

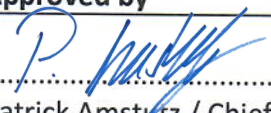


**ANTI-CORRUPTION POLICY**

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## **1 PURPOSE AND AIMS**

The present policy of Molecular Partners AG (**MPAG**) describes the purpose of ensuring compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended (the **FCPA**), the U.S. Travel Act, the U.S. Domestic Bribery Statute, Swiss anti-corruption laws (including, but not limited to, articles 322ter, 322quater, 322quinquies, 322sexies, 322septies, 322octies and 322novies of the Swiss Criminal Code of December 21, 1937, as amended (the **SCC**)); the UK Bribery Act 2010, applicable legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of November 21, 1997, each as amended, and all other anti-corruption laws and regulations applicable to the Company and its business anywhere in the world.

## **2 SCOPE**

The document applies to all directors, officers, employees, and individuals serving as independent contractors of MPAG or its subsidiaries world-wide (**you**). In addition, we expect our agents, consultants, representatives, lobbyists, suppliers/vendors, resellers, distributors, customs or other brokers, contractors, advisors, and other business partners to comply with the principles contained in this policy. Please report all questions or concerns regarding this policy to the Company's Compliance Officer whose contact information appears below.

## **3 DEFINITIONS AND ABBREVIATIONS**

### **3.1 Definitions**

Company      MPAG and its affiliates

### **3.2 Abbreviations**

FCPA      Foreign Corrupt Practices Act of 1977  
MPAG      Molecular Partners AG  
OECD      Organization for Economic Co-operation and Development  
SCC      Swiss Criminal Code

## **4 PROCEDURE**

### **4.1 General**

You are strictly prohibited from promising, offering, providing, or authorizing cash payments (such as bribes or kickbacks) or anything else of value directly or indirectly to any person, whether in the public or private sector, to achieve an improper purpose related to the Company's business.

You are strictly prohibited from requesting, agreeing to receive, or accepting money or anything else of value from any person, whether in the public or private sector, to achieve an improper

purpose related to the Company's business.

You must comply with all of the Company's internal controls, especially those designed to (i) ensure accurate and complete books and records or (ii) otherwise prevent corruption, self-dealing, embezzlement, fraud, money laundering, or other improper activities.

***There are no exceptions to this policy, even if our competitors engage in improper behavior or corruption is an accepted practice in a country where we operate. You are required to adhere to both the spirit and the letter of this policy with respect to our business anywhere in the world.***

#### **4.2 Anti-Bribery Prohibitions**

The FCPA and other anti-bribery/anti-corruption laws prohibit you and the Company from corruptly promising, offering, providing, or authorizing the provision of money or anything of value directly or indirectly to a governmental official and certain other persons to achieve an improper purpose. "Improper purposes" include:

- (i) influencing any act or decision of the recipient in his/her official capacity;
- (ii) inducing the recipient to do or omit to do any act in violation of his/her lawful duty;
- (iii) inducing the recipient to influence any act or decision of a government or instrumentality of a government, or
- (iv) securing any improper advantage,

in order to obtain, retain, or direct regulatory approvals, contracts, business or other benefits.

The FCPA prohibits improper payments provided to officials of governments, state-affiliated entities, and political parties outside the United States. However, the provision of improper benefits to government or private-sector recipients within the United States will violate U.S. domestic bribery statutes.

In addition to the United States, almost all other countries, have promulgated their own anti-bribery legislation. Most of those countries prohibit making improper payments to government and private-sector recipients within their borders. However, several countries, including Switzerland, France, and the United Kingdom, have also adopted legislation similar to the FCPA that prohibit the provision of improper values outside those countries. **Appendix POL-013-A01** contains an overview of Swiss anti-corruption laws and the UK Bribery Act, another standard-setting anti-corruption law.

Given the broad prohibitions under the FCPA and other anti-corruption laws applicable to the Company, this policy prohibits bribes, kickbacks, and the provision of other improper benefits and advantages to any person, entity, or organization, including, but not limited to, employees, officials, representatives, or agencies of any

- (i) government;

- (ii) state-owned or affiliated entity, including, but not limited to, a state hospital, research institution, utility, public university, or sovereign wealth fund;
- (iii) public international organization such as the United Nations, the World Health Organization, or the World Bank;
- (iv) political party, including the party itself as well as candidates for public office;
- (v) non-governmental organization, including the Red Cross, Partners in Health, Médecins Sans Frontières, action medeor e.V., and similar humanitarian organizations that play a role in the provision and financing of health services; or
- (vi) private-sector company.

The scope of “government officials” is very broad and can cover (i) doctors or other healthcare professionals employed by state-affiliated hospitals as well as (ii) individuals responsible for classifying our products as eligible for government-subsidized medical reimbursements.

