

# Anti-Bribery and Anti-Corruption Policy

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June 2020

**Anti-Bribery and Anti-Corruption Policy**  
**Cogstate Limited (ABN 80 090 972 723) and its subsidiaries**  
**(the Company)**

## CEO's Message

A key element to Cogstate's continued success is each employee's commitment to certain standards and principles in performing his or her job. It is important that each employee is performing his or her job the right way - ethically, with integrity, and in full compliance with the law.

Cogstate has always had a strong commitment to customer service and product quality and we are able to provide this to our customers every day because of your dedication to Cogstate standard's and principles. Cogstate's reputation and continued success depend largely on how we all conduct ourselves when performing our jobs and conducting our business. Our success cannot be something to take pride in if it's not achieved with integrity, ethically, and in compliance with the law.

All Cogstate personnel, without exception and regardless of their title or location, has an obligation to read and understand this Anti-Bribery and Anti-Corruption Policy ("Policy") and adhere to its requirements. If you have questions about this Policy, please immediately speak with your supervisor or any of the personnel in the Company Legal Department. All communications will be treated confidentially and without retaliation.

Please take your time when reading this Policy. It is critical for us all to commit ourselves to the professional and ethical standards that not only our customers and partners require of us, but also those each one of us as Cogstate employees expects.

Sincerely,

Brad O'Connor  
CEO

## Introduction

Cogstate (“Company”) operates in a highly regulated industry on a global scale and that can, from time to time, pose challenges to our ability to conduct our business operations with integrity. We are committed to maintaining high standards as set out in our Code of Conduct and Statement of Values. As a company, we are committed to obeying the laws of all countries in which we operate and conducting ourselves according to the highest standards of ethical conduct. Throughout its operations, the Company seeks to avoid even the appearance of impropriety in the actions of its directors, officers, employees, and agents, and will take all necessary steps to ensure that corruption and bribery do not occur in its business activities. Any companies that engage in such conduct increase their cost of doing business, risk damaging their reputation and violate the laws of all countries globally.

The Company acknowledges the serious criminal and civil penalties that be incurred and the reputational damage that may be done if the Company is involved in bribery or corruption.

Accordingly, this Policy reiterates our commitment to integrity and accountability, and explains the specific requirements and prohibitions applicable to our operations under global anti-corruption and anti-bribery laws, including, but not limited to, the US Foreign Corrupt Practices Act of 1977 (“FCPA”), Section 70.2 of the Australian Criminal Code Act of 1995, the UK Bribery Act of 2010, and other laws in the countries where the Company conducts business that prohibit improper payments to obtain a business advantage (collectively, “the Laws”).

This Policy provides global minimum standards to ensure that the Company’s activities are conducted with ethics and integrity, and employee responsibilities for implementing the Policy.

## 1 Applicability

This Policy is applicable to all of the Company’s operations worldwide. This Policy applies to all of the Company’s directors, officers, and employees regardless of their citizenship, the country in which they work or the legal entity that employs them. If travelling or operating outside Australia, Employees are subject to the laws of the country that they are in, however, the principles and spirit of this Policy must be followed regardless of whether or not that country has specific bribery or corruption laws. Where a country has specific anti-bribery and anti-corruption laws which are of a lesser standard than this Policy, this Policy prevails. This Policy also applies to the Company’s agents, consultants, joint venture partners, and any other third-party representatives that may conduct business on the Company’s behalf or interact with government officials.

This Policy should be considered alongside the Company’s other corporate governance policies, including those which are available at the Company’s website.

## 2 Fundamental Principles

- a) The Company acts with integrity, in accordance with our Code of Conduct and Statement of Values. Company personnel and any other parties acting for the Company must act with integrity in connection with the Company’s business and avoid conduct that might damage the Company’s reputation. This commitment means that we would rather lose an opportunity or sale than obtain benefits through improper or unethical means.

- b) The Company opposes all forms of corruption, without exception. This Policy prohibits corruption of both governmental officials and private individuals and entities. This prohibition applies regardless of local customs or traditions. Therefore, corrupt conduct will not be tolerated even if it is “how business is done” in a given location.
- c) The Company maintains strong internal controls. We maintain a strong system of internal controls to ensure that the Company’s transactions are accurately recorded in its books and records, all Company assets are accounted for, and access to Company assets is controlled.
- d) The Company’s customer interactions are transparent and ethical. We have adopted policies and procedures to ensure that its interactions comply with applicable laws and ethical standards.
- e) The Company holds our business partners to our high standards. We require that our business partners adhere to high standards of business conduct and comply with all applicable laws. When appropriate, we require parties acting on our behalf to adopt our policies and procedures when undertaking activities on our behalf.

