

# ROYALTY PHARMA

RP Management, LLC  
Employee Handbook

# Table of Contents

<b>I. POLICY PROHIBITING DISCRIMINATION, HARASSMENT, AND RETALIATION</b> .....	<b>1</b>
Non-Discrimination & Equal Employment Opportunity .....	1
Policy Prohibiting Harassment .....	1
Internal Complaint and Reporting Procedure .....	3
Retaliation .....	4
Reasonable Accommodation .....	4
Reproductive Health Decisions.....	4
<b>II. DIVERSITY &amp; INCLUSION</b> .....	<b>4</b>
<b>III. IMMIGRATION LAW COMPLIANCE</b> .....	<b>5</b>
<b>IV. EMPLOYEE SAFETY &amp; ANTI-WEAPONS POLICY</b> .....	<b>5</b>
<b>V. POLICIES AND PROCEDURES</b> .....	<b>6</b>
Performance Reviews .....	6
Paid Time Off (PTO) .....	6
Safe and Sick Leave.....	6
<b>VI. LEAVES OF ABSENCE</b> .....	<b>6</b>
Parental Leave.....	6
Benefits and Return to Work .....	7
<b>VII. BENEFITS</b> .....	<b>7</b>
Tuition Reimbursement .....	7
Other Benefits .....	7
<b>VIII. POLICY FOR REPORTING CONCERNS RELATED TO ACCOUNTING, AUDITING AND ETHICAL VIOLATIONS (WHISTLEBLOWER POLICY)<sup>1</sup></b> .....	<b>7</b>
<b>IX. EMPLOYEE COMPLAINT PROCEDURES</b> .....	<b>8</b>

**X. REPORTING COMPLAINTS TO GOVERNMENTAL AGENCY ..... 10**

## **I. POLICY PROHIBITING DISCRIMINATION, HARASSMENT, AND RETALIATION**

### **Non-Discrimination & Equal Employment Opportunity**

Royalty Pharma provides equal employment opportunity for all applicants and employees. Royalty Pharma does not discriminate on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender identity, national origin, citizenship, age, physical or mental disability, legally protected medical condition or information, familial status, military caregiver status, veteran status, marital status, domestic partner status, sexual orientation, or any other characteristic protected by applicable law.

Royalty Pharma does not tolerate discrimination against an employee or applicant by a supervisor, fellow employee, vendor, contractor, intern, customer, investor, or any other person or entity for any reason prohibited by law, including, but not limited to, the employee's or applicant's race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender identity, national origin, citizenship, age, physical or mental disability, legally protected medical condition or information, familial status, military caregiver status, veteran status, marital status, domestic partner status, sexual orientation, or other protected status.

### **Policy Prohibiting Harassment**

Royalty Pharma also is committed to maintaining a work environment that is free of unlawful harassment. Harassment is a form of discrimination and is unlawful under federal law (including Title VII of the Civil Rights Act of 1964), state law (including the New York State Human Rights Law), and local law (including the New York City Human Rights Law). Harassment generally consists of unwelcome conduct, whether verbal, physical, or visual, based upon an individual's protected status. Royalty Pharma requires the assistance of all its personnel to ensure the work environment remains harassment-free.

Sexual harassment includes harassment based on sex, sexual orientation, gender identity, and the status of being transgender, and can occur between any individuals, regardless of their sex or gender. Sexual harassment can include unwelcome or unwanted sexual advances, requests for sexual favors, and other conduct of a sexual nature when (1) submission to this conduct is explicitly or implicitly linked to decisions affecting hiring, evaluation, promotion, or other aspects of employment, (2) such conduct is made either explicitly or implicitly a term or condition of employment, or (3) such conduct interferes with an individual's employment or job performance or creates an intimidating, offensive, or hostile work environment, even if the complaining individual is not the target of the underlying conduct.