One may be asked by certain parties to provide a bribe or other improper benefit in exchange for

- (i) the award of a contract, sponsorship opportunity, research grant, or other business;
- (ii) the issuance or renewal of a concession, license, or business, construction, or other permit or registration;
- (iii) a favorable government classification of our products;
- (iv) an impermissible reduction in duties or other taxes;
- (v) the successful filing of a patent or trademark application;
- (vi) avoiding mandatory inspections;
- (vii) obtaining a favorable inspection result or court decision, even if the facts or circumstances do not support such a result; or
- (viii) the grant of some other improper advantage.

This policy prohibits you from providing bribes or other improper benefits to any person to achieve any of the above purposes.

A violation of this policy can occur even if the bribe fails to achieve the purpose for which it was intended. This means that a person can violate this policy if that person provides an improper payment or benefit to a recipient and the recipient does not grant any business or other advantage in return. In addition, the mere offer or promise of a bribe or other improper benefit is sufficient to cause a violation. All of the anti-bribery prohibitions contained in this policy apply irrespective of whether you use Company funds or your personal funds to finance improper payments or other benefits.

This policy also prohibits you from soliciting or accepting bribes, kickbacks, or other improper payments/benefits from the Company’s vendors or other persons in relation to our business. For

instance, a violation of this policy will occur if you cause the Company to overpay a vendor and that vendor then shares all or a portion of that overpayment with you.

This policy requires you to adhere to high ethical standards and to comply with all applicable laws in the course of performing services for the Company. FCPA and other anti-corruption violations typically involve circumstances that also result in violations of other laws, including those that address money laundering, embezzlement, fraud, export controls, and sanctions/embargoes. Guilty persons can face multiple charges based on the same set of facts.

### **4.3 Accounting Requirements**

Our Company adheres to certain accounting requirements. Specifically, the Company must maintain books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the Company's transactions, expenses, and asset dispositions. Our Company is also committed to maintaining a system of internal accounting controls to provide reasonable assurances that transactions are properly authorized by management, executed, and recorded. This means that you must comply with our internal controls and avoid unauthorized activities or expenses.

Violations of the above accounting standards can occur if you conceal bribes or falsify other transactions or expenses, even if they are not related to a bribe, in the Company's ledgers or other records. Also, there is no materiality standard. This means that even small misreported amounts may result in violations.

The U.S. and other governments actively enforce the accounting requirements discussed above. In some cases, they have caused companies to pay hundreds of millions of dollars in fines and penalties for violating those requirements. **Appendix POL-013-A02** contains a non-exhaustive list of examples of potential accounting violations. Please study this list carefully and ensure that you, your colleagues, and the Company's vendors/contractors remain in compliance with these requirements. You must also cooperate with the Company's periodic audits and other efforts to ensure that our internal controls are being observed.

### **4.4 Conflicts of Interests/Relatives of Officials**

Conflicts of interest can raise FCPA and other anti-corruption concerns. You must disclose any actual or potential conflicts of interest to the Company's Compliance Officer. For example, you must notify the Compliance Officer if you are aware of any (i) Company employee or contractor who is a government official or customer (including doctors or other healthcare professionals) responsible for regulating or providing business to the Company or (ii) Company vendor that is wholly or partially owned by you, a member of your family, a personal friend, or other Company employee/contractor.

In addition, significant corruption concerns can be triggered if the Company retains a relative of a government official or customer as an employee or contractor in exchange for a regulatory approval or business opportunity. These issues are typically uncovered in cases where the employee/contractor (i) is a son or daughter of a government official or customer employee

and/or (ii) lacks the skills or experience necessary to perform the functions required by the Company or fails to provide any real services to the Company.

You are obligated to notify the Company's Compliance Officer if you become aware of any current or potential employee or contractor who is an immediate relative (parent, sibling, child, or spouse) of a government official or customer employee. Please note that persons who are related to government officials or customer employees will not be automatically disqualified from working for the Company; however, it is important that the Compliance Officer review their circumstances in advance to ensure that (i) they are properly qualified to serve the Company and (ii) are not related to a person who will improperly award government approvals or any business to the Company or otherwise exert undue influence over matters relevant to the Company's business.

#### **4.5 Facilitating, Expediting or Speed Payments**

This Policy prohibits all corrupt payments or benefits, including so-called grease, speed or facilitating payments provided to government officials in their personal capacity to expedite or secure routine government actions (collectively, **Facilitating Payments**). Facilitating Payments include payments to a government official to expedite routine and nondiscretionary activities, such as processing permit and license applications, scheduling inspections, and/or providing infrastructure services (*e.g.*, water, electricity mail). The Company strictly prohibits the offer, promise, or provision of Facilitating Payments to any U.S. or foreign local or federal government official, as they can violate anti-corruption laws and regulations and the accounting requirements described above.