### 3 Prohibited Payments

Company employees and agents are prohibited from directly or indirectly (i.e., through an intermediary or those acting in an agency or fiduciary capacity) making, promising, authorizing, or offering anything of value on behalf of the Company to secure an improper advantage, obtain or retain business, or direct business to any other person or entity. This prohibition applies even to so-called “facilitating” or “grease” payments (i.e., small payments or gifts to a government official for the purpose of expediting or securing the performance of a routine governmental action). This prohibition includes payments to third-parties where the Company employee or agent knows, or has reason to know, that the third-party will use any part of the payment for bribes.

- a) Cash and Non-Cash Payments: Prohibiting “Anything of Value.” Payments that violate the Laws may arise in a variety of settings and include a broad range of payments beyond the obvious cash bribe or kickback. For example, “anything of value” is a term used in the FCPA to describe an item that has value to a recipient and is extended for an improper purpose. This term is very broad and can include, for example:
  - (i) Gifts.
  - (ii) Travel, meals, lodging, entertainment, or gift cards.
  - (iii) Loans or non-arm’s length transactions.
  - (iv) Charitable or political donations.
  - (v) Business, employment, or investment opportunities.
- b) Government Official Defined. Under the Laws, a “government official” includes:
  - (i) Officers or employees of a government or any department, agency, or instrumentality thereof.

- (ii) Officers or employees of a company, business or health care institution owned in whole or in part by a government (a state owned or controlled enterprises).
- (iii) Officers or employees of a public international organization (such as the United Nations, World Bank, or the European Union).
- (iv) Political parties or officials thereof.
- (v) Candidates for political office.

This term also includes anyone acting on behalf of any of the above (e.g., a health care professional employed by a state-owned health care institution).

On occasion, a government official may attempt to solicit or extort improper payments or anything of value from Company employees or agents. Such employees or agents must inform the government official that the Company does not engage in such conduct and immediately contact any of the personnel in the Company's Legal Department.

- c) **Commercial Bribery.** Bribery involving commercial (non-governmental) parties is also prohibited under this Policy. To this end, Company employees and agents shall not offer, promise, authorize the payment of, or pay or provide anything of value to any employee, agent, or representative of another company to induce or reward the improper performance of any function or any business-related activity. Company employees and agents also shall not request, agree to receive, or accept anything of value from any employee, agent, or representative of another company or entity as an inducement or reward for the improper performance of any function or business-related activity.

## 4 Corruption

Corruption is a deliberate act of dishonesty, breach of the law, or abuse of public trust or power that undermines or is incompatible with the impartial exercise of an official's powers, authorities, duties or functions for private gain.

Employees, under no circumstances, are permitted to engage in Corruption, whether directly or indirectly. Any conduct which may otherwise be permitted by other provisions of this policy is prohibited if it would contravene the preceding prohibition.

## 5 Gifts and Hospitality

Under the Laws, gifts and hospitality provided to or by the Company's business partners or government officials in connection with the conduct of the Company's business may be permitted in the following limited circumstances, subject to receipt of necessary approvals in accordance with section 7 of this Policy:

- a) **Promotional Hospitality and Marketing Expenses or Pursuant to a Contract.** The Company may pay for the reasonable cost of a government official's meals, lodging, or travel if, and only if, the expenses are bona fide, reasonable, and directly related to the promotion, demonstration, or explanation of Company products or services, or the execution of a contract with a government or agency, and such expenses are reasonable and customary, in type and in value, in the host country or the country in which the recipient

resides or conducts business, whichever is more modest. Lavish entertainment or expensive gifts are never permissible. Travel arrangements or reimbursement are permitted only in connection with legitimate Company business, and never as a gift or incentive.

- b) Promotional Gifts. Promotional gifts of nominal value may be given to a government official as a courtesy in recognition of services rendered or to promote goodwill. These gifts must be nominal in value and should generally bear the trademark of the Company or one of its products. Promotional gifts to any health care professional are expressly prohibited.

Such gifts and hospitality may never be offered or provided to business partners or government officials as part of a quid pro quo – i.e., with the intent to improperly influence their judgment to do something in return that would favor the Company or to refrain from doing something that would disadvantage the Company. In addition, any gifts and hospitality must be provided openly, rather than secretly and should never be of a value or nature, or given in a circumstance, which could cause embarrassment to either the Company or the recipient. Cash and cash equivalents (e.g., gift certificates, shopping vouchers, and bonus cards) must never be offered as gifts. Per diems or lump sum payments may not be provided as hospitality.