While most of the policies in this Handbook apply only to Royalty Pharma employees, Royalty Pharma's Policy Prohibiting Harassment (and its Retaliation Policy and Complaint Procedure, described below) apply to non-employees as well, including individual consultants, temporary agency employees, vendors, contractors, and others who may visit Royalty Pharma's offices, such as investors and prospective investors (collectively, "Non-Employees"). Royalty Pharma does not tolerate harassment perpetrated by or against any such Non-Employees.

Royalty Pharma's Policy Prohibiting Discrimination, Harassment, and Retaliation is specifically designed to be broader than the law and to prohibit unwelcome conduct even if such conduct would not form the basis of a legal claim. Examples of prohibited behavior include but are not limited to:

- Derogatory comments, epithets, slurs, or jokes based on or relating to an individual's protected status;
- Unwelcome sexual flirtations, advances, or propositions, or unwelcome sexual innuendo, pranks, or gossip;
- An offer of an employment-related benefit, or threat of an adverse employment action, tied to submission to sexual advances;
- Physical advances of a sexual nature, including touching, kissing, hugging, pinching, patting, grabbing, or brushing against another person's body;
- Display of discriminatory or sexually suggestive posters, cartoons, drawings, screen savers, videos, images, or objects;
- Suggestive, obscene, or otherwise hostile notes, letters, emails, texts, messages, social media posts, or invitations related to a protected characteristic;
- Visual conduct related to a protected characteristic, such as leering or making sexual gestures;
- Sabotaging work product, bullying, name-calling, interfering with or destroying someone's work area, or otherwise interfering with an individual's work or work environment based on his or her protected characteristic;
- Stereotyping, including assuming or suggesting that people of a particular protected category act or look (or should act or look) in a particular manner;
- Comments about an individual's body, or sexually degrading words to describe an individual; and
- Making or threatening reprisal after an internal or external complaint of discrimination or harassment.

Harassment can occur either within or outside of Royalty Pharma's workplace, including at work assignments off-site, on company travel, at company-related social functions, or while otherwise interacting with Royalty Pharma personnel. Harassing conduct can include a series of incidents or a single incident.

Any Royalty Pharma employee who engages in harassment, whether within or outside of the workplace, will be subject to disciplinary action, up to and including termination. Royalty Pharma

also will take appropriate corrective action with respect to harassment by any Non-Employee, to ensure the improper activity ceases. Any Royalty Pharma managers or supervisors who know or should know that harassment has occurred, but who fail to report such harassment as noted below, will be subject to disciplinary action, up to and including termination.

Every employee is required, under New York State Human Rights Law, to undergo annual sexual harassment training, which the Company currently offers online.

### **Internal Complaint and Reporting Procedure**

Royalty Pharma cannot prevent or remedy discrimination or harassment unless it knows about it. If you believe that you have experienced or witnessed discrimination or harassment of any type, or have been retaliated against in any way, you must promptly notify the Head of Human Capital or the Chief Administrative Officer. Reports of harassment, discrimination, and retaliation may be made orally or in writing.

Attached to this Handbook as Annex A is an Internal Complaint Form that may be used to initiate a report of discrimination, harassment, or retaliation. It is Royalty Pharma's policy to promptly, thoroughly, and impartially investigate all good faith complaints (whether made orally or in writing), in a manner that is fair to all parties. Such an investigation will be tailored to the specific facts, issues, and circumstances, but may include interviews of the complaining individual, the alleged harasser(s), and/or relevant witnesses, and/or the review of relevant documents. Royalty Pharma will complete such investigations in a timely manner, and take appropriate corrective action if a violation of Royalty Pharma's policy is found to have occurred. All individuals are required to cooperate with any internal investigation. Royalty Pharma will keep complaints and the resolution of such complaints confidential to the extent practicable, subject to its obligation to conduct an appropriate investigation and take appropriate disciplinary action against employees who violate its policies.

