



# **Our Code of Conduct**

Doing the right thing

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<b>Version Number</b>	<b>Author</b>	<b>Approved by</b>	<b>Release date</b>	<b>Summary of changes</b>
<b>1</b>	Liza Hemmings	Jo Hombal	April 2016	New Policy
<b>2</b>	Liza Hemmings	Jo Hombal	Sept 2019	Logo and image update to policy
<b>3</b>	Liza Hemmings	Jo Hombal	TBC	Updated to align values with CDMO transformation strategy and the branding change.

## 1 We follow our Code of Conduct with pride

We are committed to ensuring that our business activities are conducted in a responsible manner for the benefit of all our stakeholders. We believe that having empowered people, who understand their responsibilities, who display sound judgement and who act in an ethical way to do the right thing, is key to the on-going success and development of Vectura.

Our Code of Conduct is one of the ways we put our values into practice. It contains our principles and expectations for ethical business conduct and helps guide our colleagues to make the right decisions and act with integrity. Trust and mutual respect among colleagues are the foundation of our success. Therefore, all our colleagues and Board members are expected to know and follow the Code with pride. In the unlikely event that an employee fails to follow the Code, this will be fully investigated and could lead to disciplinary action or indeed termination of employment.

Managers are responsible for providing appropriate support to enable their teams to understand the requirements of this Code, the relevant supporting policies, the laws and regulations of the countries in which they work, and how they should be applied in practice. We expect our leaders to lead by example. They must accommodate ethical considerations in business planning and decision making, empowering colleagues to make responsible decisions and creating an environment to speak up when ethical challenges arise.

If we bring our Code of Conduct to life and use it to guide our individual work, we can ensure that Vectura achieves its vision to be a world class inhalation CDMO, delivering exceptional shareholder return and having a positive impact on the environment and wider society. Together, we can build a company we can all feel proud to work for.

Thank you for your support.

## 2 We Live Our Values

In light of our strategy to transform Vectura into a leading inhalation CDMO, we reviewed our culture to ensure alignment with our ambitions. Founded on the rich heritage of the previous values, our revised guiding principles build on the innovation, collaboration, patient focus and achievement ethos which remain critical to our success. They also highlight the need for us to provide a great experience for our customers and to ensure quality is at the heart of everything we do.

### Our Values

- Deliver for patients with pride
- Create a great customer experience
- Work together as one team
- Do the right thing
- Innovate and improve

We are proud of our values. They inform everything we do and clearly articulate our expectations and our aspirations. We promote and reinforce these values through our performance management process and the “People’s Champion” award. The “People’s Champion” is an annual award which allows our colleagues to recognise and reward those individuals who have acted as a role model, demonstrating our values in a way that has inspired and engaged their colleagues.

We believe that our values promote an inclusive working environment where individuals are rewarded for their individual and collective contributions to the business and society.

### **3 We Invite Full Participation and Support Diversity**

We treat everyone with respect and on an honest, equal, and inclusive basis. We encourage diversity throughout all levels of the organisation. We believe that individual success depends on ability, behaviour, performance and evidenced potential and we remain committed to offering career opportunities without discrimination. Our commitment to equal opportunities and diversity is enshrined in our working practices and policies; we do not tolerate discrimination on any basis.

By enabling an inclusive environment where all colleagues can experience a sense of belonging, we can attract and retain our talented colleagues.

### **4 We Work in an Appropriate and Positive Environment**

We endeavour to provide an environment that allows everyone to excel, take initiative, seek new ways to solve problems, generate opportunities and be accountable for their actions. We encourage teamwork to leverage our diverse talents and expertise through effective collaboration and cooperation.

Our culture is fundamental to our success and is reflected in respectful, friendly, and inclusive behaviours and practices.