Please note that in some cases, government agencies may impose *official* fees that may be paid directly in the name of a governmental entity or enterprise itself, as set out in published fee schedules or other *official* documents. These official government fees can be paid to expedite passports, licenses, or other services, provided that they are deposited in the treasury of a government, an official government receipt is collected, and the expense is accurately recorded in the Company's books. However, Facilitating Payments provided for the benefit of government officials in their *personal* capacity (*i.e.*, are not deposited in an official treasury account belonging to a government) will violate this policy.

#### **4.6 Intermediaries/Business Partners/Associated Persons**

This policy prohibits you from providing bribes or other improper benefits directly as well as indirectly through third parties or associated persons whether in or outside the United States. This risk can arise in cases where the Company works with agents, consultants, representatives, lobbyists, suppliers/vendors, resellers, distributors, customs or other brokers, contractors, advisors, other business partners, or anyone else that performs services for or on behalf of the Company (collectively **Intermediaries**).

In certain cases, you and the Company can be held liable under the FCPA and other laws *even if* you do not expressly authorize an Intermediary to engage in corruption, but they do so anyway.

This can occur if you (i) have actual knowledge or a firm belief that a person will engage in corruption or (ii) consciously disregard, deliberately ignore, or are willfully blind to the Intermediary's corrupt or improper practices. As a result, the Company must understand the ownership, identity of key personnel, reputation and role of its Intermediaries.

Given these risks, the Company will implement and maintain appropriate compliance measures applicable to Intermediaries responsible for government interactions on the Company's behalf. Such compliance measures may include (i) performing due diligence screenings to confirm that the Intermediary does not have a history or reputation for corruption or similar wrong doing, and (ii) requiring the Intermediary to execute a written agreement containing anti-corruption compliance clauses. You must confer with the Company's Compliance Officer on appropriate due diligence measures and anti-corruption clauses.

Throughout any relationship with an Intermediary for which you are responsible, you must monitor their performance to ensure that they do not engage in activities that raise FCPA/corruption concerns. The Compliance Officer can guide you on the types of red flags that you should monitor before and *after* engaging an Intermediary.

This policy requires you to notify the Compliance Officer if you learn of any Company Intermediary or other contractor that engages in corrupt or other improper practices. Also, all payments to Intermediaries or other vendors must be accurately reported in our books and records in accordance with the accounting requirements discussed above.

#### **4.7 Gifts & Hospitalitys**

The FCPA and other laws prohibit the provision or acceptance of money or things of value for corrupt or improper purposes. A violation of this prohibition is likely in instances where personal benefits are given or accepted in the course of negotiation or tender bid. However, reasonably priced gifts, meals, entertainment, travel, and other benefits provided for non-corrupt business promotion or goodwill purposes may be permissible under the FCPA and other anti-corruption laws in certain cases. For instance, a plastic pen, a t-shirt, a coffee mug, a paper weight, or a cap of moderate value and embossed with the Company's logo will generally not violate the FCPA. However, a fur coat, a car, or a vacation will raise FCPA and other anti-corruption concerns, especially if such benefits are provided to a government official or other person who is responsible for making decisions in relation to the Company's business.

In addition to complying with the FCPA, you must also ensure that the provision of a gift or other benefit does not violate local laws or policies that apply in the country where the recipient of the benefit is located. Some countries impose express limits on the value of gifts/benefits that a recipient can accept; other countries ban such gifts/benefits altogether even if given with no corrupt or improper intention.

You must obtain the approval of the Compliance Officer prior to providing gifts, meals, travel benefits, and other hospitalitys to employees, officials, or agents of any government, political party, state-owned entity, or public international organization. The Compliance Officer will help



you determine whether the provision of the benefit is permissible under the FCPA and local law. If the expense is approved, its value and business purpose must be recorded accurately in the Company's books and records. Cash gifts and gift cards or gift certificates that can easily be converted into cash are strictly prohibited.

#### **4.8 Special Concerns in the Healthcare Sector**

The healthcare sector has received significant attention with respect to anti-corruption concerns. Several leading companies in this industry have been the subject of investigations and other enforcement actions for violating anti-corruption laws. In light of this risk, it is important that you note the following:

