



Remedica

Remedica - Code of Conduct and Behaviour

v.0.1

1. Introduction

We are dedicated to the development, production and sale of high quality, safe and efficacious generic pharmaceutical products and committed to follow the highest standards of ethics and business conduct. For us, there is an inseparable connection between business success and responsibility to our stakeholders (i.e. employees, business partners, and shareholders), external society and the environment. Since our establishment and up until now, our goal has always been to construct a trustworthy and highly credible reputation as a leading pharmaceutical distributor and for this reason we are committed to conducting our business in an ethical and honest manner. Our reputation, credibility and ethics are of great importance and are the result of years of hard work by all of our employees. This is one of our most important assets and is of significant strategic advantage to our business. We are therefore committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the world we provide our products and services.

It is a condition of your contract that you comply with the Code of Conduct and Behaviour (as amended from time to time) and any supporting policies and standards issued by the Company. In particular, you must not become involved in any corruption or other dishonest behaviour, including bribery, extortion, fraud, deception, collusion, embezzlement, money-laundering and similar criminal activity. Any breach of this condition will be fully investigated and appropriate action will be taken. This may include disciplinary action up to and including termination of employment, depending on the circumstances in the case of an employee or termination of any contractual understanding in the case of a customer, supplier or provider of services.

2. Objective

This document outlines the key principles, standards and behaviours under which our stakeholders are required to operate, reflecting our expectations concerning the prevention of corrupt business practices. The Code of Conduct and Behaviour is to set out our zero-tolerance position on bribery and corruption, and to act as a source of information and guidance for those working for and with us. Our Company's policy is to comply with all laws and regulations in the countries in which we operate.

In Cyprus, the legal framework against bribery and corruption principally comprises of:

- The Prevention of Corruption Law, Cap 161¹.
- The Civil Servants Law, Law 1 of 1990²
- The Criminal Code, Cap 154³.
- The Law Ratifying the Criminal Law Convention on Corruption, Law 23(III) of 2000⁴.
- The Political Parties Law, Law 175(I) of 2012⁵.
- The Law on the Illicit Enrichment of Public Officials and Officers, Law 51(I) of 2004⁶.

The Code of Conduct and Behaviour does not replace the law, however, it sets our expectations for our stakeholders to act in compliance with applicable laws, rules and regulations in addition to the standards contained herein. Furthermore, we work to comply with the strictest national, European and global requirements. Complying with these regulations ensures that we compete on equal terms with no unfair advantages.

3. Scope

Our excellent reputation both in Cyprus and abroad must be maintained, and this will only be accomplished by ensuring a code of conduct that is based on honesty, openness and trust amongst all employees, and the Company's customers / suppliers / service providers etc. (hereinafter "Stakeholders"). We expect all of our Stakeholders to act in accordance with the highest standards of ethical conduct and in line with the Company's policies and the Code of Conduct and Behaviour. Details of our policies and guidance are found on the Company's Intranet for the Company's employees and our website for other Stakeholders.

We do business in over 100 countries worldwide and we take pride for having earned an excellent reputation not only for the provision of high quality, safe, and efficacious medicinal products at affordable prices, but also for acting with integrity and honesty during the materialization of our business activities. We greatly value this reputation and consider it as one of our main competitive strengths. As a result, the current Code, introduces anti-bribery and anticorruption practices that are consistent with these principles and do not allow any:

- direct or indirect use of any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity,
- unlawful payment to government officials or employees,
- bribe, rebate, payoff, influence payment, kickback or other similar unlawful payment, or any other action which would cause it to be in violation of any applicable Anti-Corruption and Anti-Bribery Laws.

4. Our Pledges

4.1 To patients around the world

Nothing speaks to our corporate values more than our relentless focus on drug safety. We believe that our foremost responsibility lies with the millions of patients around the world who use our products. To all those men, women and children we promise to provide safe, efficacious and high quality pharmaceutical products at a reasonable cost. Every product must be fit for its intended use.

4.2 To our employees – the people that make it all possible

To all those that work in our company we pledge respect and fair remuneration and treatment. We also recognise our responsibility to provide a safe and clean working environment and opportunities for further advancement and personal development. Training must be continuous and effective. Through a shared commitment to an open and inclusive culture at Remedica, we create a great place to work, one that is able to attract and retain the best people and achieve the greatest results.

Discrimination, harassment, verbal or physical abuse and the like erode trust; these and other forms of unfair treatment are exactly the opposite of what our Company stands for.

4.3 To our suppliers

We pledge ethical dealing in all our transactions. We realise the need of suppliers for an adequate return in exchange for the supply of high quality raw materials at a reasonable cost.

