

ANTI-CORRUPTION POLICY

1. PURPOSE

- a. OrthoPediatrics Corp. and its subsidiaries (collectively, the "Company") are committed to conducting worldwide operations in accordance with the highest ethical standards and in compliance with all applicable U.S. and non-U.S. laws and regulations, including the U.S. Foreign Corrupt Practices Act ("FCPA"), U.K. Bribery Act 2010, and other anti-corruption laws. In furtherance of the Company's commitment to ethical and lawful business practices, the Company has developed this Anti-Corruption Compliance Policy (the "Policy").
- b. The Policy:
 - i. Establishes a clear anti-corruption policy for the Company, for all Company Personnel, and for all Company Business Partners (both defined in Section 2 below);
 - ii. Sets forth standards of conduct that must be followed in certain kinds of transactions, particularly when providing gifts, meals, transportation, or anything of value to any individual, group of individuals, or other entity ("Person");
 - iii. Promotes compliance with the Code of Ethics and Business Conduct Policy and all applicable U.S. and non-U.S. anti-corruption laws; and
 - iv. Identifies appropriate measures the Company may take when a violation of the Policy or of law occurs.
- c. Compliance with the Policy is mandatory. The Company will not authorize, involve itself in, or tolerate any business practice that does not comply with this Policy.

2. SCOPE AND APPLICABILITY

- a. The Policy applies to all Company officers, directors, and employees, including employees of any affiliate, subsidiary, or other entity controlled by the Company (collectively "Company Personnel"). This Policy also applies to non-employee representatives, agents, consultants, contractors, distributors, re-sellers, joint venture partners, and other parties acting, communicating, or doing business on the Company's behalf (collectively, "Company Business Partners"). Accordingly, this Policy covers all activities conducted by, on behalf of, or related to the Company-by-Company Personnel and Company Business Partners (collectively, "Covered Parties" or "Covered Party") anywhere in the world.
- b. All Covered Parties must understand and comply with this Policy and all applicable anti-corruption laws in the United States and in other countries in which the Company does business. Covered Parties will be required to certify such compliance by completing and signing (or electronically signing and acknowledging a similar version) the Company's Anti-Corruption Compliance Certification which can be accessed online. Additionally, all Company Business Partners are subject to the requirements of Section 4h of the Policy as well.

3. POLICY

- a. Anti-Corruption
 - i. Covered Parties shall neither bribe nor make any improper payment to or for the benefit of any Person and shall comply with all applicable U.S. and non-U.S. anti-corruption laws and regulations, including those prohibiting bribery of Government Officials (defined below) as well as commercial bribery.
 - ii. Bribery of a Government Official: Covered Parties may not directly or indirectly offer, promise, authorize, or pay "anything of value" (defined below) to any "Government Official" (defined below), spouse or relative of a Government Official, or to any other Person, knowing or suspecting that all or

some portion of the thing of value would be offered, given, or promised for the purpose of inducing the Government Official to use his or her influence to secure an advantage, or to obtain, retain, or direct business to the Company or to any other person or entity.