We believe all colleagues have a right to a working environment free from bullying and harassment in any form and are committed to providing a workplace in which the dignity of individuals is respected. Many patterns of behaviour are accepted between people as normal forms of social and business interaction, but if any particular form of conduct is unwanted by the recipient and has the effect of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that person, this constitutes harassment and must stop. This includes any demeaning, insulting, embarrassing or intimidating behaviour directed at any employee related to age, disability, sex, gender reassignment, pregnancy, maternity, race (which includes colour, nationality and ethnic or national origins), sexual orientation, religion or belief, or because of someone's marital status.

We also undertake to ensure that our colleagues are never subjected to sexual harassment. This includes unwelcome comments of a sexual nature, sexual advances, unwanted physical contact, displaying offensive materials in the workplace, inappropriate social media postings or messages and sending offensive emails.

Our commitment to provide an appropriate and positive environment extends to Company-sponsored functions and any setting where we are representing Vectura or acting on its behalf.

If any of our colleagues witness any inappropriate conduct as outlined above, they should report this to their Line Manager or a member of the HR Team without delay, who will ensure the matter is investigated.

With respect to personal appearance, whilst we don't have a formal dress code, you should ensure that what you wear is appropriate for the situation in which you are working and that you present a professional image.

## 5 We Communicate Effectively

Effective and engaging communication is at the heart of our approach to internal communication, enabling us to forge strong connections with our colleagues.

We host regular business updates, led by the Executive Leadership Team (ELT), to ensure that all colleagues are clear on our strategy, have an opportunity to learn about our progress and to engage in two-way dialogue with the ELT. Our Business Leadership Team (BLT) is also involved in cascading key messages to their teams, providing relevant, timely information and the opportunity for colleagues to check understanding and ask questions.

We have an established Employee Representative Forum. This forum provides a mechanism by which all colleagues can raise issues that matter to them for discussion, to enable employee feedback and to facilitate the communication and dissemination of key information throughout the organisation.

We recognise that effective communication is a two-way, open exchange of ideas and opinions. We host regular “Science Live” events, where we showcase Vectura's science and innovation through presentations and podcasts from our own teams and from guest speakers. These sessions can be accessed remotely by all colleagues and are designed to promote and enable peer learning.

MyVectura, the intranet we launched in 2019, plays an integral role in sharing Group news as well as providing online spaces for collaboration, personal stories, inspiration and encouragement. We regularly seek feedback on the effectiveness of our internal communications and ensure that we listen to and act on the feedback we receive.

## 6 We Avoid Conflicts of Interest

### Working time

Given the competitive nature of our business, it's important that our colleagues devote their whole time, attention and abilities to Vectura during their working time and do not engage in activities that might interfere with their performance at work or cause a conflict of interest.

### Gifts, Hospitality and Business Entertainment

We have many suppliers who are vital to our company's success. That is why these relationships must be based entirely on sound business judgement and fair dealing.

Business gifts, hospitality and entertainment can build goodwill, but they can also make it harder to be objective about the person providing them and can create their own conflicts of interest.

Our business controls are designed to ensure we do the right thing. We do not prohibit normal hospitality given to, or received from, third parties, which is proportionate to a proper business relationship provided the following requirements are met:

- The gift is not intended to influence the recipient to behave improperly in placing of business or to improperly reward any placing of business which has already taken place;
- It complies with local law;
- It is given in the name of the business, not in your personal name or in a personal capacity;
- It does not include cash or cash equivalents (such as gift certificates or vouchers);

- It is appropriate to the circumstances, for example Christmas or Chinese New Year, and taking into account the reason for the gift, it is of an appropriate type and value given at an appropriate time; and
- It is given openly and not secretly.

It is appreciated that the practice of giving business gifts varies between different countries and regions and that what may be considered normal and acceptable in one region may not be in another. The test to be applied is whether in all circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

Entertaining business contacts is permitted when there is a genuine business need and where it is conducive to a productive business discussion. It is Vectura's policy that business entertaining is restricted to taking a business contact out for a meal and the costs of such entertaining will be reimbursed upon production of receipts.

If you are unsure whether the giving or receiving of a gift or entertainment is acceptable, please ask your manager. You must declare and keep a written record of all hospitality or gifts accepted or offered.

