

CODE OF ETHICS **AND** **ORGANISATIONAL CONDUCT**

Foreword

100 years of life have taught us a lot of things: responsibility, performance, innovation, care, and, above all, the fact that these values only make sense if they are put at the service of people. For this reason, we, Biofarm, are working day by day, hour by hour, for people. For their health and well-being.

On a very competitive market, we are one of the most important manufacturers of medicines in Romania.

We are the most important Romanian manufacturer of softgel capsules, among the top 3 Romanian manufacturers of solutions and suspensions for oral administration and one of the largest manufacturers of tablets and sugar-coated tablets in Romania.

In order to maintain this position and succeed in progressing, we periodically certify and recertify at the highest international standard all the systems, production lines and any other aspect related to our promise - the best quality of products.

It is precisely this expertise and permanent consultation of our consumers that forces us to go further and expand our range of products with new, modern ones that meet the most current needs of consumers and specialists.

Biofarm® has a competitive product portfolio covering 65 therapeutic areas and continuously invests in media, commercial and marketing campaigns to promote its products.

Biofarm's portfolio covers the most important therapeutic areas in the Consumer Healthcare division - digestive & metabolic, respiratory & ENT, cardiovascular & circulatory, nervous system, multivitamins, with over 20 representative brands.

The mix between long-lived brands and innovations from emerging categories positions Biofarm in the top of the companies in the local pharmaceutical industry, in the Consumer Healthcare category. After 100 years of activity, innovation is still the engine that supports Biofarm's evolution.

Biofarm is already present on 12 other markets besides Romania, in the Czech Republic, Hungary, Cyprus, Lithuania, Malta, Moldova, Georgia, Russia, Ukraine, Kyrgyzstan, Azerbaijan, Iraq, and aims to develop relations with strategic partners from Europe, Southeast Asia, the Middle East and Africa, a sign that Biofarm's history does not stop here.

Biofarm continues to demonstrate that it is a visionary company that leaves its mark in the way it does business, in the way it relates with employees, in the way it supports the well-being of patients and in the way pharmaceutical history in Romania is written.

Biofarm® shares have been listed on the Bucharest Stock Exchange – 1st Category since 2005. Starting from 5 January 2015, the company's shares are included in the Premium Category.



Thus, the need arises to adopt the present Code of Ethics and Organisational Conduct (the “**Code**”) to make sure that the entire personnel of Biofarm will act with honesty and integrity, but also in an ethical manner.

The code represents a mandatory guide in our daily activity. It is completed by internal procedures and regulations, as well as provisions provided in employment contracts, but also in the national and international legislation.

Biofarm’s employees are obliged to act responsibly, they must not engage in any inappropriate behaviour, especially intentionally ignoring, violating or asking others to violate this Code. Employees will express their concerns and promptly report any attempted fraud or possible violations of laws, rules or regulations to their managers.

Failure to comply with the Code can cause considerable damage not only to Biofarm, but also to employees, collaborators and other interested parties.

While the Code is binding for Biofarm internally, it does not create rights or obligations of third parties towards Biofarm members.

There could be situations when the guidelines in this Code differ from certain regulations or customs/practices. In cases where local regulations or customs impose more restrictive standards than those provided in the Code, the laws and customs will always apply. If, however, the Code provides for a higher standard, this latter standard will prevail.



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The issuer also has the obligation to draw up a list of all the persons with management responsibilities and of persons in close relations with them, in accordance with the EU Regulation No. 596/2014, and to notify the F.S.A. of the transactions carried out by the management personnel, according to the EU Regulation No. 2016/523. 11

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Our mission

The mission of Biofarm is to do good to those around us through continuous improvement, with respect for the experience accumulated so far and with standards at the highest level.

Our vision

Our vision is for Biofarm products to be the first choice for those who want well-being and are concerned about their health, because we, at Biofarm, work permanently for the good of people and will keep performance and innovation at the highest level.

Our values

The responsibility towards our consumers guides us in every action we undertake and in every business decision. We think responsibly and feel responsible for each person who uses a Biofarm product.

The way we perform helps us keep up with the demands of a sophisticated pharmaceutical market. We constantly *innovate* with our consumer in mind, for whom every detail matters when using a Biofarm product.

We treat with care and respect each consumer and the health problem they face; we accompany all those who have been appreciating our products for decades to a state of well-being.

