



## CORPORATE POLICY

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Document Name:	Related Person Transactions Policy
Revision:	01
Reason for Revision:	
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Adopted:	28 <sup>th</sup> Jan 2020

Approved by:

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Chairman of the Board

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Secretary to the Board

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## 1. Purpose

Addex Therapeutics Ltd, a company incorporated in Plan-les-Ouates/Geneva, Switzerland, and listed on the SIX Swiss Exchange (**SIX**) (**Addex**), and all the companies included in its consolidated financial statements (**Addex Group**) have to comply with all applicable laws of Switzerland, as well as the federal securities laws of the United States of America and the rules of the Nasdaq Stock Market LLC.

Addex is adopting this related person transactions policy (**Policy**) to set forth the procedures for the identification, review, consideration and approval or ratification of transactions involving the Addex Group and any "Related Person" (as defined below) by the Audit Committee of Addex Board of Directors (**Board**) or by such other committee of the Board as shall be appropriate.

This Policy has been approved by the Board. The Audit Committee of the Board (**Audit Committee**) will review and recommend to the Board, from time to time, any amendments to this Policy.

This Policy is a supplement to Addex Organizational Rules and should be read in conjunction therewith.

References in this Policy to one gender shall be deemed to include the other gender.

## 2. Who is Subject to this Policy?

This Policy applies to:

- a. For so long as Addex qualifies as a foreign private issuer under the federal securities laws of the United States of America, any:
  - i. enterprise that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, Addex;
  - ii. associate, i.e., any unconsolidated enterprise in which Addex has a significant influence or which has significant influence over Addex;
  - iii. individual owning, directly or indirectly, an interest in the voting power of Addex that gives them significant influence over Addex, and close members of any such individual's family;
  - iv. key management personnel, i.e., those persons having authority and responsibility for planning, directing and controlling the activities of Addex, including directors and senior management and close members of such individuals' families; or
  - v. enterprise in which a substantial interest in the voting power of Addex is owned, directly or indirectly, by any person described in iii and iv above or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of Addex and enterprises that have a member of key management in common with Addex.

For purposes of the above:

**Close members** of an individual's family are those that may be expected to influence, or be influenced by, that person in their dealings with Addex.

**Significant influence over an enterprise** is the power to participate in the financial and operating policy decisions of the enterprise but is less than control over those policies. Shareholders beneficially owning a 10% interest in the voting

power of Addex are presumed to have a significant influence on Addex.

- b. Thereafter, any:
- i. person who is, or at any time since the beginning of Addex last fiscal year was, a director or executive officer of Addex or a nominee to become a director of Addex;
  - ii. security holder known by Addex to be the beneficial owner of more than 5% of any class of Addex voting securities (a **Significant Shareholder**);
  - iii. **Immediate Family Member** of any of the foregoing, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of such person, and any person (other than a tenant or employee) sharing the household of such person; and
  - iv. firm, corporation or other entity in which any of the foregoing persons is an executive, partner or principal or similar control position or in which such person has a 5% or greater beneficial ownership interest (an **Affiliate**).

These persons are referred to as **Related Persons**.

### 3. Which Transactions are Subject to this Policy?

This Policy applies in relation to

- a. for so long as Addex qualifies as a foreign private issuer under the federal securities laws of the United States of America: a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Addex Group and any Related Person are, were or will be participants in which the amount involved exceeds USD 120,000 (or the equivalent in Swiss Francs or foreign currencies), or which is unusual in its nature or conditions; and
- b. thereafter: a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which Addex and any Related Person are, were or will be participants in which the amount involved exceeds USD 120,000 (or the equivalent in Swiss Francs or foreign currencies).

These transactions are referred to as **Related Person Transactions**.

Transactions involving compensation for services provided to Addex as an employee, consultant or director shall not be considered Related Person Transactions under this Policy. A transaction, arrangement or relationship in which a Related Person's participation is solely due to the Related Person's position as a director of an entity that is participating in such transaction, arrangement or relationship shall not be considered a Related Person Transaction under this Policy.