All public relations activities carried out shall be aimed solely at promoting the business reputation of the Company and will meet the following key requirements:

- Shall be compliant with applicable laws and Company regulations and policy;
- Shall be directly connected to the business activities of the Company; Shall be reasonable and proportionate to the aims of the event;
- Should not constitute remuneration (including hidden remuneration) and/or should not influence any decision making process in favour of the Company;
- Should not create reputational risk to the Company or its colleagues.

### **Bribes**

We are committed to achieving our business goals legitimately. Offering or accepting a bribe contravenes this commitment. In light of this we must never offer, solicit, or accept a bribe in any form for the purpose of obtaining or retaining business or to gain an improper advantage for Vectura.

A bribe is an inducement or reward of money or any other form of benefit. It is offered, promised or given, in order to obtain any commercial, contractual, or personal advantage through improper behaviour on the part of the recipient of the bribe, or a person connected to the recipient.

### **Facilitation payments**

Facilitation payments are small, unofficial payments made to secure or expedite a routine government action by a government or other official. They are prohibited by UK law and, although not expressly prohibited by all other relevant anti-bribery laws, the Company's policy is that they are not permitted in any circumstances.

If you are asked to make such a payment on the Company's behalf, you should raise the issue with your manager and take appropriate advice.

## 7 We Maintain Accurate Books and Records and Report Results with Integrity

We are committed to the accurate reporting of financial information in accordance with applicable laws and generally accepted accounting principles. The integrity of our books, records and accounting practices is of vital importance.

All colleagues must help to ensure that reporting of business information, computerised, paper-based or otherwise, is accurate, complete, and timely.

### We commit to:

- Report expenses and record timesheet information accurately, completely and on a timely basis in accordance with the Company's policies and procedures;
- Check and authorise invoices promptly;
- Never deliberately make a false or misleading entry in a report or record;
- Never alter or destroy company records except as authorised by established policies and procedures;
- Never sell, transfer or dispose of company assets without proper documentation and authorisation;
- Follow all laws, external accounting requirements, and company procedures for reporting financial information;
- Cooperate with our external auditors.

## 8 We Provide a Safe Workplace

Keeping our colleagues, visitors, and contractors safe is a priority for us. Engaging our workforce on Environment, Health and Safety (EHS) matters is key. We have a three-tier system for health and safety consultation, comprising of:

- a quarterly Steering Committee, attended by senior leaders across the business, which reviews safety compliance, performance and defines our strategy;
- a monthly EHS Committee meeting which reviews performance and discusses corporate initiatives and issues;
- EHS sub-groups delivering tactical improvements and localised proactive initiatives.

All colleagues are encouraged to report safety observations. This is one of the prime leading indicators of a strong safety culture and, ultimately, enables us to keep one another safe.

We monitor our key EHS performance indicators regularly and use this data to drive performance and action plans. Improvement plans encompassing Risk Management, Chemical Management, Ergonomics, and Inspection all feature in our EHS Improvement Plan that is guided by and aligned to the ISO45001 Occupational Health & Safety Management Standard.

We want all our colleagues to feel safe and supported. Everyone is encouraged to integrate health and safety into their day to day work activities and Managers have a duty to provide their teams with a safe and secure business environment, including building awareness of potential security risks and how they should be managed.

We have a Health and Wellbeing hub on our intranet, myVectura, and our Mental Health First Aiders provide additional, on-site support as a supplement to our Employee Assistance Programme.

## 9 We Act Responsibly

### **Our local communities**

As a responsible business, we are committed to having a long-term positive impact on our environment and society, including the communities in which we operate. We maintain close relationships with our local schools and universities, support our employees in local and national charity endeavours, and monitor our carbon footprint.

We provide opportunities for colleagues to participate in local volunteering and fundraising via our Charitable Support Policy. We are proud to have a creative and active Social Committee who organise a multitude of fundraising events.

We also collaborate academically with local universities, and our science, technology, engineering and maths (STEM) ambassadors encourage students to select STEM subjects at an early age, with members of our laboratory teams providing local schoolchildren with valuable insight into careers in science.