The passion for identifying the optimal treatment solution, by combining natural and synthetic elements, supports our mission to do good. We exceed our limits every day, proud to be part of the Biofarm team.

Ethical Collaborations

- Confidentiality
Compliance with the commitments assumed by the confidentiality agreements, or specific clauses.
Assuming the obligation to not disclose or use the confidential information received from the contractual partners in one's own interest, regardless of whether this information was transmitted during the contractual negotiations or during the collaboration.
- Compliance with applicable laws and regulations
Assuming the obligation to comply with national, community legislation and any other applicable legislative norms, depending on the specifics of each collaboration, as well as the fulfilment of contractual obligations, always in good faith.
- Quality of raw materials, products and services
The selection and use of raw materials that meet the quality standards in the field, as well as the selection of products and services provided by providers that meet such requirements.
- Ethics and Fairness
Application of the provisions of this Code in all collaboration relationships, regardless of their extent.

Interaction with patients and consumers is carried out, mainly, through:

- *Ensuring patients' rights and promoting their health within clinical studies and research*
- *Open communication with health professionals, as well as with patients regarding the advantages and risks of using Biofarm products*
- *Compliance with the rules applicable to the leaflets and labels of Biofarm products (clarity and legibility), as well as in commercial communications (advertisements)*
- *Implementing the pharmacovigilance service*



- *Basing communications on proven scientific information, issued by accredited authorities in the field*
- *Promoting products exclusively in accordance with MA/approvals/notifications*

Interaction with health professionals (HP), health organisations (HO) and patient organizations (PO)

In addition to complying with the legal requirements, BIOFARM has agreed to comply with additional standards.

For BIOFARM, these standards mean a full commitment to the definition, implementation, compliance and application of the highest ethical standards through the Code of Ethics and Organisational Conduct.

Promotion of BIOFARM medicines and products:

Biofarm uses scientific documentation in the promotion of products and provides them to health professionals. Claims related to adverse reactions must be proven or can be supported by clinical experience, except for the elements approved by the marketing authorisation.

For references to published studies, Biofarm will include clear references.

Contracted services:

Biofarm can hire health professionals or representatives of professional or patient organisations, as consultants, both in groups and individually, for services such as: conferencing and moderation, involvement in medical/scientific studies, clinical studies or training services, participation in advisory boards and participation in market research, when participation involves compensation and/or forms of hospitality. To contract these services, Biofarm will meet the following formalities:

- a. conclusion of a written contract before the start of the provision of services, which specifies the nature of these services and Biofarm's consideration;
- b. documenting a legitimate need for contracted services;
- c. applying the criteria for selecting consultants by the persons responsible for their selection;
- d. identifying the number of consultants involved and the scope of the service so that it is reasonable to meet the identified need;
- e. keeping a record of the services provided by the consultants;
- f. the compensation/consideration for the contracted services is reasonable and reflects the fair market value of the provided services.

Medical education:

Through medical education, Biofarm wants to improve the competence of health professionals so as to improve medical practice and the results of patients/consumers.

Biofarm can be involved in different types of medical education activities, provided that it ensures that its participation and role are clearly recognized and visible from the beginning, and in situations where medical education activities are organized by Biofarm, it will be responsible for their contents, so that it is fair, balanced, objective and designed in such a way as to allow the expression of various recognised theories and opinions.

Company personnel:

- a. must know the provisions of this Code, as well as all the relevant laws and regulations. Also, they are trained and have sufficient scientific knowledge to be able to provide accurate and complete information about the medicines/products they promote.
- b. must meet their professional duties responsibly and ethically.



- c. must immediately transmit to Biofarm's Pharmacovigilance Department any information they receive regarding the use of the company's medicines, especially reports on adverse reactions.
- d. must make sure that the frequency, time and duration of the visits to the HP, pharmacies, hospitals and other health assistance units, as well as the manner in which they are realised, will not affect their usual daily activity.

Interactions with PO:

- a. All interactions between PO and Biofarm must be based on mutual respect, the opinions and decisions of each partner having equal value.
- b. The objectives and scope of any collaboration must be transparent. The support provided by Biofarm must always be acknowledged. When the company offers such support to the PO, there must be a written agreement. This agreement must specify the amount of financing, as well as the purpose.

A continuous step to be aware of the types of products needed by patients and consumers, but also to obtain feedback on the products, necessary in our step to permanent innovation.