- iii. "Anything of Value" shall be interpreted broadly, and includes payments or offers of money in any amount (i.e., there is no minimum U.S. dollar threshold) and in any form, including cash, cash equivalents (e.g., gift cards), commissions, brokerages, kickbacks, rebates, loans, or other compensation, as well as political and charitable donations, in-kind services, meals, travel and entertainment, gifts, contractual rights or interests, other business advantages, and anything else of any economic value.
 - iv. A "Government Official" includes: (i) any elected or appointed official of any domestic or foreign federal, state, local or municipal government (including, e.g., presidents, ministers, royalty, members of parliaments or legislatures, governors, mayors, etc.); (ii) directors, officers or employees of any rank or level of a domestic or foreign governmental institution, department, agency, or instrumentality, including government-owned or controlled commercial enterprises; (iii) directors, officers, or employees of a public international organization (e.g., bodies affiliated with the United Nations, the World Trade Organization and the European Union); or (iv) domestic or foreign political parties or their officials, as well as candidates for political office in any jurisdiction.
- b. Commercial Bribery: Covered Parties may not directly or indirectly offer, promise, authorize, or pay Anything of Value to any employee, agent, or representative of another company, or to any other Person, with the intent to induce or reward the "improper performance" (defined below) of a "relevant function or activity" (defined below). Similarly, Covered Parties may not request, agree to receive, or accept Anything of Value from any other Person as an inducement or reward for the Improper Performance of a Relevant Function or Activity.
- i. "Improper Performance" includes the performance or non-performance of an act, or the making of a decision, in breach of an expectation or duty that the act or decision will be carried out in good faith, in an impartial manner, or in keeping with a position of trust.
 - ii. "Relevant Function or Activity" includes any function or action that is: (1) of a public nature (i.e., carried out by a private organization on behalf of a public authority); (2) performed in one's employment or official capacity; (3) connected to a business, trade, or profession; or (4) performed by or on behalf of a government or business entity.
- c. Covered Parties shall avoid any act or conduct that could be construed or interpreted as a bribe or improper payment
- d. If confronted with a request or demand for an improper payment or other violation of this Policy, the request or demand must be immediately rejected and reported to Company's Legal Department, who has primary corporate-level responsibility for executing the Company's Anti-Corruption Program. Similarly, if any Covered Party knows or believes that an improper payment has been or will be made, that individual must also report such payment to the Company's Legal Department. For compliance questions contact the Legal Department or to report a possible violation of the law or this Policy or any other OrthoPediatrics policy, contact the Compliance Hotline via <https://www.whistleblowerservices.com/kids> or call 1-844-421-4762.
- i. Anonymous reports are permitted to the extent allowed by applicable local law, and it is the Company's strict policy that no adverse employment action will be taken against any Company Personnel in retaliation for reporting a violation or suspected violation of anti-corruption laws or this Policy in good faith.
- e. Payments may be made on an exceptional basis in situations of vulnerability, including situations which involve a threat of detention or imminent bodily harm to Covered Parties if the payment is not made.

However, after such payments have been made, they must be promptly reported in writing to the Company's Legal Department and accurately recorded in the Company's books.

f. Books and Records; Internal Controls

- i. The Company and all Company Personnel shall make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Company's assets. At a minimum, all financial transactions must:
 1. Occur only with appropriate Company authorization;
 2. Be recorded in accordance with generally accepted accounting principles; and
 3. Be periodically reviewed to identify and correct any accounting discrepancies, errors, or omissions.
- ii. Secret, unrecorded, or knowingly incorrectly recorded use of accounts, funds, or assets of the Company is strictly prohibited. The Company shall also implement and maintain internal accounting controls and systems, including the training of relevant Company Personnel, to maintain the integrity of its financial statements.
- iii. The Company expects its Company Business Partners to make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflect the transactions between it and the Company. Additionally, secret, unrecorded, or knowingly incorrectly recorded use of accounts, funds, or assets concerning transactions between the Company and a Company Business Partner is strictly prohibited.

4. STANDARDS OF CONDUCT

a. Gifts

- i. Company Personnel are prohibited from providing a "Gift" (defined below) with a value exceeding \$25 directly or indirectly to any Person on the Company's behalf.
- ii. A "Gift(s)" includes any gratuity, favor, hospitality, loan, forbearance, or other item or good having monetary value that is bestowed voluntarily to a Person. However, items such as plaques, certificates, cash or cash equivalent and or an item or good having any monetary value provided to Covered Parties, who are not Healthcare Professional (as defined below) consultants, by the Company to recognize accomplishments, achievements, and or to improve a working relationship or build business morale are not considered to be a Gift under the Policy and are thus permissible. Additionally, the Company's support of bona fide medical research, education, and enhancement of professional skills and or monetary and product donations for charitable purposes, such as supporting indigent care as well as patient and public education are not considered to be a Gift under the Policy and are thus permissible. Moreover, the following items are **not** considered to be a Gift under the Policy and thus permissible: Items provided to a Healthcare Professional that: a) benefit patients or serve a genuine educational function and adhere to AdvaMed Code of Ethics on Interactions with Healthcare Professionals; or b) Modest meals and refreshments provided by the Company to a Healthcare Professional incidental to a bona fide presentation of scientific, educational, or business information.
- iii. All Gifts must conform with the following rules:
 1. No cash or cash equivalent gifts shall be made;
 2. No Gift(s) shall be offered and or provided to any to non-OrthoPediatrics employee Healthcare Professional or to a Government Official;

