

## 1 Purpose

- 1.1 The Company is committed to maintaining a high standard of integrity, investor confidence, meeting legal obligations and good corporate governance.
- 1.2 This Anti-Bribery and Corruption Policy ("Policy") forms part of the Company's risk management framework and outlines the Company's requirements regarding the management of gifts and benefits. Serious criminal and civil penalties may be incurred, and lasting reputational damage may be done if the Company or its Employees are involved in bribery or corruption.
- 1.3 In the compilation of this Policy, the Company has where possible followed the recommendations of the ASX Corporate Governance Principles and Recommendations, 4th Edition (2019).

## 2 Definitions

In this Policy:

**Board** means the Board of the Company.

**Bribery** means the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal, unethical or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage and can take the form of gifts, loans, fees, rewards or other advantages.

**Company** means the entity of InhaleRx Limited (ACN 611 845 820) or any legal subsidiary.

**Corruption** is the abuse of entrusted power for private gain.

**Government Official** means:

- any employee of a government entity or subdivision, including elected officials;
- any private person acting on behalf of a government entity;
- officers and employees of companies that are owned or controlled by a government;
- candidates for political office;
- political party officials; and
- officers, employees and representatives of public international organizations.

**Kickback** means a bribe to obtain an undue advantage, where a portion of the advantage is "kicked back" to the person who has given, or is intended to give, the undue advantage.

**Policy** means this Anti Bribery and Corruption Policy as amended from time to time.

**Senior Management** means employees of the Company who manage the Company pursuant to the directions and delegations of the Board.

## 3 Application

- 3.1 This Policy applies to anyone who is employed by or works at the Company, including employees, contractors, consultants, and directors, wherever located (referred to in this Policy as "**Employees**").
- 3.2 The Policy also applies globally. If travelling outside of Australia, the Company's Employees are subject to the laws of the country they are in. However, the principles of this Policy must be followed regardless of whether or not that country has specific bribery and corruption laws.

- 3.3 Where a country has specific bribery and corruption laws which are of a lesser standard to this Policy, this Policy prevails.

## 4 Anti-Bribery and Corruption

- 4.1 The Company prohibits corruption and the payments of bribes or kickbacks of any kind, whether in dealings with public officials or individuals in the private sector.
- 4.2 No Company Employee shall pay or offer to pay a bribe, or provide another thing of value for obtaining an improper benefit, to any third party, public or private, with whom the Company is doing business.
- 4.3 Each Company Employee shall conduct itself with high ethical standards and comply with all applicable anti-corruption laws.
- 4.4 No Employee shall, directly or indirectly, promise, authorize, offer or pay anything of value (including but not limited to gifts, travel, hospitality, charitable donations or employment) to any Government Official or other third party to improperly influence any act or decision of such official for the purpose of promoting the business interests of the Company in any respect, or to otherwise improperly promote the business interests of the Company in any respect. This does not prohibit funding community programs where the Company desires to support a local community.
- 4.5 Secret payments to agents or others acting in a fiduciary capacity, are prohibited.

## 5 Gifts and Benefits

- 5.1 Employees must declare all gifts and benefits received from a Third Party, valued at A\$200 or more, in the Gift and Entertainment Register.
- 5.2 Employees are also expected to decline (or avoid accepting) gifts and benefits which are valued at A\$300 or more, except for work-related conferences and invitations to speak at a professional association (including flights and accommodation).
- 5.3 Gifts or benefits which are less than the thresholds in a) and b) above must not be accepted repeatedly. Attempts by an Employee to avoid the thresholds by breaking down gifts or benefits into smaller parts or by entering false, misleading, incomplete or inaccurate information will be taken very seriously by the Company and may lead to disciplinary action and/or dismissal.
- 5.4 Where practical, Employees must disclose to their manager the fact that they have been offered a gift or benefit before accepting it.
- 5.5 Employees are required to enter any gift or benefit into the Gift and Entertainment Register within 5 working days of receiving or being offered the gift or benefit.
- 5.6 Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is permitted, provided it complies with the following:
- (a) it is given because of appreciation or common courtesy associated with standard business practice;
  - (b) is of a size and nature consistent with standard business practice, and appropriate to a business relationship;
  - (c) it does not place the recipient under any obligation;
  - (d) it is given on an arms-length basis, with no special “favours” or arrangements between the giver and the recipient;
  - (e) expectations are not created by the giver or an associate of the giver;

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- (f) it is made openly and, if valued at A\$200 or more, is documented in the Gift and Entertainment Register; and
- (g) it complies with applicable laws.

5.7 If an Employee is unsure whether the proposed gift or benefit complies with the indicia in clause 5.f) , they should ask their manager or a member of the Board.

5.8 This Policy does not prohibit:

- (a) token gifts / benefits where offered in business situations or to all participants and attendees (e.g. work-related seminars, conferences, trade and business events), such as a pen, mousepad or memory stick;
- (b) a gift / benefit for presenting at a work-related conference, seminar, and / or business event, such as flowers or wine;
- (c) a gift or benefit given when hosting business events, only if refusal would be unreasonable and unnecessarily offensive; and
- (d) light refreshments or a meal during a meeting.

