

ALK  
POLICY  
FOR ANTI-  
CORRUPTION

# ALK POLICY FOR ANTI-CORRUPTION

## 1. STATEMENT OF POLICY

At ALK, we are committed to working against corruption in all its forms, including fraud and bribery. Thus, we do not accept corruption or bribery in connection with our business activities, regardless of whether these activities are being carried out by our employees or through a third party.

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to corruption and bribery and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. In addition, any related misconduct and illegal behaviours such as fraud will not be tolerated.

We will uphold all laws relevant to countering corruption, bribery, and fraud in all the jurisdictions in which we operate.

As employees of ALK, we are all expected to be familiar and consistently comply with this Anti-Corruption Policy (the “**Policy**”).

## 2. PURPOSE AND SCOPE

**2.1** ALK is dedicated to conducting business consistent with its core values and ethical standards as specified in the ALK Code of Conduct.

**2.2** As ALK operates in a variety of countries and collaborates with foreign third parties, ALK is subject to various national and international anti-corruption and anti-bribery legislations and standards. Even though responding to these risks can be challenging – the consequences of not addressing the risks may be substantial.

**2.3** It is not possible for this Policy to describe every principle or practice related to ethical conduct. The Policy will consequently only address what is particularly important to proper dealings with the entities and people with whom we interact. The Policy is therefore only part of our commitment.

**2.4** The purpose of this Policy is to:

(a) set forth the respective principles and rules on our position on corruption, bribery, and fraud; and

(b) provide information and guidance on corruption, bribery and fraud issues.

**2.5** This Policy is a supplement to ALK's Code of Conduct and should be read in conjunction with the Code of Conduct as well as ALK's compliance policies and procedures on promotional activities, grants and donations, and interactions with healthcare professionals.

### **3. WHO MUST COMPLY WITH THIS POLICY?**

**3.1** This Policy applies to all employees of ALK, including all directors, officers, managers, employees and temporary staff worldwide (collectively referred to as "**ALK employees**"), when dealing on behalf of ALK.

**3.2** Although third parties are not directly bound by this Policy, part of ALK's commitment to prevent corruption, bribery, and fraud is to ensure that the people and other third parties acting on our behalf also do so in compliance with ethical behaviour that is consistent with our own.

### **4. WHO IS RESPONSIBLE FOR THE POLICY?**

**4.1** The Board of Directors has the overall responsibility for ensuring that this Policy complies with our legal and ethical obligations.

**4.2** Managers at all levels in ALK are responsible for implementing this Policy and ensuring that those reporting to them understand and comply with this Policy.

**4.3** All legal entities/subsidiaries within the ALK Group shall comply with the provisions of the Policy as well as with national laws, regulations, industry standards and codes regarding corruption, bribery, and fraud ("**Applicable Laws**"). It is the responsibility of the General Manager of each ALK legal entity/subsidiary to ensure that the legal entity/subsidiary in question complies with the Policy and with Applicable Laws. Should there be differences between the content of this Policy and Applicable Laws or other applicable standards, the more stringent requirements shall apply. Legal entities/subsidiaries within the ALK Group may also adopt local policies or procedures that are more stringent than this Policy. In that case, the local requirements must be followed.

**4.4** ALK employees must consider all applicable requirements from this Policy and follow the ethics and principles of these guidelines and fulfil the responsibility to report anything that might violate the principles set forth herein.

### **5. PRINCIPLES AND RULES**

#### **5.1 What are corruption and bribery?**

In practice, the words "**corruption**" and "**bribery**" are often used interchangeably, but generally, corruption is the abuse of entrusted power by

someone for personal gain, and the most common form of corruption is bribery.

## 5.2 Bribery is forbidden

ALK strictly prohibits all forms of bribery why ALK employees must not directly or indirectly give, solicit, offer or promise a bribe, or authorise anyone else to do so.

Bribery is to offer, solicit, promise, give or receive any undue financial or another advantage, whether directly or through intermediaries with the intention to obtain or retain business or another improper advantage. Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit, and it comprises any financial or other inducement or reward for an action which is illegal, unethical, a breach of trust or improper in any way. ALK does not distinguish between public officials and private persons so far as bribery is concerned.

## 5.3 No facilitation payments and kickbacks allowed

ALK prohibits facilitation payments or “kickbacks” of any kind.

Facilitation payments, also known as “grease payments”, are typically small, unofficial payments made to a government official in any country to facilitate or speed up a routine or necessary procedure. Kickbacks are typically payments made in return for a business favor or advantage. In this context, facilitation payments and kickbacks are considered bribery and should be treated as such.