In addition, Cogstate employees are prohibited from accepting any gift, entertainment or any other item from any vendor, customer or competitor that is more than modest in value and consistent with local standards; soliciting any such benefit is expressly prohibited. Soliciting or accepting any cash gift of any value is expressly prohibited. Even if modest and consistent with local standards, accepting such benefit is prohibited if it would obligate, or appear to obligate, Cogstate or the employee. Accepting any gift from a health care professional is expressly prohibited under any circumstances.

Employees should consult with the Legal Department with any questions about these requirements.

## 6 Political and Charitable Contributions

Under no circumstances is a Cogstate employee permitted to make a contribution in Cogstate's name to any political candidate or organization.

Cogstate supports community development throughout the world and may from time to time make charitable contributions to *bona fide* charitable organizations established to further community health and well-being; any contemplated support in this regard must be pre-approved in writing by the Chief Executive Officer. Employees are of course free to make personal charitable contributions to organizations of their choice using their own personal funds; however, employees are not permitted to use Company resources to personally support such charitable organizations not specifically sanctioned or approved by Cogstate. Employees should consult the Legal Department with any questions about permissible use of Company resources.

## 7 Record Keeping

It is the Company's policy to implement and maintain internal accounting controls based upon sound accounting principles. All accounting entries in the Company's books and records must be timely and accurately recorded and include reasonable detail to fairly reflect transactions. These accounting entries and

the supporting documentation must be periodically reviewed to identify and correct discrepancies, errors, and omissions.

- a) Authorization for Transactions. All permitted transactions pursuant to this Policy must occur only with appropriate Company authorization.
- b) Recording Transactions. All permitted transactions pursuant to this Policy must be notified to the Company's Legal Department and recorded in accordance with generally accepted accounting principles.
- c) Tracking Transactions. All permitted transactions pursuant to this Policy must be tracked in a separate log or record, with supporting documentation identifying:
  - (i) The name and position of the employee requesting and authorizing the transaction.
  - (ii) The name and position of the government official involved in the transaction.
  - (iii) A description, including the value, of the payment or provision of anything of value, and where applicable, a description of the Company's products or services being promoted or the relevant contractual provision if the payment was made pursuant to a contract.

## 8 Cash Payments Prohibited

Cash payments of any kind to a third-party, other than documented petty cash disbursements or other valid and approved payments, are prohibited. Company checks shall not be written to "cash", "bearer," or anyone other than the party entitled to payment except to replenish properly used petty cash funds.

## 9 Representatives

All third-party Company representatives must fully comply with the Laws.

## 10 Compliance

Company employees and agents must be familiar with and perform their duties according to the requirements set out in this Policy. Company employees or agents who violate this Policy are subject to disciplinary action, up to and including dismissal. Third-party representatives who violate this Policy may be subject to termination of all commercial relationships with the Company.

To ensure that all Company employees and agents are thoroughly familiar with the provisions of this Policy and the Laws, the Company shall provide anti-corruption training and resources to those Company employees and agents, as appropriate.

Any Company employee or agent who suspects that this Policy may have been violated must immediately notify the Company as specified in the section entitled "Reporting Policy Violations" below. Any Company employee who, in good faith, reports suspected legal, ethical, or Policy violations will not suffer any adverse consequence for doing so. When in doubt about the appropriateness of any conduct, the Company requires that you seek additional guidance before taking any action that may subject the Company to potential liability.

## 11 Duty to Cooperate

The Company may at times undertake a more detailed review of certain transactions. As part of these reviews, the Company requires all employees, agents, and third-party representatives to cooperate with the Company, outside legal counsel, outside auditors, or other similar parties. The Company views failure to cooperate in an internal review as a breach of your obligations to the Company and will deal with this failure severely in accordance with any local laws or regulations.

## 12 Questions About the Policy

If you have any questions relating to this Policy, please contact any of the personnel in the Company's Legal Department.

## 13 Reporting Policy Violations

To report potential violations of this Policy, immediately notify your supervisor, any of the personnel in the Company's Legal Department, or any of the personnel in the Company's HR Department. You may also report potential violations anonymously or non-anonymously through the Company's Whistleblower Hotline located on the "Company Links" section of BambooHR's homepage. The Board shall be notified of any potential Policy violations, and the investigation and disposition thereof.

## 14 Periodic review

This Policy will be reviewed periodically by the Board to ensure that it is operating effectively and whether any changes are required.

## 15 Amendment of Policy

This Policy can only be amended with the approval of the Board.