



Principles of Conduct for the Employees of Hemofarm a.d. Vršac and its Subsidiaries

Message from the General Manager

Our Standards of Business Conduct express the high standards of business integrity that we require from all our employees. They are based on our beliefs and core values – care, quality, availability and trust. Moreover, they support our commitment to honesty, integrity and transparency by applying those principles to the specific situations that arise in our day-to-day business life.

Compliance with the law is necessary, but not sufficient on its own. The Standards are intended to support all of us in ensuring, not only that our conduct remains lawful, but also that it is in line with the high standards that we expect of ourselves. They do this by making clear the rules that govern our business conduct and by providing guidance while helping us to make appropriate judgments and decisions in the course of our work. They are applicable to all our employees, without exception.

We all have a personal responsibility to uphold the standards that we set for ourselves and to act in ways that maintain and improve the reputation of Hemofarm AD and its subsidiaries. It is important therefore that we all take the time to ensure that we know what is expected of us and that we live up to that expectation both in what we say and in what we do. By following the Standards of Business Conduct and its spirit, we can all help to ensure our company to be an organization which not only delivers excellent financial returns, but is also one for which we are proud to work.



Dr. Ronald Seeliger

At Hemofarm AD and our subsidiaries, we are fully committed to acting responsibly at all times.

We take comfort and pride in being aware that we will do the right thing and behave in the right way. This represents the key element of our business strategy as it is essential to the sustained high performance of our business in the long term.

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Introduction

Having in mind that on 04/05/2011 the company STADA Arzneimittel A.G. from Bad Vilbel, as the parent company of Hemofarm a.d. Vršac and all its subsidiaries, adopted the binding Rules of Conduct for the employees of the STADA Group, and having in mind the provisions of the Code of Ethics of Hemofarm koncern a.d. of 06/06/2003, Hemofarm a.d. Vršac hereby provides for the Principles of Conduct (hereinafter referred to as: Principles) which shall be binding upon all the employees of Hemofarm a.d. Vršac and its subsidiaries (hereinafter referred to as: Hemofarm).



Principles

1. Principle of anti-corruption and maintenance of the financial integrity

No employee of Hemofarm shall directly or indirectly request, accept, offer or approve any personal benefits related to his/her business activities, except for the ones regarded appropriate business gifts.

2. Principle of cooperation with the representatives of professional circles and with their institutions

Employees of Hemofarm are obliged to maintain the continuous cooperation with doctors and pharmacists and other representatives of professional circles and their institutions and establishments, in a manner that does not compromise the neutrality and independence of any of the participants.

3. Principle of cooperation with the competent state authorities and institutions

All employees of Hemofarm are obliged to provide, during their work, full cooperation to the competent state authorities and institutions, in performing the activities falling within the scope of their competence in accordance with the specific instructions that they can receive from their superiors.

4. Principle of compliance with protection of competition

The employees are obliged to act in accordance with the principle of free and fair competition in the market and in accordance with the provisions of the anti-trust law. It is explicitly forbidden to enter into agreements and to maintain the practice of making agreement with the competition, which limit or obstruct the competition in an illegal way, as well as to exchange information that can result in violation of free competition.



5. Principle of money laundering prohibition

Employees of Hemofarm must not undertake any actions that violate the existing money laundering laws or regulations in the territory of Serbia or outside it.

6. Principle of mutual respect and tolerance and prohibition of maltreatment and discrimination

Every employee must respect the personality of any other employee and should strictly avoid any form of dishonour, insult and discrimination.

No employee should be put at the disadvantage or favoured, harassed or secluded due to his/her nationality, ethnicity, colour skin, age or appearance, sex, handicap, sexual orientation, religion or attitudes.

No employee may be harassed at work on any grounds, either by the superiors or by his/her co-workers, and accordingly, he/she may not harass other employees.

7. Principle of interest separation

Employees are obliged to separate their own private interests and personal relations from the interests of the company and relations with the colleagues or business partners. This particularly refers to business relations with third parties or the decisions connected to the human resources.

Ethics

Ethics in business
moral principles
rules and regulations
of right conduct
values that guide

8. Principle of prohibition of insider activity

All employees are obliged to preserve the confidential information obtained within their activities as business secret, not to disclose it to the unauthorized third parties, including other employees.

9. Principle of ban on political activity

All employees are strictly forbidden to perform on premises of Hemofarm, during working hours or outside the working hours, any kind of political propaganda or agitation, to distribute promotional material of political parties or participate in their meetings and in their activities on the premises of Hemofarm, during the working hours or outside the working hours.

10. Principle of maintaining the product quality

Every employee is obliged to observe the regulatory obligations to the competent authorities and to promptly report to the competent company services all possible complaints to products, as well as detected product contraindications and side effects.

11. Principle of environmental, health and safety protection

Every employee of Hemofarm is obliged to observe all applicable regulations on safety and health at work and environmental protection. If despite all precautions, there is a damage of safety or health of people or environment, then every employee is obliged to promptly notify his/her superior or the competent service in the company thereof, so that adequate actions could be undertaken and competent authorities informed in due time.



12. Principle of Hemofarm's property protection

Every employee is obliged to treat the property of Hemofarm and property of third parties available to Hemofarm with the care of a good host, to protect it from access by third parties and to use it only for business purposes. Employees can use the property of Hemofarm for private purposes only in case their superior has explicitly approved such a use or in case an in-house document approves such a use.

13. Principle of preserving business information and documentation

Employees of Hemofarm are obliged to process business information and keep the records and documentation in such a way to provide for the organized storage, preservation and saving of data as well as undisturbed finding of the stored or archived information or documentation at all times.

14. Principle of rational usage of electronic means of communication

Employees must not use the electronic means of communication made available to them by Hemofarm for purposes that represent violation of the applicable laws or internal regulations of the company, as well as for purposes which are immoral by their nature or related to accomplishing self-interest.

15. Principle of coordinated external communication

All questions of the press and other third parties related to the business operations of Hemofarm should be forwarded to the Centre for Public Relations and Communications without delay. As a rule, replies to the questions related to the company operations can be provided exclusively by members of the Board of Directors, persons explicitly authorized by them for that and Centre for Public Relations and Communications.



Interpretation of Rules

In case of any ambiguities in the interpretation of these Principles, the Compliance Manager of Hemofarm a.d. Vršac shall be responsible for providing the official interpretation.

