

ANTI-CORRUPTION POLICY AND GOOD PRACTICES

ANTI-CORRUPTION POLICY

ISSUES:

The BOIRON group attaches great importance to **Transparency** and **Ethics** in relationships between all the participants to its project.

The **French law** of December 9, 2016 obliges companies to fight against corruption and influence peddling, which has led us to set up a system of self-protection within all our subsidiaries.

We consider this requirement as an opportunity to describe **the Ethics expected by everyone in their business relationships**.

We hope that everyone, in the exercise of their functions, will **preserve the integrity and good reputation of the group**.

IN THE FIGHT AGAINST CORRUPTION:

- Respect and enforce compliance with this **anti-corruption policy** in the entire group in France and internationally;
- Ensure that our requirements are met by our partners, customers, service providers, intermediaries and suppliers.

OUR POLICY GUIDELINES:

- Identify and assess **corruption risks**;
- Define and enforce **expected behaviours** to avoid corruption;
- **Train and inform** employees and partners of the group's anti-corruption policy;
- **Allow employees and partners to act as a whistleblower** in case of conduct or situation contrary to our policy;
- **Set up procedures to evaluate** customers, first rank suppliers and intermediaries;
- Regularly **assess the effectiveness** of the anti-corruption prevention system.

Valérie Lorentz Poinot
General Manager

Jean-Christophe Bayssat
Deputy General Manager
Chief Pharmacist

SCOPE OF THE ANTI-CORRUPTION POLICY

The anti-corruption policy of the Boiron group applies to all associate/ employees of the BOIRON group as well as to external and occasional partners, in France and internationally.

It applies to all relationships with customers, suppliers and more generally all partners of the group.

It is applicable wherever the BOIRON group carries out an activity, whether or not through a subsidiary. In any event, local laws which may be stricter than the Boiron policy must be respected.

GENERAL RULES

In general, active corruption (act of corruption) consists in attempting to influence or influencing the action or decision of a private or public person by a donation, the promise of a donation (present, money, meal, travel, service, sponsorship etc.), especially for the purpose of obtaining special favours or advantages.

Passive corruption (act of being corrupted) involves accepting a promise or donation, or receiving a donation in exchange for a leverage, an action or a decision.

Influence peddling refers to a person monetizing his/her position or authority, whether real or supposed, in order to influence a decision to be taken by a third party. It involves three participants: the beneficiary (the one who provides benefits or gifts), the intermediary (the one who uses the influence he/she has because of his/her position) and the target person who has the decision-making power (public authority or official, judge, expert etc.).

Active or passive corruption and influence peddling engage the personal responsibility of the associate/ employees and exposes him to disciplinary sanctions pronounced by the company, but also to criminal penalties (fines and imprisonment) according to the applicable laws.

The company may also be severely punished by fines or by a ban on carrying on its business.

Expected behaviour:

It is important to be very cautious about these practices and to ask yourself the following questions:

- Are laws and regulations respected?
- Is it in accordance with BOIRON policy and the interest of the group?
- Is it devoid of personal interest?
- Would I be embarrassed if my decision becomes public?
- Have I acted in a transparent manner?

In the event of any questions, lack of understanding or doubt concerning a situation or practice likely to be considered as corruption, any employee shall immediately seek advice on how to conduct himself from his supervisor/ manager and/or the Internal Audit Department.

SPECIFIC RULES

Gifts, courtesy gestures, hospitality invitations and entertainment:

Definitions:

Gifts are benefits of any kind given by someone as a sign of gratitude or friendship, without expecting anything in return.

Hospitality invitations usually include the cost of refreshments, meals, travel or accommodation.

Entertainment includes attending shows, concerts or sporting events.

Expected behaviour:

Special attention should be paid to gifts, courtesy gestures, invitations and hospitality, entertainment, whether received or given, because even if they may be a way to promote good relationships, they can also constitute a way to influence a decision, to favour a business/ prefer a company or a person to another.

The following rules should be followed for gifts received:

- They must be infrequent/ rare and not become common practice;
- The amounts must be reasonable;
- They must be able to be shared with other non-decision-making staff;
- They must never be of a financial nature: loan, cash or equivalent to cash (e.g. vouchers);
- They must not be subject to any compensation;
- During a period of call for tender or renegotiation of contracts, they must be systematically refused;
- They must be made in a transparent manner with regard to supervisors/ managers.

For gifts given:

- They must be infrequent/ rare and not become common practice;
- The amounts must be reasonable in relation to the context of the country where the gift is offered (e.g. box of chocolates, flowers);
- They must never be of financial nature: loan, cash or equivalent to cash (e.g. vouchers);
- They must not be subject to any compensation;
- They are prohibited during a period of call for tender or renegotiation of contracts;
- They must be made in a transparent manner with regard to supervisors/ managers;
- They must be traceable in the company accounts.