Undertaking the obligation to provide HP with correct and complete information regarding products and therapeutic indications with the help of the medical and sales team of BIOFARM.

The organization, participation and support of meetings and scientific and educational events by the assumption by both parties (BIOFARM S.A. and HP) of the legislative obligations in force.

Relationship with Employees and Internal Collaborators

Biofarm® team is a strong and united team and each of its members has a well-defined position in the business gear.

The philosophy that unites us is simple – we are more effective and competitive together, even though we are, each in our own way, unique and valuable. We are united in diversity, we come up with out-of-the-box solutions and we love challenges. Each team member has adopted the mission to do good, through everything they do every day at Biofarm®.

The well-being we offer our customers is also present in our team. We are like a clock that runs perfectly, like a flawless mechanism, made up of a sum of fine, but strong and indispensable parts to each other.

Fairness in the process of recruitment, selection, promotion and avoiding discrimination.

Equal opportunities and equal treatment represent fundamental elements of a fair, unprejudiced and open approach. For these reasons, the recruitment, selection and promotion of the company's personnel are carried out only on performance criteria, clearly defined and correct, avoiding any form of discrimination.

We are concerned that our employees, regardless of their hierarchical position, adopt these values in turn by treating other employees with dignity and respect, regardless of race, nationality, ethnicity, age, gender or sexual orientation, religion or social category. We actively encourage inclusion and the creation of an environment that favours the individuality of each employee in the interest of Biofarm.

Harassment is incompatible with maintaining an integrated work environment in which personnel members can achieve the highest levels of individual productivity and our business objectives. There is no place and no excuse for any form of discrimination, harassment or intimidation within Biofarm.

Improving the climate and working conditions – we offer our employees an environment conducive to professional development, motivating and which strengthens their devotion to the company. We



are sure that the expectations and the effort made in this regard are always rewarded by an ethical behaviour on the part of employees. We constantly make efforts for the continuous improvement of work conditions. We encourage communication and the free expression of opinions and ensure the confidentiality of the entire personal information.

We expect that the attire at the workplace is appropriate, and that the general behaviour of employees is directed towards the promotion of collegial relationships, teamwork and respect for the work of other colleagues.

No violence. Threats or acts of violence, regardless of whether they are committed in the office or in other work-related circumstances, are not tolerated and must be reported immediately.

Managers. We provide our employees with a competent management, capable of motivating their employees and obtaining the highest performance from them. Our managers demonstrate ethical behaviour by personal example, facilitate a positive work climate, in which communication and information transfer between colleagues is the essence of effective problem solving. Credibility and keeping promises are fundamental orientations of managers. They promote team spirit and strengthen the employees' sense of belonging to the Organisational culture. Managers' behaviour is based on fair and impartial treatment of subordinates, on professional and human respect, by approaching more difficult situations calmly, rationally and without manifestations and attitudes that could affect personal dignity.

Motivation and reward – We guarantee each employee an ethical treatment and a reward in full accordance with the work performed and the results obtained. Biofarm assumes the compliance with all the rights of employees and meets all the promises it has committed to.

Bribery and corruption – The company's employees refuse gifts or any other service from a person within the company, a client, or from a third party with whom the company carries out commercial relations, when they are aimed at inducing a behaviour intended to ensure unethical, non-competitive personal or corporate benefits or illegal to those who offer them.

Benefits in the form of gifts, hospitality and invitations are found in business relationships. These benefits are not a cause for concern, as long as they are reasonable and do not contravene internal or legal regulations. However, if these benefits exceed the thresholds imposed by the internal regulatory framework and what is reasonable and are used abusively to influence third parties, the persons involved may even be liable to criminal prosecution.

These benefits may include, without limitation:

- Money
- Gifts
- Entertainment, accommodation and meals
- Travel expenses
- Services
- Employment offers
- Loans
- Donations or contributions
- Any transfer of value.

Corruption can generate decisions based on inappropriate reasons and can prevent progress and innovation, distorting competition and harming society. Biofarm complies with the principle of *zero tolerance* to acts and facts of corruption; this may attract fines for Biofarm and sanctions provided by the criminal law for the employees involved. We grant benefits to business partners, clients or other external third parties only within the legally permitted framework, in accordance with the existing rules at the company level and only under the conditions and limits established by them.