5.9 Gifts in the form of cash and / or cash equivalent vouchers or gift certificates, or a “quid pro quo” (a benefit or advantage offered for something in return) are not acceptable, with the exception of a hospitality situation where drinks and snacks may be purchased by members present.

## 6 Facilitation Payments

6.1 A facilitation payment is a small payment to expedite a routine government action by a Government Official or other third party. A facilitation payment is not intended to secure the outcome of the action, but rather expedite its timing. The Company prohibits facilitation payments, whether or not they are legal in a country.

## 7 Payment of Third Party Expenses

7.1 Unless it has been authorized and approved in writing by the Company, Employees are prohibited from paying expenses for travel, lodging, gifts, hospitality, or charitable contributions for government officials other third parties on the Company’s behalf. Unless it has been authorized and approved in writing by the Company, Employees are prohibited from using any funds provided by the Company, or any proceeds resulting from any business of the Company, to pay expenses for travel, lodging, gifts, hospitality, or charitable contributions for Government Officials or other third parties.

## 8 Political Donations

8.1 The Company does not make political donations. An employee is prohibited from giving political donations on behalf of the Company.

## 9 Red Flags Appendix

- 9.1 An Employee should be familiar with the Red Flags Appendix attached to this Policy, which set out situations which should raise concerns under applicable anti-bribery and corruption laws.
- 9.2 If an Employee encounters a situation which raises “red flags” under the Red Flags Appendix, they should immediately report it to their manager or a member of the Board.

## 10 No Retaliation

- 10.1 The Company will not tolerate retaliation against anyone who has, in good faith, reported a possible violation of this Policy or refused to participate in activities that violate this Policy. Further clarification of reporting can be found in the Company's Whistleblower Policy.
- 10.2 Any concerns with retaliation or potential violations of this aspect of the Policy are to be reported to Board immediately.

## 11 Reporting and Enforcement

- 11.1 Any activities which violate, or potentially violate this Policy are to be reported to the Board immediately.
- 11.2 Employees should be aware that even agreeing to give a bribe or accept a bribe is an offence and can lead to dismissal.
- 11.3 It is also an offence under the *Crimes Legislation Amendment (Proceeds of Crime and Other Measures) Act 2016* (Cth) for a person to make, alter, destroy or conceal an accounting document to facilitate, conceal or disguise the corrupt conduct.
- 11.4 The Board shall review any potential violation of this policy and determine suitable actions.

## 12 Review of Policy

- 12.1 This policy and associated internal control systems and procedures will be subject to regular audits and reviews to provide assurance that they are effective in countering bribery and corruption. There may also be independent reviews undertaken from time to time by external audit personnel.
- 12.2 The Board will review this Policy periodically, or as otherwise required.
- 12.3 This Policy will be available on the Company's networks, and available to employees, shareholders and other key stakeholders on request.
- 12.4 The Board reviewed and approved this Policy on 17 October 2023.

Approved by:

SEAN WILLIAMS

Chair



Signature

## RED FLAGS APPENDIX

The following is a list of possible red flags that may arise during the course of your work for the Company, and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for the Company, you must report them promptly to your manager or the Board.

In this Appendix, “**Third Party**” refers to any party who is not an employee, director or officer of the Company, and the associates (including family members) of such parties that have commercial relationship with the Company. Examples of Third Parties may include (but are not limited to) agents, advisors, suppliers, contractors, manufacturers or distributors.

Red flags should be raised if:

- (a) you become aware that a Third Party engages in, or has been accused of engaging in, improper business practices;
- (b) if the Third Party refuses to divulge adequate information during due diligence procedure;
- (c) you learn that a Third Party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a ‘special relationship’ with foreign Government Officials;
- (d) a Third Party insists on receiving a commission or fee payment before committing to sign up to a contract with the Company, or carrying out a government function or process for the Company;
- (e) a Third Party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (f) a Third Party requests that payment is made to a country or geographic location different from where the Third Party resides or conducts business;
- (g) a Third Party requests an unexpected additional fee or commission to ‘facilitate’ a service;
- (h) a Third Party demands gifts, invitations or hospitality before commencing or continuing contractual negotiations or provision of products or services;
- (i) a Third Party requests that a payment is made to overlook potential legal violations;
- (j) a Third Party requests that you provide employment or some other advantage to a friend or relative;
- (k) a Third Party requests that you make a political contribution or donation to the party or charity of their choice before agreeing to undertake a business relationship with the Company;
- (l) you receive an invoice from a Third Party that appears to be non-standard, or the Company has been invoiced for a commission or fee payment that appears large given the product or service stated to have been provided;
- (m) a Third Party refuses to put terms agreed in writing;
- (n) a Third Party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the Company;
- (o) you are offered an unusually generous gift or offered lavish hospitality by a Third Party; or
- (p) you are offered a gift that:
  - a. is given in your name and not in the name of the Company;

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- b. includes cash or a cash equivalent (such as gift certificates or vouchers);
- c. is of an inappropriate type and value and given at an inappropriate time (e.g., during a tender process); and/or
- d. is given secretly and not openly.