- Improper payments made in exchange for clinical trial permits or other related government approvals are strictly prohibited by this policy.
- Researchers, doctors, other healthcare professionals, or certain other individuals may be considered government officials for purposes of the FCPA and other anti-corruption laws by virtue of their employment by government-affiliated hospitals, universities, laboratories, research institutions, or other organizations.
- Employees or officials of public international organizations such as the World Health Organization will be considered government officials for purposes the FCPA and other anti-corruption laws.
- In certain cases, private persons acting in an official capacity (such as a prime contractor) on behalf of a government hospital or other health agency or a public international organization could be viewed as government officials.
- Special care must be exercised when the Company retains doctors, other healthcare professionals, key opinion leaders, or other government officials as conference representatives, advisory board members, consultants, or contractors, especially if their employers are current or prospective customers or regulators of the Company's business. Please confer with the Compliance Officer if you encounter this type of situation.
- Anti-corruption concerns can arise in the context of research grants provided by the Company to persons or organizations at the request of or otherwise affiliated with government officials. No grant may be used to confer a personal benefit on a healthcare professional, other government official, or other person in exchange for regulatory approvals, business, or other improper advantages. Grant requests must be reviewed by the Compliance Officer to ensure that appropriate anti-corruption standards are followed.

#### **4.9 Other Activities**

Corruption concerns can arise in a number of other cases including, but not limited to (i) joint ventures or teaming arrangements with public or private-sector partners; (ii) mergers and acquisitions, especially if the target business has significant government interactions or an

international profile; or (iii) the provision of political or charitable contributions. Please confer with the Compliance Officer before engaging in these types of activities to ensure that appropriate anti-corruption compliance measures are observed.

#### **4.10 Non-U.S. Persons**

The FCPA applies to companies that are issuers, including foreign companies traded on U.S. exchanges as American Depositary Receipts, and those that are traded over-the-counter and are required to file reports with the U.S. Securities and Exchange Commission. Accordingly, as a non-U.S. issuer, the Company is directly subject to the FCPA. Further, the U.S. government has stated that it will enforce the FCPA against non-U.S. individuals and entities in certain cases. There have been instances where non-U.S. individuals have been extradited to the United States to face charges under the FCPA and other U.S. laws. In addition, non-U.S. individuals are subject to anti-corruption laws in their own as well as in other countries. This policy applies to all world-wide directors, officers, employees, and individuals serving as independent contractors of the Company irrespective of whether such individuals are U.S. or non-U.S. nationals or residents.

#### **4.11 Violations and Consequences**

A violation of this policy will result in appropriate disciplinary or contract enforcement action, including demotion, reassignment, additional training, probation, suspension, or even termination.

The FCPA is a criminal statute. Both the Company and you may be subject to substantial fines and penalties for violating these and other anti-corruption laws. In serious cases, you may face imprisonment for up to five years for each FCPA anti-bribery violation and up to 20 years for each FCPA accounting violation. In addition, the Company may face suspension or debarment from government contracts, the loss of U.S. export privileges, and certain other consequences. These results can be devastating to our business.

Anti-corruption enforcement has significantly increased in the United States. In addition, a number of other countries have strengthened their laws on this matter.

#### **4.12 Reporting/Questions**

You have an affirmative obligation to report all violations of this policy to the Compliance Officer, the Compliance Office or through the Company's anonymous Compliance Helpline at 0800 1777 9999, [compliance@molecularpartners.com](mailto:compliance@molecularpartners.com) or the Company web based compliance tool <https://app.convercent.com/en-us/LandingPage/ec459424-57ff-e711-80e2-000d3ab6ebad>.

However, we encourage you to consider revealing your identity so that we can properly follow up and investigate alleged violations. The Company will ensure that appropriate confidentiality measures are taken and will not retaliate against any individual for reporting violations in good faith.

You must also notify the Compliance Officer of any corrupt, improper, illegal, or other unusual requests for payments or other benefits made by customers, Intermediaries, vendors, business

partners, government officials, or Company employees. By reporting such matters, you will enable us to explore options to achieve our business goals without having to interact with such persons or provide improper benefits.

We welcome any constructive comments or questions that you may have regarding the substance and implementation of this policy in your respective sector and/or territory. Please direct such communications to the Compliance Officer.

**5 TRAINING**

The Process Owner is responsible for communicating, and providing adequate training of, the Policy.

**6 DOCUMENTATION**

This Policy is archived according to SOP GEN-003. All signed certifications (see POL-013-A03) will be archived by the legal department.

**7 REFERENCES**

MPAG’s Code of Conduct

U.S. Foreign Corrupt Practices Act of 1977, as amended

U.S. Travel Act

U.S. Domestic Bribery Statute

Swiss anti-corruption laws (including, but not limited to, articles 322ter, 322quater, 322quinquies, 322sexies, 322septies, 322octies and 322novies of the Swiss Criminal Code of December 21, 1937, as amended

**8 APPENDICES**

POL-013-A01 Overview of Selected Swiss and UK Anti-Corruption Laws

POL-013-A02 FCPA Accounting Requirements

POL-013-A03 Certification

**9 CHANGE HISTORY**

Version number	Changes
01	Initial version.