### **Our carbon footprint**

We are committed to the generally accepted definition of sustainability: meeting the needs of the present without compromising the ability of future generations to meet their own needs. We are committed to playing our part in environmental stewardship and running our business in a socially responsible way.

Whilst travel is necessary for any global business, we should all find ways to mitigate and reduce our business travel carbon emissions whilst staying connected with our colleagues, customers and other stakeholders.

### **Waste Management**

All waste is segregated across all our locations and recycled where possible. We require employees to act responsibly by minimising their personal and company waste and helping to preserve water and other natural resources.

Our Environmental, Social and Governance (ESG) Steering and Working Groups review opportunities to innovate and build on our current activity and all colleagues are encouraged to add their ideas for consideration.

## 10 We Safeguard Company Property and Information, and that of our Customers

We treat all company property, whether material or intangible, with respect and care. We don't misuse company equipment or use it frivolously.

Our success depends in part on our ability to obtain and maintain protection for our intellectual property, especially inventions and confidential information. Therefore, we always work to safeguard Vectura's intellectual property (IP), including all confidential information. IP rights, including patents, trademarks, copyrights, trade secrets, inventions and know-how must be planned for and managed. Ideas and questions relating to IP should be directed to the Intellectual Properties Department for review and IP protection where appropriate.

Sometimes you may need to disclose our confidential information to persons outside Vectura – for example, so that a commercial business partner can work more effectively with us. However, even when there may seem to be a legitimate reason to share our confidential information, it is important that we don't disclose such information without a written confidentiality agreement in place in advance of any disclosure.

In addition to protecting our own confidential information, it is imperative that we protect that of our partners, customers, and others as appropriate. We should only disclose confidential information belonging to third parties to colleagues who absolutely need to know it with appropriate systems in place to control access. Customer confidential information must additionally be restricted in accordance with any contractual obligations. Control of confidential information is particularly important for competing projects. Projects may be competing when, for example, they relate to the same API's or involve use of similar formulation or other proprietary technologies. If you are ever unsure, you should ask your manager so that we can ensure we prevent inadvertent disclosure of any confidential information. Further details are contained in our Confidentiality and Ethical Wall Requirements Business Operating Guideline.

## 11 We are all stewards of our reputation

The way we communicate with the outside world and internally is crucial to building trust and maintaining our reputation. All communication about our business interests should be timely, accurate and reflect our values and expectations, as well as follow our policies, approval procedures and all applicable laws.

Everyone has the right to make comments on personal social media accounts, including sharing Vectura content approved for your individual use, making it clear that the opinions you express are your own. However, it's important to remember that only trained spokespeople can make comments on behalf of Vectura. When using social media, we must be careful not to disclose anything that could be deemed 'inside information'. Examples could be the early release of sales figures or knowledge of a large company restructuring. Vectura's policies on confidential information still apply to personal social media accounts.

## 12 We Respect Personal Information

We will process personal data fairly and lawfully insofar as it is necessary for clear, and legitimate business or contractual purposes. We will ensure that it is adequate, relevant, and not excessive in relation to the purpose for which it is to be processed. In addition, we will maintain personal data in a secure manner and take appropriate precautions to ensure it is accurate, kept up-to-date and not kept for longer than is necessary. We will restrict transferring such data to organisations in countries outside UK and the EEA without adequate legal or contractual protection.

## 13 Additional Information

To further support our commitment to create a great place to work and an environment in which colleagues are proud to work, all colleagues are required to read and understand the below listed Vectura policies. These should be supplemented with good judgement and common sense in deciding the right actions to take, because this Code and these supporting policies cannot cover every situation that may arise.

- Anti-Bribery.
- Confidentiality and Ethical Wall Requirements.
- Data Protection.
- Equal Opportunities.
- Travel and Expenses.
- Fairness and Dignity at Work.
- Health and Safety Management.
- Share Dealing.
- Whistle Blowing.