Aside from reporting internally, you may report harassment to certain government agencies, including the Equal Employment Opportunity Commission ("EEOC") (at (800) 669-4000 or <https://www.eeoc.gov/employees/charge.cfm>), the New York State Division on Human Rights ("NYSDHR") (at (888) 392-3644 or <https://dhr.ny.gov/complaint>), and the New York City Commission on Human Rights ("NYCCHR") (at (212) 416-0197 or <https://www1.nyc.gov/site/cchr/enforcement/complaint-process.page>). Complaints of sexual harassment generally must be made to the EEOC within 300 days of the alleged harassment and to the NYSDHR and NYCCHR within three (3) years of the alleged harassment. Victims of harassment also may pursue claims in arbitration or in federal or state court, depending on whether they are bound by an enforceable agreement requiring the arbitration of such disputes. Victims of harassment may be entitled to relief, including monetary damages, injunctive relief, attorneys' fees, and fines. Individual harassers also may be subject to liability in harassment claims. If the harassment involves assault, physical touching, coerced physical confinement, or coerced sex acts, victims also may contact the New York Police Department (at 311, 911, or <https://www1.nyc.gov/site/nypd/about/about-nypd/email-the-commissioner.page>).

## **Retaliation**

Royalty Pharma strictly prohibits retaliation against any individual for engaging in Protected Activity. For purposes of this Policy, Protected Activity includes (1) making a good faith complaint of discrimination, harassment, or retaliation, even if such complaint ultimately is not found to be substantiated, (2) testifying, providing information, or otherwise participating in a proceeding regarding alleged discrimination, harassment, or retaliation, or in a Company or government agency investigation of such a matter, (3) opposing discrimination, harassment, or retaliation, including against another employee, or (4) encouraging another individual to report discrimination, harassment, or retaliation. Royalty Pharma also strictly prohibits employees and Non-Employees from discouraging another individual from making a complaint or otherwise engaging in Protected Activity.

If you feel that you have been retaliated against for engaging in any Protected Activity, you must promptly report such retaliation in accordance with the Complaint Procedure described above. An employee who engages in retaliatory conduct in violation of this policy will be subject to disciplinary action, up to and including termination. Royalty Pharma also will take appropriate corrective action with respect to any retaliation by a Non-Employee.

## **Reasonable Accommodation**

Royalty Pharma is committed to providing reasonable accommodations to qualified individuals in accordance with applicable federal, state, and local law. Accommodations may be available for an employee's disability, pregnancy, childbirth-related conditions, or religious observance, unless the accommodation would cause an undue hardship to the Company. Individuals seeking a reasonable accommodation should make a request to the Head of Human Capital.

## **Reproductive Health Decisions**

In accordance with governing law, the Company will not discriminate against an employee because of the employee's or his or her dependents' reproductive health decision-making ("RHD"), including but not limited to the decision to use or access a particular drug, device, or medical service. The Company also will not retaliate against employees for asserting rights under applicable RHD law, nor will it access an employee's personal information regarding the employee's or his or her dependents' reproductive health decision-making without the employee's prior written consent. Remedies for violations of the New York State RHD law may include monetary damages, injunctive relief, and attorneys' fees and costs.

## **II. DIVERSITY & INCLUSION**

At Royalty Pharma, we strive to create an environment where employees feel empowered to bring their full and authentic selves to work. In support of this goal, it is our firm's policy to:

- Maintain a work environment where innovation is encouraged by drawing on different perspectives, experiences, and ideas.
- Ensure a workplace culture where all employees feel welcomed and valued for who

they are and for their unique contribution(s) to the firm.

- Vigorously enforce the firm's equal employment opportunity, non-discrimination, non-harassment, and non-retaliation policies (set forth in this Handbook).
- Recruit candidates from diverse backgrounds and lawfully expand advancement opportunities for diverse employees.
- Encourage supervisors to foster an inclusive environment where employees share diverse perspectives and viewpoints.

