



# Global Anti-Bribery & Anti-Corruption Policy

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# 1. Fagron's Commitment

As a global company with the ambition to create the future of personalized medicine, the company's reputation is critical to Fagron's success. A bribe or another form of corruption is never acceptable and can expose Fagron to possible criminal prosecution, fines, reputational damage, and other serious consequences. Fagron is committed to be fully compliant with global anti-bribery and anti-corruption laws.

Our commitment is closely linked to the Fagron family rules, which define how all our employees collaborate and interacts with others:

- **Responsibility** – as a global leading company we are committed to setting an example and always conduct in an ethical and responsible manner;
- **Transparency** – we aim to be fully transparent by clearly communicating our policy to internal and external stakeholders;
- **Simplicity** – with simple and clear guidelines we make our views and beliefs known so that the policy is clear for all involved parties;
- **Autonomy** – we strive to only work with parties that have the autonomy to always conduct business without breaking any anti-bribery and anti-corruption laws;
- **Humility** – by being humble we strive to not obtain any improper advantages from operating as a business; and
- **Analytic** – we will continue to monitor and analyze the results of this policy and take corrective actions where needed.

This policy applies to all Fagron employees and all individuals working for Fagron that are engaged through a third party, but also to the business partners throughout our supply chain.



## 2. Bribery and Corruption

### 2.1 Bribery

Fagron strictly prohibits any form of bribery. Bribery can be defined as, directly or indirectly, offering, promising or giving anything of value to another person, agency or government official or being offered, promised or given anything of value by another person, agency or government official with the intention of influencing in order to obtain or retain an improper business advantage for Fagron or give or retain an improper business disadvantage for Fagron.

The following situations are included:

- Active or passive bribery of another person;
- Active or passive bribery of a government official;
- Active or passive bribery of a business partner;
- Active or passive bribery of employees and all individuals working for Fagron that are engaged through a third party; and
- Failure of commercial organizations to prevent bribery.

### 2.2 Other Forms of Corruption

Fagron expects all its employees, at all levels and regardless of their hierarchical position, to comply with the applicable anticorruption laws.

Employees may not offer, promise, grant or approve any advantages to business partners, clients or any other third party aiming at gaining preferential treatment in the award of contracts or of other kinds of business. Hereafter follows a non-exhaustive list of prohibited corruption practices.

#### 2.2.1 Improper Invitations and Gifts

Benefits in the form of invitations and gifts are common in relationships with suppliers, customers and other business partners. If these benefits maintain an appropriate level, they are considered as permissible means of networking. Benefits that exceed the limits of appropriateness and are misused as means to influence business decisions are in conflict with this policy.

Employees are not allowed to offer (or receive) any gift or hospitality:

- Which could be regarded as illegal or improper, or which violates the recipient's policies; or
- To any public employee, government officials/representatives, political parties and business partners with the aim of gaining preferential treatment.

Fagron acknowledges that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether under all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.



The appropriateness of a gift may be checked against the following standards:

- The nominal value has to be reasonable. Fagron considers invitations (ranging from normal business meals to attendance of events of business partners in which business is not the main aspect) or gifts to be admissible when the nominal value of the gift is of modest value and customary in the normal (local) business practice;
- Circumstances of each individual case (position of those involved, reason for the benefit, etc.);
- Invitations and gifts cannot be on a regular basis in a way that the total value of all benefits throughout a year exceeds an acceptable value;
- The gift cannot be a cash gift or a cash equivalent; and
- Trips and plant visits serve legitimate purposes as long as they are not misused for other goals. It should be based on business aspects, not tourism.

In case of doubt, the prior approval by the (area) business leader should be obtained.

## 2.2.2 Hosting a Government Official

Specific provisions in anti-corruption laws apply in hosting a government official and any related expenses. Any hosting of a government official, cost of transport or gifts should relate to the business activities of Fagron in an appropriate manner.

## 2.2.3 Facilitation Payments

Fagron forbids any facilitation payments to government authorities to speed up certain procedures related to government actions, such as visas or other government paperwork, inspections, permits or licenses. Other examples of facilitation payments are securing procedures related to permits, licenses, and inspections. These are only examples and not a limitative list. In general, any payment to influence government authority or decision-making in any way is prohibited.

## 2.2.4 Conflicts of Interest with Fagron

A conflict of interest is any activity that is inconsistent with or opposed to Fagron's best interests or that gives the appearance of impropriety or divided loyalty. It affects the ability to make objective decisions.

It may occur that during the execution of work, employees have to deal with family members or others with whom they have a significant personal relationship. A position at Fagron should not be used to obtain favored treatment for employees themselves, family members or possibly others. This applies to product purchases or sales, investment opportunities, purchases of shares, hiring, promoting, selecting contractors or suppliers, and any other business matter.

We must avoid any situation that creates a real or perceived conflict of interest with our company. Use of good judgment is required and in case of uncertainty about a potential conflict, employees should seek contact with the (area) business leader or human resources.



