best practices.

As with training, the Company may require Individuals to periodically provide confirmation that they are aware of and do business in accordance with this Policy. Companies typically use employees' certification procedures to verify the compliance of their anti-corruption policies, and the Company does the same.

When the Company requests Individuals to attend training or to submit a certificate, it does not mean that they have violated or are suspected of violating this Policy or any anti-corruption law. It simply means that the Company is doing everything in its power to ensure compliance with anti-corruption laws.

9. Auditing of Compliance with Policy

The Company will conduct periodic audits to ensure adherence to this Policy and provide the Oktal Pharma Zagreb d.o.o. Board of Directors with annual reports on the results of such audits, including any disciplinary and other remedial actions taken in the event that violations of this Policy have been found.