



THE KAVLI FOUNDATION

Advancing science for
the benefit of humanity

ANTI-BRIBERY AND CORRUPTION POLICY

Policy effective date: December 02, 2024

At The Kavli Foundation, bribery is never permitted. We will not seek to influence others, either directly or indirectly, by offering, paying, or receiving bribes or kickbacks, or by any other means that is considered unethical, illegal, or harmful to our reputation of honesty and integrity. Employees and representatives of the foundation are expected to decline any opportunity which would place our ethical principles and reputation at risk. While certain laws apply only to bribes to government officials (domestic and foreign); this policy applies to non-government business partners as well.

This anti-bribery and corruption policy (the "Policy") discourages and prohibits any kind of bribe or corrupt practice with any kind of stakeholder, including offering, promising to provide any kind of means or value to any stakeholder, including vendors, government official, business partner or a third party to induce any improper action in relation to the foundation's business.

Objective

The Policy outlines the foundation's legal and moral responsibility to counter bribery and corruption and to tools and methods to ensure violations do not occur.

Scope

This policy applies to all employees of The Kavli Foundation.

What is bribery and corruption?

Corruption is the act of improperly influencing or conducting an existing business, legal, or governmental process in a manner that is dishonest, fraudulent, or illegal with an intent to gain an advantage or procure some benefit either personally or for someone else. It is typically enabled via a bribe and often involves the use of public or fiduciary position for private gain. Bribery is offering, giving, or receiving anything of value with the intention of inducing a person to act or to reward a person for having acted. This includes kickbacks—giving a payment to someone who helps facilitate a transaction. It's important to understand that a corrupt act has occurred even if:

- A bribe does not succeed.
- A person authorizes or provides direction for a bribe, but no bribe is ultimately offered or paid.

“Anything of value” includes, but is not limited to:

- Cash, cash equivalents (such as gift certificates/cards), stock, personal property, and assumption or forgiveness of a debt.
- Gifts, meals, entertainment, and travel—any corporate travel, gifts, entertainment, and meals must be proportionate to the occasion.
- Political contributions whether made directly or indirectly
- Charitable contributions or sponsorships – if made to a charity at the direct request of a government official or private business partner, it could be considered an indirect bribe made in order to obtain or retain business or to secure other improper business advantage.
- Job offers or internship awards—offers to government officials (or their relatives) can present a risk of violating anti-bribery or anticorruption laws and regulations. Compliance must be consulted prior to making such offers.

Third parties

Companies cannot avoid liability by using a third party to give or receive a bribe. A third party includes, but is not limited to consultants, agents, representatives, subcontractors, and subadvisors.

We must clearly convey to third parties representing the company that we expect them to comply with our anti-bribery and corruption policy. In some jurisdictions, the company can be convicted of a criminal offense if it fails to prevent bribery carried out on its behalf by a third party even if no one in the company had actual knowledge of the bribe.

Whenever the company seeks to engage a third party in which the third party may interact with a government official for or on behalf of the company, the following guidelines apply:

1. Due diligence should be performed to ensure that the third party is a bona fide and legitimate entity; is qualified to perform services for which it will be retained; and maintains standards consistent with the legal, regulatory, ethical, and reputational standards of the company.
2. Agreements with third parties must be in writing and should contain provisions related to the following, based on corruption risk present in the third-party relationship:
 - A representation that the third party will remain in compliance with all relevant anti-corruption laws, including the FCPA (Foreign Corrupt Practices Act).
 - A provision that requires the third party to respond to reasonable requests for information from the company regarding the work performed under the agreement and related expenditures by the third party.

Government officials

Laws and regulations are strict when dealing with government officials because they are in an ideal position to request or receive a bribe and therefore engage in corruption. Reasonable corporate hospitality that is acceptable with

other business associates might not be allowable when government officials are involved.

Before such expenses are incurred, you must obtain approval from your supervisor, F&A or legal as needed.

A government official is any:

- individual elected or appointed to a governmental entity,
- official or employee of a government,
- official or employee of a company wholly or partially owned or controlled by a government. This includes state-owned entities such as sovereign wealth funds.,
- candidate for political office,
- political party or official of a political party, or
- person acting in an official capacity for any of the above regardless of rank or position.

The definition of what could constitute a bribe to a government official is broad and can occur even when the benefit being offered is small, such as gifts, entertainment, and even business meals.

Some laws allow expenses which relate to reasonable and bona fide travel, accommodation, and meal expenses in connection with a contract between the company and the third party, or the demonstration of company capabilities relating to proposed business with the third party.

Facilitation payments

“Facilitation or grease payments” are payments that facilitate a normal governmental function, such as expediting processing paperwork. While these types of payments may be accepted as “a cost of doing business” in some cultures, they are illegal and counter to our values.

Reporting violations

Employees and representatives should seek clarification on any questions or concerns regarding activities under consideration or the interpretation of any law.

If offered a bribe from a person or entity doing business with or seeking to do business with the company, employees must report it immediately. Violations can be reported as outlined below. Our whistleblower policy protects employees who report concerns.

- Ann Deno, Director of Human Resources at 310-795-3352
- reportconduct@kavlifoundation.org
- The employee's manager
- Any other senior management personnel