Examples:

- A supplier sends you every time at the year-end holidays a box of chocolate, a bottle of champagne, a gift basket, a bouquet of flowers or a ticket for a show: such a gift is acceptable, provided however you inform your boss and that the gift is shared in turn with all members of your non-decision-making department. During a period of call for tender the gift must be refused.
- A customer or supplier invites you to a prestigious restaurant (meal value: €150) outside of any period of call for tender: you must refuse because the value of the meal is too high in relation to BOIRON's policy.

- In compensation for the promotion made on our products in pharmacies, you would like to give supermarket vouchers to the pharmacists with a value of less than €50: this is forbidden because it is equivalent to a cash donation. Moreover, this may also be a violation of the rules regulating promotion of medicines.

Relationships with public officers:

Definitions:

The term "public officer" means:

Any official, representative or employee, elected or appointed by a government or ministry, of a government agency, an international public organization or a company belonging, even partially, to a government (ministers, members of parliament, elected officials, agents, judges, civil servants including public hospital doctors etc.), as well as political leaders and candidates for a public election.

Expected behaviour:

Any relationship with a public officer must be in accordance with the regulations. It is strictly forbidden to grant any kind of benefit to a public officer.

In all cases, BOIRON associates/ employees shall:

- Act in an honest and transparent manner, informing their supervisor/manager beforehand;
- Never offer anything to a public officer,
- Not make facilitation payments, i.e. unofficial payments (as opposed to official duties and taxes) paid to facilitate or expedite any formality including administrative procedures such as requests for marketing authorisations for our products, customs clearance, licenses, visas etc., except in cases of force majeure by decision of the General Management of the group,
- Go to two employees (at least) to meetings with public officer.

Examples:

- As part of the application to obtain a marketing authorisation (AMM) for one of our new products, a public officer of the drug agency requests that you pay him personally €200 to place the file "at the top of the pile". Your customers are looking forward to this new drug and you may have to pay them late payments: it is a facilitation payment that must be strictly refused regardless of the amount. When faced with a situation such as this, you should in any event inform your supervisor.
- The same refusal must be made to a customs officer who asks you to pay him personally a sum of money in order to unblock the customs clearance of the goods. Here again, you should inform your supervisor.

Donations to charitable or political organisations or associations:

Definitions:

Donations and grants to organisations or associations, political parties or leaders are benefits given in the form of money and/or contributions in kind. They are granted for a specific purpose: research, training, the environment, for charitable, humanitarian and political purposes.

Political contributions, whether monetary or otherwise, are intended to support political parties, leaders or initiatives. These are strictly forbidden. The political commitment of BOIRON employees must be solely confined to the private sphere.

Expected behaviour:

In all cases, BOIRON associates must:

- Obtain prior authorisation from the General Management of the group if the donation is made in the name of BOIRON,
- Donations must be traceable in the accounts of the company and be the subject of a contract which will specify the purpose of the donation and the use expected thereof,
- The donation must have only a charitable aim and should not give rise to any further compensation,
- Donations to political parties or leaders from BOIRON resources are prohibited. Associates must use exclusively their own financial means and property in the context of their personal political involvement. They must be careful not to harm the reputation of BOIRON and be vigilant about the perception that any third party might have of your political actions.

Examples:

- You attend a meeting of a political party during where a fundraising is organized and you know that its candidate could make decisions favourable to BOIRON if elected: you can contribute to the fundraising but only in your own name. Under no circumstances, will you be authorized to make an expense report to obtain reimbursement of the funds from BOIRON.
- A charitable association to fight a serious disease is collecting funds for research: the donation to such an association will not be banned *per se*, but will have to be approved by the General Management of the group. In addition, a contract will have to be established between BOIRON and the association specifying the aims of the donation and its use, as well as its purely charitable nature.

Philanthropy, sponsoring:

Definition:

Through philanthropy or sponsoring, the company wishes to provide financial or material support for a work, or a social, cultural or sporting activity as a means of communicating and promoting its values.

In principle, philanthropy and sponsoring are prohibited except in exceptional cases duly authorised by the General Management of the group.

Expected behaviour:

In all cases, BOIRON associates must:

- Obtain prior authorisation from the General Management of the group,
- Not seek direct benefits from the beneficiary (other than promotion of the corporate image),
- The actions of philanthropy or sponsoring must be traceable in the company accounts.