3. The Gift must be permitted under both local law and the guidelines of the recipient's employer;
4. The Gift should be presented openly with complete transparency;
5. The Gift should be properly recorded and not exceed \$25 in value;
6. The Gift should be provided as a token of esteem, courtesy or in return for hospitality and should comport with local custom.
7. Questions regarding the applicable local law should be directed to the Company's Legal Department or his or her designee.
8. The monetary limit is intended to serve as a guideline, and Company Personnel are urged to talk to their supervisor, manager or department head before giving any gift of more than a nominal value.

iv. A Healthcare Professional is an individual or entity:

1. That is involved in the provision of healthcare services and or items to patients; and
2. That purchases, leases, recommends, uses, arranges for purchase or lease of, or prescribes the Company's products.
3. The phrase Healthcare Professional includes both persons providing services (such as licensed physicians) and persons who do not provide services directly but who are involved in the decision to purchase, lease, or recommend the Company's products. Examples of healthcare professionals include, but are not limited to, physicians, physician assistants, nurses and purchasing personnel.

v. Receiving Gifts or Other Items of Value by Company Personnel

1. In addition to rules regarding the appropriate giving of Gifts, there are rules regarding what Company Personnel can accept. No cash or cash equivalent gifts may be accepted by Company Personnel from any supplier of goods or services. Company Personnel may receive a nominal Gift from a supplier as a token of esteem, courtesy,
 - a. Does not exceed \$100 in value;
 - b. Is permitted under both local law and the guidelines of the supplier's employer, and
 - c. Is presented openly and with complete transparency;
 - d. Such Gift shall be shared amongst a Company department, business unit or Company-wide.
2. If you have questions on applicable local law, please consult your supervisor, or the Company's Legal Department.

NOTE 1: This monetary limit is intended to serve as a guideline, and Company Personnel are urged to talk to their supervisor, manager or department head before accepting any Gift of more than a nominal value. It is never appropriate for Company Personnel to ask for a Gift. A Gift of cash or cash equivalent (e.g., securities) may never be accepted.

NOTE 2: In some international business transactions, it is customary and legal for business leaders in a host country to present gifts to Company Personnel. These gifts may be of more than a nominal value and, under the circumstances, returning the Gift(s) or paying for them may be an insult to the giver. In this situation, the Gift must be reported to the employee's supervisor. In all other cases where a Gift cannot be returned and where offering to pay for the Gift would damage the business relationship, your supervisor must be notified. In some cases, a Gift to an individual may be kept by the Company, at the Company's sole discretion. It is important that Gifts do not influence, or appear to influence, business decisions.

- vi. The Company expects its Company Business Partners to adhere to the Company's Gift restrictions described above, to the extent it is applicable, when it is conducting business on the Company's behalf.

b. Meals and Entertainment

- i. In certain circumstances, Company Personnel providing business meals and entertainment to or for the benefit of a Person may be permitted provided that the following rules are followed:
 - 1. **No meals may be provided to a Government Official without advance approval of the Company's Legal Department.**
 - 2. **No entertainment or recreational activity or event may be provided to any non-OrthoPediatrics employee Healthcare Professional and or a Government Official.**
 - 3. All permissible business meals provided by the Company to any non-OrthoPediatrics employee Healthcare Professional shall be of modest value and incidental to a bona fide presentation of scientific, educational, or business information.
 - 4. All other permissible business meals and entertainment must be directly related to one of the following purposes:
 - a. The promotion, demonstration, or explanation of the Company's products or services;
 - b. The execution or performance of a contract; or
 - c. Another bona fide business activity of the Company;
 - 5. All permissible business meal and entertainment expenses must be reasonable in value.
 - 6. The permissible business meals and entertainment must be reasonable in frequency.
 - 7. The expenses must be permitted under both local law and the guidelines of the recipient's employer.
 - 8. The expenses must be commensurate with local custom and practice.
 - 9. When possible, the payment should be made directly by the Company to the provider of the service, and should not be paid directly to the recipient as a reimbursement; and
 - 10. The expenses must avoid the appearance of impropriety.
- ii. All expenses, regardless of the amount, are always subject to approval for reasonableness by the Company.