### **III. IMMIGRATION LAW COMPLIANCE**

Royalty Pharma does not unlawfully discriminate based on citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present proper documentation establishing identity and employment eligibility. Current employees whose work authorization has expired also will be required to complete a new I-9 form.

Employees with questions regarding immigration law issues are encouraged to contact Royalty Pharma's Head of Human Capital. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

### **IV. EMPLOYEE SAFETY & ANTI-WEAPONS POLICY**

Royalty Pharma is committed to providing a safe and healthy work environment for employees and all visitors. The Company complies with all applicable occupational health and safety laws with the goal of minimizing exposure to health and safety risks. The Company appreciates employee participation in maintaining safe and healthy working conditions and adhering to practices and procedures designed to prevent injury and illness, including but not limited to:

- Exercising maximum care and good judgment at all times to prevent accidents and injuries;
- Reporting to a supervisor or seeking first aid for all injuries, regardless of how minor;
- Immediately reporting unsafe conditions, equipment, or practices to a supervisor;
- Conscientiously observing all safety rules and regulations at all times;
- Refraining from smoking in any indoor areas; and
- Complying with safety drills.

Royalty Pharma will not tolerate any acts or threats of violence by an employee or any third party either on Company premises or while such individual is engaged in business with or on behalf of the Company. Firearms or other weapons, whether concealed or carried openly, and other

hazardous devices or substances are strictly prohibited on Royalty Pharma's premises. An employee who witnesses or otherwise learns of violence, the threat of violence, or any suspicious workplace activity involving employees or any third party must immediately contact the Head of Human Capital. It is a violation of the Company's policy to retaliate against any employee who makes a report in good faith under this policy. An employee who retaliates against someone who has reported a violation of this policy in good faith may be subject to disciplinary action, up to and including termination.

## **V. POLICIES AND PROCEDURES**

### **Performance Reviews**

Feedback from your supervisor regarding your job performance is an ongoing process that includes a one-on-one conversation with your supervisor annually. This review process will help you to maintain a high level of performance and establish specific goals for the future. Employees should be prepared to discuss any material issues, achievements, and/or specific goals for their career during performance reviews.

### **Paid Time Off (PTO)**

Except as otherwise provided in an employee's signed offer letter or in another signed agreement with the Company, employees will be eligible for three (3) weeks (fifteen (15) business days) of PTO days. PTO days may be used in full or half-day increments. Employees will also be eligible for an additional two (2) weeks (ten (10) business days) of PTO days to be used during the last two weeks of December (exact dates will be announced each year).

The firm believes strongly that employees should take advantage of their PTO days to recharge, and encourages all employees to plan to take their days accordingly.

### **Safe and Sick Leave**

Except as otherwise provided in an employee's signed offer letter or in another signed agreement with the Company, employees will be eligible for up to five (5) days (i.e. forty (40) hours) of safe or sick leave. Such leave can be used for any reason enumerated under the New York City Earned Safe and Sick Time Act ("ESSTA") and/or New York Labor Law § 196-B ("NYPSLL"). Royalty Pharma will not retaliate against any employee for requesting or using safe or sick leave under ESSTA or NYPSLL, or for taking his or her full amount of such leave each year.

Royalty Pharma complies with all applicable laws regarding time off, leaves of absence, and scheduling.

## **VI. LEAVES OF ABSENCE**

### **Parental Leave**

Royalty Pharma believes in permitting leave to employees in connection with birth, adoption, or guardian placement of a child. In the event of the birth of a newborn child of an employee or the

placement and/or care of a newly adopted child of an employee, a full-time employee who is the primary caregiver of such child may take up to sixteen (16) consecutive weeks of paid parental leave. The “primary caregiver” is the person in a household (including a domestic partnership) who primarily cares for the child. Full-time employees who are not the primary caregiver may be take up to four (4) weeks of paid parental leave.