4.4 To our customers

We promise to provide safe, efficacious and high quality pharmaceutical products at a reasonable cost with a continuous stream of new products as these are developed. We recognise the right of

customers for a fair profit. We also promise a high level of service, flexibility and assistance in promoting both the company's excellent reputation as well as its products.

4.5 To our shareholders

We pledge hard work, dedication to our principles, continued and profitable growth and respect for the investment in our company. We also appreciate the trust placed upon us and promise to take good care of the company's buildings and machinery. We also pledge to use these for the production of new products, the use of new and advanced techniques and continuous improvement in all matters and departments.

4.6 To the world community

We pledge to abide by ethical practices that respect cultural and ethnic traditions and to continue our policy of responsibility, integrity and philanthropy that has become a distinguishing feature of Remedica. We must encourage the progress of science, education and health. We also pledge that adequate reserves be built up so that they may be used in hard times.

5. Our Stakeholder's expectations

Remedica expects that all staff and relevant Stakeholders will:

- a) Comply with the provisions of this Code of Conduct and Behaviour and that of the applicable laws at all times.
- b) Raise any concerns as soon as possible if they believe or suspect that a conflict has occurred or may occur
- c) Seek advice and guidance should they are unclear or unsure of any aspect of this policy and their own responsibilities to ensure compliance.
- d) Seek to familiarize and/or attend any training or other events designed to communicate this Code of Conduct and Behaviour.

6. Specific Areas of Focus

6.1 Anti-bribery

Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so to induce or influence an action or decision. This type of action results in matters that should be handled objectively being handled in a manner best suiting the private interests of the decision maker. Bribery is illegal throughout the world, and despite the lack of a bribery legislation in Cyprus, Remedica's Stakeholders are forbidden from requesting, directly or indirectly, anything of value from any stakeholder in business or seeking to do business with the company.

It is unacceptable for all Remedica Stakeholders to:

- a) Give, promise to give, or to offer a payment, gift or hospitality with the expectation or hope that an illegitimate business advantage will be received, or to reward such a business advantage that has already occurred or has been agreed.
- b) Accept a payment, a gift or hospitality knowing or suspecting that it is being offered with the expectation that it will obtain a business advantage for that party.
- c) Engage in activity in breach of this policy or applicable country laws in terms of anti-bribery.

6.2 Facilitation Payments

A facilitation payment means a nominal, unofficial payment to a Government Official for the purpose of securing or expediting the performance of a routine, nondiscretionary governmental action. Remedica prohibits any of its employees and Stakeholders in general, from offering or authorizing the offer of a facilitation payment, irrespective of whether or not local law permits them. In case of direct threat for the health, safety or welfare of a Remedica employee or an employee of Stakeholder, the demanded payment may be made.

6.3 Conflicts of Interest

A conflict of interest arises where an Employee of the Company or of the Stakeholder has a personal or a financial relationship or other type of interest that could have an actual or perceived influence on decisions or actions that would not be aligned with the best interests of Remedica or of the Stakeholder as per applicability; or where an Employee uses her/his position in the group for personal gain. If an employee of the Company has any doubts it should always seek advice from their direct superior, Human Resources department or Legal team. An Employee must disclose any conflicts of interests and also take action to eliminate all personal conflicts of interests before proceeding with a particular matter. All conflicts of interest should be disclosed in accordance with the Whistleblowing Policy, regardless of whether or not an Employee believes that such a conflict may lead to a different decision or action, and be logged into the Conflicts of Interest Register (See Annex A).

The Stakeholders are to apply internal processes equivalent or at least analogous to the above-mentioned process employed by the Company.

6.4 Charitable Donations and Sponsorships

Grants and donations are only given if Remedica/Stakeholder does not receive, and is not perceived to receive, any tangible consideration in return. Sponsoring is not to be used (or perceived to be used) to receive an improper commercial advantage in return. Sponsoring must never reward (or be perceived to reward) an improper commercial advantage. Remedica will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered/made without the approval of the Remedica's Chief Financial Officer.

The Stakeholders are to apply internal processes equivalent or at least analogous to the above-mentioned process employed by the Company.

6.5 Interacting with Public Officials

Any relationship between Remedica/Stakeholders and public officials is in strict compliance with the rules and regulations to which they are subject (i.e. any applicable rules or regulations relating to public officials). Any benefit conveyed to a public official is fully transparent, properly documented, and accounted for. Present term is to be interpreted and adhered to in line with the New Gifts and Hospitality Policy.

6.6 Lobbying

Lobbying is not to be misused for any corrupt or illegal purposes, or to improperly influence any decision.

6.7 Political Contributions

If Remedica/Stakeholder choose to make political contributions, these must be made in compliance with all applicable laws, regulations and industry codes and standards, and must not be made with the expectation of direct or immediate return for Remedica/Stakeholder.