## 2.2.5 Improper Financial Reporting

Employees may never misstate facts, omit critical information or modify reports or transactions in any way to mislead others, and never assist others in doing so. It should be ensured that all records and reports, including customer information, technical and product information, correspondence and public communications are complete, fair, accurate, timely, and understandable.

As a publicly listed company, accurate records are critical to meeting Fagron's legal, financial and management obligations. Employees must ensure that all payments made or received by Fagron are accurately recorded in Fagron's financial books and records. Employees must also ensure that all financial transactions are authorized by appropriate management in accordance with internal control procedures.

## 2.2.6 Unapproved Charitable Support and Donations

Charitable support and donations are encouraged and acceptable, provided that permission is obtained by the area business leader. However, employees must be careful to ensure that charitable contributions are not used as a scheme for offering gifts. Fagron only makes charitable donations that are legal and ethical under applicable laws and practices.



### 3. Do's and Don'ts

Fagron is committed to support, guide and train employees in recognizing certain situations and to deal confidently with the day-to-day challenges they may encounter in their job. We have listed a few actions below to strongly keep in mind while acting for or on behalf of Fagron.

DO	DON'T
Look out for 'warning signals'	Become in a position where you (or Fagron) can potentially be accused of improper business practices or improper intentions
Report any concern or suspicion anonymously via <a href="http://www.investors.fagron.com/governance-documents">www.investors.fagron.com/governance-documents</a>	Enter into an agreement with business partners and related parties that are known or suspected of conducting improper and unethical business practices
Be clear and transparent about this policy to all business partners and related parties	Receive, offer or request any advantages as a reward to influence business
Perform a background check before entering into an agreement with business partners and related parties	
Re-evaluate the check of business partners periodically	



## 4. Warning Signals

It is the policy of Fagron that every individual working for the Fagron Group needs to pay attention to 'warning signals'. It is essential to our culture and business that our employees learn to recognize certain signals that could jeopardize our business' reputation.

It is vital to our business that you do not bribe nor accept any form of bribery from business partners and related parties. Fagron prohibits any participation in corruption, such as kickbacks or improper benefits, conflicts of interest, improper accounting recordkeeping, unapproved contributions to charity or political parties and the involvement of inappropriate hospitality, gifts or benefits.

We have listed a few examples of 'warning signals' which could possibly indicate that there is a compliance breach of this policy. However, we cannot anticipate every situation that employees may encounter. Always use common sense and professional judgment to evaluate certain situations and signals.

Possible 'warning signals' to look out for:

- Payment patterns or financial arrangements that seem unusual from normal payment practices (e.g. non-standard or customized looking invoices, special reimbursements or discounts and unusually high fees for the service provided);
- Requests for cash payments;
- Unusually high commissions;
- Receiving or offering generous hospitality or gifts (before entering into a contractual agreement);
- Suggesting material rewards as a "thank you";
- Lack or refusal of transparency in expenses and accounting records;
- Reluctance to take holidays (in fear that the wrongdoing will be exposed);
- Refusal of accepting an anti-bribery and anti-corruption clause of an agreement; and
- Accusations or suspicions of improper business practices

## 5. Business Partners

At Fagron we are committed to ensuring that our business partners, such as suppliers and distributors, apply the same standards regarding anti-bribery and anti-corruption.

This policy is made available on the Fagron website ([www.investors.fagron.com/governance-documents](http://www.investors.fagron.com/governance-documents)). We expect our business partners to take responsibility in actively preventing bribery, corruption or other improper behavior in line with the Fagron policy.

Our employees are also expected to take this policy into account in their day-to-day business with business partners and stay vigilant and aware of any possible violations of this policy.



## 6. Corrective Actions

A violation of the applicable anti-bribery or anti-corruption laws can have serious consequences for individuals and companies, including criminal fines or imprisonment.

If there is proof of the fact that others were involved by knowing or giving their consent, they might also be prosecuted.

Employees and all individuals working for Fagron that are engaged through a third party as well as Fagron's business partners are expected to be fully compliant with this policy. Any breach of this policy will lead to corrective actions that may include immediate termination of the employment or business relationship.

## 7. Reporting for Employees

With 'transparency' as one of our family rules, we strive to have an open environment for communication between our employees through all layers of our business organization. We are committed to comply with any applicable law or regulation and to create awareness through training on our anti-bribery and anti-corruption policy.

We provide different communication channels to our employees to address any questions about this policy or to confidentially report a concern or potential violation. Employees who have questions or concerns, may contact their local business leader, (local) HR responsible or the compliance officer (situated at the Global Service Center in Rotterdam).

We have established a worldwide tool for employees to anonymously report any suspicion or violation via a secured link. Fagron will investigate, address and respond to reported concerns and will take appropriate action.

At Fagron we ensure that no repercussions will be taken against any employee for raising concerns under this policy.

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**Together**  
we create the future  
of personalized medicine