### **Benefits and Return to Work**

If an employee qualifies for approved family and medical leave, Royalty Pharma will maintain benefits coverage for the employee and (if applicable) the employee’s family during the employee’s family and medical leaves. This coverage will be provided in the same manner that the employee or the employee’s family was covered under the plan before the leave was taken and on the same terms as if the employee had continued to work during that time.

## **VII. BENEFITS**

### **Tuition Reimbursement**

Royalty Pharma will reimburse any active full-time employee for the cost of any successfully completed, job-related courses and/or courses taken as part of an undergraduate or graduate degree program in an accredited institution while actively employed by Royalty Pharma, subject to specific terms and conditions.

### **Other Benefits**

Effective January 1<sup>st</sup>, 2023, Royalty Pharma will be offering a 401k match.

Royalty Pharma will match dollar for dollar, up to \$1,000 per employee, to any charitable donations that are made to a 501(c)(3) organization. Eligible donations are verified and matched accordingly through a third party website; upon hire, each employee will receive his/her credentials to register.

## **VIII. POLICY FOR REPORTING CONCERNS RELATED TO ACCOUNTING, AUDITING AND ETHICAL VIOLATIONS (WHISTLEBLOWER POLICY)<sup>1</sup>**

The Audit Committee of the Company’s Board of Directors has adopted this policy to establish procedures for the receipt and handling of complaints, including those submitted by employees of the RP Management LLC, the Company’s external manager (the “Manager”), as to accounting or auditing matters. This policy also includes means for interested parties, including employees, to raise concerns with respect to violations of the Company’s Code of Business Conduct and Ethics (the “Code”).

While the list below provides examples of the types of subjects covered by this policy, this list is not intended to be exhaustive and any person with related concerns should raise those issues in accordance with this policy.

## IX. EMPLOYEE COMPLAINT PROCEDURES

Any employee may submit a good faith complaint regarding financial statement or other disclosures, accounting, internal accounting or disclosure controls, auditing matters or violations of law or violations of the Code to the management of the Company or the Manager without fear of dismissal or retaliation of any kind. The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. Employees are encouraged to follow these procedures and report any possible violations or questionable matters that have occurred, are ongoing or are about to occur. The Company's Audit Committee will oversee treatment of employee concerns in this area.

### Receipt of Employee Complaints

Employees with concerns regarding accounting and other matters or violations of the Code may report their concerns to their direct supervisor or the General Counsel or as follows:

- on a confidential or anonymous basis to the General Counsel;
- on a confidential or anonymous basis to the Company's whistleblower hotline by submitting a report on <https://www.whistleblowerservices.com/RPRX> or by calling 1-877-225-0551.

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For purposes of this policy, the terms *management* and *employees* refer to the appropriate officers and employees of the Company and RP Management, LLC, the Company's external manager.

The concerns raised through these channels should include sufficient information and detail to enable the Company to conduct a thorough investigation.

### Scope of Matters Covered by These Procedures

These procedures relate to employee complaints relating to any questionable accounting and other matters or violations of the Code, including, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud or deliberate error in the recording and maintaining of financial books and/or records of the Company;
- deficiencies in or noncompliance with the Company's internal controls;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company;
- any attempts to mislead or improperly influence the Company's independent auditor in

- the course of the performance of their audit;
- deviation from full and fair reporting of the Company's financial condition, such as material misrepresentations or omissions with respect to the Company's business, financial condition, results of operations or cash flows, in public disclosures of the Company's financial position and prospective reports;
  - improper expenditure of Company funds;
  - improper use of Company property (including disclosure of proprietary information);
  - use of non-public Company information to trade in securities;
  - the health and safety of any individual has been, is being or is likely to be damaged;
  - the environment has been, is being or is likely to be damaged;
  - any criminal activity, breach of legal obligations or miscarriages of justice, has, is or is likely to occur; or
  - any other violations of the Company's Code.