## 5.4 Do not give or accept inappropriate gifts or hospitality

Gifts and hospitality offered or accepted by ALK employees must be modest, appropriate and infrequent. An ALK employee shall not offer to or receive gifts or hospitality that go beyond legitimate business purposes, from public or private third parties.

Gifts and hospitality must never be given with the intent to improperly influence the recipients to do something favoring ALK, to reward such behavior, or to refrain from doing something disadvantaging ALK.

For the purposes of this Policy, the term “**gift**” means any payment, gratuity, gratification, present or advantage, financial or not, offered, solicited, promised, given or received, without any direct or indirect material or immaterial compensation, and “**hospitality**” refers to meals (food and/or beverages), entertainment, travel or lodging, or an invitation to a sporting, recreational or cultural event.

A gift or hospitality will not be appropriate if it is unduly lavish or extravagant or could be seen as an inducement or reward for any preferential treatment (for example, during contractual negotiations or a tender process).

Gifts must be of an appropriate type and value depending on the circumstances and taking into account the reason for the gift. Gifts must not include cash or cash equivalent (such as vouchers), or be given in secret.

Practice 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 in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind it should always be considered.

Gifts or hospitality must never be promised or provided to public officials and government employees, officers, and directors unless it is evident by Applicable Laws and customary in the country that it is permitted.

The offering of gifts or hospitality to public officials and government employees are restricted in most countries. ALK employees must, therefore, ensure that any gift or hospitality complies with all Applicable Laws. If in doubt, contact a member of the Corporate Affairs & Legal Department before proceeding.

Often healthcare professionals are public officials or government employees as they are employed by a state-owned or state-controlled hospital, and additional rules apply to all such individuals, please refer to item 5.5.

## **5.5 Interactions with healthcare professionals and patient organisations including gifts and hospitality**

Any interaction with healthcare professionals and patient organisations must be strictly for legitimate reasons, and contributions must not be given with the intent to improperly influence the recipients to do something favoring ALK, to reward such behavior, or to refrain from doing something disadvantaging ALK.

Interactions with healthcare professionals must comply with any Applicable Laws and ALK policies, including but not limited to EFPIA (European Federation of Pharmaceutical Industry Association) Code of Conduct, EFPIA Code on Promotion of Prescription-only Medicines, ALK Executive Process EPR 3722 (Sales and Marketing), Global SOP 50178 (Interactions with HCP/HCO including cross-border transactions, referring specifically to section 2.1 concerning Hospitality and Sponsorship), as well as other pertaining policies/documents.

No gift or pecuniary advantage (cash or benefit in kind) may be supplied, offered or promised to a healthcare professional.

Interactions with patient organisations must comply with any Applicable Laws and policies, including but not limited to EFPIA Code of Practice on Relationships between the Pharmaceutical Industry and Patient Organisations.

## 5.6 No political contributions

ALK does not grant financial support to political parties or political campaigns but may support third party organisations that provide such support, for example, industry associations.

Support may only be provided where expressly permitted by Applicable Laws and acceptable as part of local custom and practice.

## 5.7 Exercise caution when providing grants and donations

Grants and donations must be handled with caution, and must not be provided to improperly influence the recipients to do something favoring ALK, to reward such behavior, or to refrain from doing something disadvantaging ALK. Grants and donations may only be provided for legitimate and legal purposes, including funding research or measures to improve healthcare. Grants and donations may not be provided directly to any individual.

For the purposes of this Policy, the term **“grants and donations”** mean benefits provided by ALK in the form of money and/or in-kind contributions to recipient institutions.

Grants and donations must comply with any Applicable Laws, and ALK policies, including but not limited to ALK Global SOP 50178 (Interactions with HCP/HCO including cross-border transactions), SOP 64821 (Grants and donations to hospitals), and pertaining policies/documents.

Grants and donations must be documented in a written agreement specifying the recipient, the purpose, the timeframe, the type and value of the grant/donation and may only be given to legitimate, established organisations.

ALK only makes donations to charitable events and for charitable purposes that are legal and ethical under Applicable Laws, and donations to charitable events and for charitable purposes will only be given if ALK does not receive (and is not perceived to receive) any tangible consideration in return. All donations to charitable events and for charitable purposes must be approved by a General Manager, Executive Vice President or the CEO.

## 5.8 Avoid conflicts of interest

ALK employees must ensure that personal interests, activities, and relationships do not create a conflict of interest and influence the employee's professional judgment when acting or making business decisions on behalf of ALK.