Example:

- A sporting event takes place in your city and you consider that BOIRON should be a sponsor of the event: you must obtain the authorisation of the general management of the group and check with the competent departments of the BOIRON group that the sponsoring, as well as the possible promotion of BOIRON medicines (via the affixing of trademarks to displays, flags, T-shirts etc.) and any other action on behalf of BOIRON, do not infringe regulations, nor harm BOIRON's reputation.

Conflicts of interest:

Definition:

Conflicts of interest arise from any situation in which employees' activities or personal interests are in conflict with their professional duties or responsibilities.

Expected behaviour:

If circumstances give rise to a potential or proven conflict of interest, associates/employees must:

- Be transparent and report it to their supervisor;
- Ensure that the decision is not influenced or determined by another interest than the interest of the company.

Example:

- A member of the marketing team proposes you to sign a new contract with a supplier whose commercial conditions are very advantageous compared to usual practices. He tells you that this situation is due to the fact that one of the partners of the supplier is his brother-in-law. Your employee has the merit of having been transparent on his family ties and not having directly signed the contract. As the commercial conditions are not standard conditions, the negotiation and possible signature of the contract must be made between persons who have no connection between them.
- Your spouse is the owner of a pharmacy that is a BOIRON customer: You must inform your manager.

- Recruitment is underway within your department and you suggest to your nephew to apply: You must indicate to your superior this family connection.

APPLYING THE CODE

Training-Information:

Associate are required to take note of the BOIRON anti-corruption policy and to participate in the training and awareness sessions that are organised.

Reporting of non-compliant practices:

Any associate who reports in a selfless and *bona fide* manner a potential violation of the BOIRON anti-corruption policy will be protected against any form of retaliatory measures.

Each collaborator must share his doubts and/or ask questions:

- If he is confronted with a potential case of corruption;
- If he believes in good faith that a violation of the BOIRON policy and or regulation has been, is in the process of being or is going to be committed;
- If he finds out that someone is being retaliated against for raising a problem in good faith.

A *bona fide* error will not result in any disciplinary action. On the other hand, abusive or malicious denunciations may be liable to disciplinary or even criminal sanctions.

In accordance with the reporting procedure, the associate shall:

- Send an e-mail to the following secure address: ethic@boiron.fr. This e-mail address will be the joint responsibility of the group's Human Resources Department and Legal Department;
- Describe precisely in this e-mail the facts (who? when? what?).

The Human Resources Department and the Legal Department will acknowledge receipt of this report and determine the actions to be implemented and the timetable for evaluating the reporting.

The Human Resources Department and/or the Legal Department will conduct, by appealing where appropriate to the assistance of other competent department or third parties, an investigation into the facts which led to the reporting. The very nature of the alerts implies that the contributors in charge of the investigation guarantee strict confidentiality as to the identity of the author of the report, the facts and the persons concerned throughout the duration of the investigation. As such, they are committed to respecting the Charter of Ethics set up within the group.

The Human Resources Department and the Legal Department will make recommendations to the group's General Management or to the Chairman of the Board of Directors if a member of the General Management is involved. The author of the report and the persons referred to in it will be informed of this step.

In the absence of a follow-up, the Human Resources Department and the Legal Department will destroy all the information submitted.

Professional alerting schemes and personal data protection

In accordance with the rules applicable to the protection of data in most of the countries in which the company is present and, in particular within the European Union, any person identified as part of an ethical alert procedure, whether it is issuing the alert or be the subject of the alert, may exercise their right of access to the data concerning themselves using the procedure defined by the company.

Everyone may also request correction or deletion of the data if these are inaccurate, incomplete, equivocal or outdated in the same manner.

Commitments of the BOIRON group

The group fully commits to:

- Take all statements seriously;
- Investigate alerts effectively and as soon as possible;
- Assess the facts in an objective and impartial manner;
- Take appropriate corrective action and disciplinary measures, which may, if necessary, extend to dismissal.

The various cases and examples cited in the BOIRON anti-corruption policy are not exhaustive. Indeed, the group will sanction any cases of proven corruption, even though it may not have been described in the policy.

Similarly, corruption which the group becomes aware of outside the reporting procedure described above will be punished.

Implementation: responsibility and monitoring

The BOIRON anti-corruption policy is likely to be revised and adapted.

The Internal Audit Department of the BOIRON group carries out periodic checks to ensure proper implementation of the corruption control scheme.

An Ethics Committee will give its opinion on the effectiveness of the scheme. It will meet for this purpose at least once a year. It is composed of the Deputy General Manager in charge of Human Resources, the Legal Manager of the group, a legal advisor of the Human Resources Department and a legal advisor of the Legal Department of the group.