#### Treatment of Complaints

- Upon receipt of a complaint, the General Counsel will (i) determine whether the complaint pertains to an accounting or auditing matter, or whether it pertains to violations of the Code or other relevant matters and (ii) when possible, acknowledge receipt of the complaint to the sender.
- Complaints relating to accounting and auditing matters will be reviewed under Audit Committee direction and oversight by the General Counsel, Internal Audit or such other persons as the Audit Committee determines to be appropriate.
- Complaints relating to violations of the Code or any other matters will be reviewed initially by the General Counsel. The General Counsel may delegate the oversight of any complaint to Internal Audit or such other persons as the General Counsel determines to be appropriate.

After initial review, the Audit Committee or General Counsel, as applicable, will determine whether the matter warrants an investigation and will oversee any such investigation. If the matter appears to be significant, the General Counsel will discuss at any time the concerns raised with the Audit Committee or the Chair of the Audit Committee.

- The person(s) authorized to conduct the investigation will report to the Audit Committee in a timely manner all findings of fact, conclusions and proposed recommendations for remedial actions, if any.

- Prompt and appropriate corrective action will be taken as and when warranted in the judgment of the Audit Committee or the General Counsel, as applicable.
- The Company and the Manager will not directly or indirectly, discharge, demote, suspend, threaten, harass, victimize or in any manner discriminate against or act to the detriment of any employee (including with respect to his or her terms and conditions of employment) based upon any lawful complaint made by such employee in good faith with respect to accounting and auditing matters or violations of the Code or other relevant matters.
- Confidentiality will be maintained to the fullest extent possible, unless otherwise consented to by the employee, as may be necessary to conduct a thorough investigation or as required to be disclosed by law.

#### Reporting and Retention of Complaints and Investigations

- The General Counsel will maintain a log of all complaints, tracking their receipt, any investigation and resolution and shall prepare a periodic summary report on at least a semi-annual basis for the Audit Committee. Copies of complaints and such log will be maintained in accordance with the Company's document retention policy.

### **X. REPORTING COMPLAINTS TO GOVERNMENTAL AGENCY**

All employees have the right to:

- Report possible violations of state or federal law or regulation that have occurred, are occurring, or are about to occur to any governmental agency or entity, or self-regulatory organization;
- Cooperate voluntarily with, or respond to any inquiry from, or provide testimony before any self-regulatory organization or any other federal, state or local regulatory or law enforcement authority;
- Make reports or disclosures to law enforcement or a regulatory authority without prior notice to, or authorization from, the Company or the Manager; and
- Respond truthfully to a valid subpoena.

Every employee has the right to not be retaliated against for reporting, either internally to the Company or the Manager, or to any governmental agency or entity or self-regulatory organization, information which he or she reasonably believes relates to a possible violation of law. It is a violation of federal law to retaliate against anyone who has reported such potential misconduct either internally or to any governmental agency or entity or self-regulatory organization. Retaliatory conduct includes discharge, demotion, suspension, threats, harassment, and any other manner of discrimination in the terms and conditions of employment because of any lawful act the employee may have performed. It is unlawful for the Company and the

Manager to retaliate against an employee for reporting possible misconduct either internally or to any governmental agency or entity or self-regulatory organization.

Notwithstanding anything contained in this policy or otherwise, an employee may disclose confidential Company information, including the existence and terms of any confidential agreements between the employee and the Company or the Manager (including employment or severance agreements), to any governmental agency or entity or self-regulatory organization.

The Company and the Manager cannot require an employee to withdraw reports or filings alleging possible violations of federal, state or local law or regulation, and may not offer an employee any kind of inducement, including payment, to do so.

An employee's rights and remedies as a whistleblower protected under applicable whistleblower laws, including a monetary award, if any, may not be waived by any agreement, policy form, or condition of employment, including by a pre-dispute arbitration agreement.

Even if an employee has participated in a possible violation of law, he or she may be eligible to participate in the confidentiality and retaliation protections afforded under applicable whistleblower laws, and may also be eligible to receive an award under such laws.