A conflict of interest can arise, for example, if an employee:

- in a way that results in personal gain (or a gain for a family member or close acquaintances), misuses his/hers position; or
- favors business relationships with companies in which they (or a family member or close acquaintance) have invested.

If an ALK employee realises that there possibly is a conflict of interest, the employee is obligated to disclose the conflict to the employee's manager in writing, unless the employee suspects that the manager in some way is involved in the conflict, in which case the employee should proceed as described under 7.

## 5.9 Engaging third parties

The engagement of any third party known or reasonably suspected of engaging in corruption or bribery is prohibited.

ALK could be liable for the acts of people and other third parties acting on our behalf. This includes agents, consultants, distributors, suppliers and joint venture partners (together referred to as "**third parties**").

One of the most important steps ALK can take to protect itself from liability for improper payments made by third parties is to choose carefully its business partners, including agents, distributors, and consultants.

Where we engage third parties to act on our behalf, ALK employees have the obligation to complete reasonable and appropriate due diligence when entering into such arrangements to ensure that they are not acting corruptly and to periodically monitor their performance to ensure ongoing compliance.

The appropriate level of due diligence will vary depending on the circumstances and ALK employees should use their judgment on a case by case basis. Some high-risk transactions will require further due diligence which may require an independent investigation. Where appropriate to support the due diligence process, contact a member of the Corporate Affairs & Legal Department.

When appropriate, we require third parties, such as sales agents, distributors, and consultants, to adhere to our high standards of business conduct concerning corruption and to comply with all applicable laws when undertaking activities on our behalf.

Any suspected violation of Applicable Laws by a third party should immediately be brought to the attention of one of the members of the Corporate Affairs & Legal Department for the purpose of obtaining legal advice.

#### **5.10 Do not engage in fraudulent actions**

ALK employees must not engage directly or indirectly in fraud against ALK, any of our business partners or government entities.

For the purposes of this Policy, the term “fraud” generally means deliberately deceiving with the intention to unjustly obtain an unauthorised benefit, such as money, property or services. Examples are theft of funds, inventory or any other asset from ALK, embezzlement or false reporting.

#### **5.11 Maintain accurate books and records**

ALK will at all time maintain complete books, records, and accounts that fairly reflect every transaction, including all disbursements, expenses, receipts, and the disposition of assets.

It is the responsibility of all ALK employees to record all payments correctly and transparently. Failure to make complete and accurate entries or making artificial, misleading or false entries in the ALK’s books and records is a violation of this Policy.

### **6. POLICY DISTRIBUTION AND TRAINING**

**6.1** All ALK employees must receive and review a copy of this Policy and will be required to complete related testing periodically concerning the requirements of this Policy. Training will be provided to relevant ALK employees to support them in complying with their responsibilities where applicable.



## **7. REPORTING POTENTIAL MISCONDUCT**

**7.1** ALK employees have a duty to prevent breaches of this Policy and to report any questionable situations. As a rule, the best approach is to discuss with or report any questions or concerns to the immediate manager or a manager at a higher level. ALK is committed to ensuring that no ALK employee will suffer retaliation or any other consequence as a result of a refusal to engage in practices that fall under the category corruption, bribery or fraud.

**7.2** If an ALK employee feels unable to approach these individuals, advice should be sought from a member of the Corporate Affairs & Legal Department.

**7.3** Finally, ALK employees can use the ALK Alertline for reporting serious and sensitive concerns. The ALK Alertline gives ALK employees who observe potentially illegal or unethical behavior, but do not feel that they can talk to their manager or colleague about it, an option to have their observations investigated in full confidentiality. ALK employees are encouraged to identify themselves when a report is filed, but the employee can also choose to file a report anonymously.

**7.4** Reports through the ALK Alertline will only be available to a few specific individuals in ALK and to the Chairman of the Board of Director's Audit Committee, who is overall responsible.

## **8. BREACH OF THIS POLICY**

**8.1** ALK employees are accountable and responsible for adhering to this Policy. Breach of this Policy will not be tolerated and can be sanctioned with disciplinary actions and other actions up to and including termination of employment, and possible referral for prosecution where appropriate or required.

## **9. WHERE TO GO FOR MORE INFORMATION**

**9.1** Questions about this Policy should be directed to a member of the Corporate Affairs & Legal Department.

## **10. REVIEW**

**10.1** ALK will periodically review this Policy in order to ensure its continued adequacy and relevance for our business. The most recent version will always apply.