6.8 Modern Slavery

Remedica does not tolerate modern slavery in its business or supply chains, and requires its Stakeholders to commit to the same.

6.9 Child Labour

Remedica does not tolerate child labour in its business or supply chains, and requires its Stakeholders to commit to the same.

7.0 Human Trafficking

Remedica opposes all forms of human trafficking and forced labour and is committed to refrain from any actions or omissions, during its business activities, associated with human trafficking and forced labor. Remedica requires its Stakeholders to commit to the same.

7.1 Whistleblowing

Whistleblowing occurs when a worker raises a concern about danger or illegality that affects others (e.g. clients or their employer). The whistle-blower should not be expected to prove their case; rather he or she raises the concern so others can address it. Any concerns in relation to all the above-mentioned, or, any other unethical behaviour/violation of legislation must be reported to the HR Team. Reporting can be done by phone to the HR Team at (+357) 25 553 000 or by email to the e-mail address HumanResources@remedica.com.cy.

If you experience retaliation after reporting a concern you should immediately raise this issue with the HR Team or the Compliance Officer.

Compliance Officer can be reached at (+357) 25 553 584 or by e-mail to the e-mail address ComplianceRem@remedica.com.cy. Remedica is committed to investigating all unethical or dishonest conduct in an independent and objective manner by thorough investigation and to accordance with the law. The same is expected from Remedica's Stakeholders.

Any dishonest or unethical conduct should be reported so that an objective investigation can be conducted. Remedica staff is required to promptly report any suspicions and/or act that comes in violation of any applicable laws of this Code of Conduct and Behaviour. If you are concerned that wrongdoing or malpractices is occurring, or believe that ethics are in danger of being, you should bring your concern to the attention of your Supervisor or you may contact Human Resources or Compliance Department.

Employees/Stakeholders who report potential misconduct or assist in any inquiry or investigation of potential misconduct will be protected against retaliation. Every reasonable effort will be made to maintain confidentiality. However, there may be circumstances when disclosure of information will be required by a regulatory authority.

Present term is to be interpreted and adhered to in line with the Whistleblowing Policy.

It is expected from Remedica's Stakeholders to have an equivalent or analogous Policy in place.

8. Glossary

Bribery: Giving, offering, promising, accepting or soliciting of an advantage as an inducement for an action with the intention of influencing the behaviour of someone in order to obtain or retain a commercial advantage

Corruption: Corruption is a form of dishonesty or criminal activity undertaken by a person or organization entrusted with a position of authority, often to acquire illicit benefit.

Facilitation Payment: A facilitation payment is a bribe paid to facilitate a routine Government action such as obtaining a licence, permit, visa etc. to which you are entitled.

Political Contribution: A political contribution is any contribution made in cash or other consideration made in order to support a political cause.

Public Official: A Public Official is any person holding any legislative, executive, administrative or judicial position of a State at local or central government level. They may be:

- Appointed or elected
- Permanent or temporary
- Paid or unpaid
- Of any level or seniority or grade
- An employee of a government owned or controlled entity e.g. the public health system workers,
- An officer or individual who holds a position in a political party
- A candidate for public office
- A person who otherwise exercises a public function on behalf of or within any country
- An employee of a public international organisation, such as the United Nations or the World Health Organization.

Stakeholder: Stakeholders can affect or be affected by the organization's actions, objectives and policies. Some examples of key stakeholders are creditors, directors, employees, government (and its agencies), owners (shareholders), suppliers, unions, and the community from which the business draws its resources.

Whistleblowing: Whistleblowing is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing.

Zero Tolerance: Remedica does not tolerate any violations of this Policy. It will investigate any suspicions of noncompliance with this Policy and take the appropriate measures.

9. Bibliography

1. The Prevention of Corruption Law, Cap 161. http://www.cylaw.org/nomoi/enop/non-ind/0_161/full.html
2. The Civil Servants Law, Law 1 of 1990, Available at: http://www.cylaw.org/nomoi/arith/1990_1_001.pdf
3. The Criminal Code, Cap 154, Available at: http://www.cylaw.org/nomoi/enop/non-ind/0_154/index.html
4. The Law Ratifying the Criminal Law Convention on Corruption, Law 23(III) of 2000, Available at: http://www.cylaw.org/nomoi/arith/2000_3_023.pdf
5. The Political Parties Law, Law 175(I) of 2012, Available at: http://www.cylaw.org/nomoi/arith/2012_1_175.pdf
6. The Law on the Illicit Enrichment of Public Officials and Officers, Law 51(I) of 2004, Available at: http://www.cylaw.org/nomoi/arith/2004_1_051.pdf