### 4. Identification of Related Persons and Dissemination of Information

Addex shall review all known transactions, arrangements and relationships in which Addex and a Related Person are participants to determine whether such transactions, arrangements and relationships constitute Related Person Transactions. In addition, each director and executive officer shall, and Addex shall request each Significant Shareholder to, notify all of his Affiliates and Immediate Family Members requiring that, before they or, with respect to Immediate Family Members, any of their Affiliates may engage in any Related Person

Transaction, they must inform the director, executive officer or Significant Shareholder in advance and may not proceed with the transaction in the absence of approval pursuant to this Policy. The director, executive officer or Significant Shareholder shall be obligated to report the proposed transaction to Addex management for consideration and approval by the Audit Committee as a Related Person Transaction in accordance with the terms of this Policy.

## 5. Advance Approval of Related Person Transactions

Under this Policy, any proposed transaction that has been identified as a Related Person Transaction may be consummated or materially amended only following approval by the Audit Committee in accordance with the provisions of this Policy. In the event that it is inappropriate for the Audit Committee to review the transaction for reasons of conflict of interest or otherwise, after taking into account possible recusals by Audit Committee members, then the Related Person Transaction shall be approved by another independent body of the Board.

## 6. Ratification of Related-Person Transactions

Under this Policy, any Related Person Transaction, if not a Related Person Transaction when originally consummated, or if not initially identified as a Related Person Transaction prior to consummation, shall be submitted to the Audit Committee for review and ratification in accordance with the approval policies set forth above as soon as reasonably practicable. The Audit Committee shall consider whether to ratify and continue, amend and ratify, or terminate or rescind such Related Person Transaction.

## 7. Approval Process and Guidelines

- a. In the event that Addex proposes to enter into, or materially amend, a Related Person Transaction, Addex management shall present such Related Person Transaction to the Audit Committee for review, consideration and approval or ratification. The presentation shall include, to the extent reasonably available, a description of (a) all of the parties thereto, (b) the interests, direct or indirect, of any Related Person in the transaction in sufficient detail so as to enable the Audit Committee to fully assess such interests (c) a description of the purpose of the transaction, (d) all of the material facts of the proposed Related Person Transaction, including the proposed aggregate value of such transaction, or, in the case of indebtedness, that amount of principal that would be involved, (e) the benefits to Addex of the proposed Related Person Transaction, (f) if applicable, the availability of other sources of comparable products or services, (g) an assessment of whether the proposed Related Person Transaction is on terms that are comparable to the terms available to or from, as the case may be, an unrelated third party or to employees generally and (h) management's recommendation with respect to the proposed Related Person Transaction. In the event the Audit Committee is asked to consider whether to ratify an ongoing Related-Person Transaction, in addition to the information identified above, the presentation shall include a description of the extent of work performed and remaining to be performed in connection with the transaction and an assessment of the potential risks and costs of termination of the transaction, and where appropriate, the possibility of modification of the transaction.
- b. The Audit Committee, in approving or rejecting the proposed Related Person Transaction, shall consider all the relevant facts and circumstances deemed relevant by and available to the Audit Committee, including, but not limited to (a) the risks, costs and benefits to Addex, (b) the impact on a director's independence in the event the Related Person is a director, Immediate Family Member of a director or an entity with which a director is affiliated, (c) the terms of the

transaction, (d) the availability of other sources for comparable services or products and (e) the terms available to or from, as the case may be, unrelated third parties or to or from employees generally. The Audit Committee shall approve only those Related Person Transactions that, in light of known circumstances, are in, or are not inconsistent with, the best interests of Addex and its shareholders, as the Audit Committee determines in the good faith exercise of its discretion.

## 8. SEC Compliance; Interpretation

All executive officers and directors will abide by the securities laws that govern related party transactions. As a result, the actions or relationships that will be considered covered by this Policy with respect to Addex executive officers and directors are those that meet the requirement for disclosure in Addex periodic filings with the Securities and Exchange Commission pursuant to Part I, Item 7B of Form 20-F or Item 404 of Regulation S-K, as applicable, which are referred to as “related party transactions.” Such related party transactions must be approved by the Audit Committee as required by applicable laws and regulations, and provided such approval is obtained in advance and such transactions are publicly disclosed, such approval shall not be deemed a waiver of this Policy or other Addex policies.

This Policy is intended to comply with Part I, Item 7B of Form 20-F and shall be interpreted in such a manner as to comply therewith.