- iii. All business meal and entertainment expenses, regardless of amount or attendees, should be properly documented in an expense report. Such expense report shall enumerate the attendees, including the name of each attendee and his or her title and place of employment, and provide a detailed business purpose for the entertainment.
 - iv. Business meal and entertainment provided to Covered Parties by the Company to recognize accomplishments and or achievements are permissible under the Policy.
 - v. Receiving Meals and Entertainment
 - 1. Company Personnel may receive entertainment expenses so long as they are:
 - a. Reasonable in value;
 - b. Permitted under both local law and the guidelines of the supplier's employer;
 - c. Commensurate with local custom and practice;
 - d. Paid directly by the third party to the provider of the service and not paid in cash to Company Personnel; and
 - e. Avoid the appearance of impropriety.
 - 2. If you receive a meal or other business entertainment from a third party that exceeds a reasonable value and it is impractical to decline such hospitality, you must report it immediately to the Company's Legal Department who will determine the best course of action.
 - vi. The Company expects its Company Business Partners to adhere to the Company's meal and entertainment restrictions described above, to the extent it is applicable, when it is conducting business on the Company's behalf.
- c. Travel, Lodging, and Local Transportation & Covered Parties
- i. In certain limited circumstances, the provision of travel, lodging, or local transportation by the Company to or for the benefit of Covered Parties may be permitted provided the expenditure is:
 - 1. "Reasonable in amount" (defined below); and
 - 2. Directly related to:
 - a. The promotion, demonstration, or explanation of the Company's products or services,
 - b. The execution or performance of a contract, or
 - c. Another bona fide business activity of the Company, and
 - d. Permissible under the written laws and regulations of the country in which the person is a citizen or resident.
 - ii. In determining whether the Company's payment of travel, lodging or local transportation is "Reasonable in Amount," the requestor should seek airfare that is the least expensive with the minimum number of stops (i.e., no more than two stops, if possible). The location and duration of the event should determine the destination airport and the maximum length of stay. Economy Comfort

airfare is only permissible on international flights greater than twelve (12) hours in length, unless otherwise approved in advance by the Company CFO or his or her designee. Lodging equivalent to that reserved by Covered Parties attending the event will be considered reasonable. The Company will not pay for or reimburse a Person for any side trips, will not arrange or pay for limousine services for a Person, and will not provide per diem payments or cash distributions to a Person.

- iii. No travel, lodging, or other transportation may be provided to a Government Official without advance approval of the Company's Legal Department.
- d. Spouses, Relatives, and Guests & Covered Parties
 - i. Paying for Gifts, meals, travel, lodging, local transportation, other entertainment, or any other expenses of any Covered Party's spouse, relative, or guest is not permitted unless:
 - 1. There is a bona fide business purpose for taking the spouse or other individual; or
 - 2. The spouse or companion is a company employee and on company related business; or
 - 3. The expense incurred would otherwise be reimbursable.
 - ii. Prior Approval is obtained from the CFO stating the circumstances and specific business necessity of the spouse/companion's presence. The original approval must be attached to the expense report.
- e. Political and Charitable Contributions & Covered Parties
 - i. Contributions of Anything of Value by the Company, or by Covered Parties on the Company's behalf, to a Government Official other than what is permissible in Section 4b.i.1. of the Policy are not permitted.
 - ii. Covered Parties may not make political or charitable donations, whether in their own name or in the name of the Company, to obtain or retain business or to gain an improper business advantage for the Company.
- f. Facilitation Payments & Covered Parties
 - i. Facilitation payments, or "grease payments," are small payments made to a Government Official to prompt a Government Official to perform or expedite a routine, non-discretionary task that the Government Official is otherwise required to perform in his or her ordinary duties. Examples of facilitation payments may include payments: to obtain permits, licenses, or visas; to obtain police protection; to receive telephone, utility, or mail services; or to load, unload or inspect cargo. Covered Parties are not permitted to make any facilitation payments on behalf or for the benefit of the Company.
- g. Obtaining Approval for Exceptional Expenditures
 - i. Before Anything of Value not otherwise authorized by this Policy (either in kind or quantity) ("Exceptional Expenditure") can be offered, promised, or paid, Covered Parties requesting the Exceptional Expenditure (the "Requestor") must email the Company CFO a request to make an Exceptional Expenditure that includes the following information:
 - 1. The name, title, and other identifying information for the recipient and/or beneficiary;
 - 2. A description of the Exceptional Expenditure, including the amount or value of the item in question;
 - 3. The business purpose of the Exceptional Expenditure; and

4. Other information that might be relevant to considering whether the Exceptional Expenditure should be authorized.
 - ii. Based on the information in the request, any additional information from the Requestor, or any other additional information, the Company CFO or his or her designee will authorize or deny the request for an Exceptional Expenditure. The decision, and the basis for the decision, will be emailed to the Requestor, including any amendments or conditions of approval. A copy of the approval (or denial) also should be maintained in the Company's compliance file. All other documents related to approved Exceptional Expenditures (e.g., invoices, receipts, and expense reports) must also be maintained.
- h. Company Business Partners
 - i. In doing business on behalf of the Company or related to the Company, Company Business Partners are subject to the same requirements of this Policy as Company Personnel to the extent applicable. In many cases, the Company may be liable for improper acts or payments made by Company Business Partners. The following procedures outline the requirements for the Company's relationship with such Company Business Partners.
 - ii. Due Diligence: Before engaging any new or renewing Company Business Partner, Company Personnel shall conduct an appropriate level of due diligence to evaluate potential compliance risks and to ensure that the Company only enters business relationships with reputable and qualified parties. Potential Company Business Partners must complete the Company Business Partner Applicant Questionnaire which can be accessed online. The Company's Legal Department will approve or deny the Company Business Partner Applicant after reviewing the Company Business Partner Applicant Questionnaire and related documentation.
 - iii. Government Officials: Except in very limited circumstances, no Government Official should be retained as a Company Business Partner, and in any event will only be allowed with the advance approval of the Company's Legal Department.
 - iv. Written Contracts: No new or renewing Company Business Partner may act on the Company's behalf unless a written agreement between the Company and the Company Business Partner is in place. All such agreements shall include certain provisions (unless otherwise specified) which define the scope of the Company Business Partner's duties, the terms of payment (e.g., via wire transfer, pursuant to a complete, adequately supported receipt or invoice), and the Company Business Partner's compliance obligations.
 - v. Payment: All fees paid to Company Business Partners, if any, must be reasonable in relation to the bona fide services rendered.
 1. No payment shall be made to a Company Business Partner:
 - a. In cash, except to the extent that the contract under which the payment is made calls for cash payment for certain goods or services;
 - b. With corporate checks payable to "cash," "bearer," or third-party designees of the party entitled to payment;
 - c. In the name of another individual or entity, or to an account outside the recipient's country of residency; or
 - d. Without detailed invoices that fully and accurately describe the services provided and expenses incurred.

2. All Company Personnel who review and/or approve such payments are responsible for ensuring that no payment is made on any invoice until all charges on that invoice are understood and are adequately documented through original receipts or other supporting documentation.

5. **RESPONSIBILITY & REPORTING**

a. Failure to Comply

- i. Failure to comply with this Policy, the FCPA, and other U.S. and non-U.S. anti-corruption laws can have severe consequences for both the Company and Covered Parties. Violations can result in significant monetary penalties against the Company and can subject Covered Parties to prosecution, criminal fines, and imprisonment. Fines imposed upon individuals may not be paid directly or indirectly by the Company or any business entity for which the individual may have acted. A violation of law may result in significant reputational damage as well.
- ii. The Company will view any violation of this Policy or applicable law as a significant matter that warrants disciplinary action, including dismissal in the case of Company Personnel or termination of an agreement in the case of a Company Business Partner.

b. Reporting Violations

- i. Any transaction, no matter how insignificant, that might violate the Policy or applicable law must be reported promptly to the Company's Legal Department. All such reports may be made anonymously through the Company's Compliance Hotline via <https://www.whistleblowerservices.com/kids> or call 1-844-421-4762, and in any event will be treated as confidential, to be used only for the purpose of addressing the specific problem(s) at issue. Such reports will be shared with Company management and other authorized individuals only on a need-to-know basis.
- ii. If a report is made honestly and in good faith, the Company will take no adverse action against any persons solely based on the making of such a report. Failure to report known or suspected wrongdoing may, by itself, subject Covered Parties to disciplinary action, including dismissal, or termination of an agreement in the case of a Company Business Partner.

6. **QUESTIONS**

- a. If you have any questions about this Policy or about whether your or others' conduct complies with this Policy, please contact the Company's Legal Department.