Correct use of Biofarm's resources and assets. We expect our employees to use the company's goods and resources only for its benefit, to protect them and to take all the necessary measures to prevent waste, excessive expenses or to remove dangers that could lead to breakdowns or accidents. As far as scientific information is concerned, it is the duty of every employee to comply with the storage and dissemination regime provided by the internal regulations, the information on which Biofarm's prestige depends.

Professional training. Biofarm's employees carry out their activity in the area of competence determined by expertise and professional experience. The personnel constantly improve their knowledge and professional skills, by participating in seminars, professional training courses and continuous improvement, but also through self-learning. Biofarm annually allocates significant amounts for professional training, so that every year, every employee is involved in at least one professional training program.

Interpersonal relationships. To improve interpersonal relationships, Biofarm's employees promote through their behaviour:

- Situations management skills, ability to understand professional, social and educational challenges;
- Cooperation and mutual support, motivated by the fact that all employees are oriented towards the achievement of common company objectives;
- Communication development, starting from the idea that the transfer of information between colleagues is essential in the efficient resolution of situations;
- Mutual respect, consideration, the right to an opinion, any disagreements, grievances arising between them being resolved without affecting collegial relations, avoiding the use of inappropriate language or inappropriate gestures, showing a conciliatory attitude;
- Sincerity and fairness, the opinions expressed correspond to reality, any dissatisfaction among colleagues being expressed directly, assertively, without tendencies;
- Professional recognition, promotion of team spirit, openness to colleagues' suggestions;
- Sharing knowledge and accumulated experience for the purpose of mutual professional development.

Conflicts of interests. There is a potential conflict of interests if the private interests of one of Biofarm's employees conflict or may conflict with those of Biofarm. If an employee places his personal interests above those of Biofarm, this could cause damage to Biofarm. We respect the personal interests and private lives of our colleagues. However, it is important to avoid conflicts between private and professional interests or even the appearance of such a conflict. All our decisions are adopted exclusively on the basis of objective criteria, and we do not allow them to be influenced by personal interests or relationships.

In order to prevent a conflict of interests, any Biofarm employee must be vigilant and adopt appropriate behaviours in situations where the objectivity of his professional decision may be affected, especially in:

- External commitments
 - Working for a Biofarm supplier or client or receiving remuneration from him
 - Having a financial interest or a relationship with a Biofarm competitor, customer or supplier or with any external entity that collaborates with Biofarm
 - Purchasing or holding, directly or indirectly, an interest in a property or assets of any kind, for the purpose of selling or renting them to Biofarm
 - Requesting personal benefits by an external entity to influence a favourable decision of Biofarm regarding that entity.
 - Involvement in any external activity important enough to generate questions about the ability to devote adequate time and attention to the responsibilities of Biofarm employees.



- Personal relations
 - Interaction with a relative up to the 4th degree inclusive who works for Biofarm or is applying for a position at Biofarm or a competitor, supplier or client of Biofarm;
 - The purchase of products or services on behalf of Biofarm from a relative up to the 4th degree inclusive, or a company in which a relative up to the 4th degree inclusive has an interest.
- Receiving an object of value
 - Accepting a gift can make the recipient feel obligated, a fact that can undermine the objectivity of his decisions and can be perceived as a gift intended to corrupt him or another Biofarm employee.

Relationship with Investors

The company has developed a Corporate Governance Regulation that is posted on the company's website: www.biofarm.ro in the Corporate Governance/Relationship with Investors section – Regulations and Regulations of the advisory committees subsection. The purpose of adopting the Corporate Governance Regulation is to ensure transparency, the rights of shareholders and third parties, as well as company credibility.

Shareholders will actively participate in the company's activity by expressing their right to vote during the General Meetings of Shareholders, being provided, within the legal terms, with all the materials and forms necessary to express their voting option. The vote can be expressed both directly and through a representative or by correspondence.

Also, the company provides shareholders with continuous, clear and adequate information at its disposal, and offers consultancy according to the circumstances known to it. Transparency in terms of corporate governance is the guarantee of our performance. We communicate with all interested parties in a prompt, fair and comprehensive way, within the limits of the legal provisions.

In order to provide shareholders with relevant information in real time, a special section was created on the www.biofarm.ro page, called Corporate Governance/Relationship with Investors, easily accessible and permanently updated, both in Romanian and in English languages.

Constant contact with the company's shareholders is ensured, answering their questions by phone, letters or e-mail. Also, BIOFARM S.A. has specialised internal structures for the Relationship with Investors.

BIOFARM S.A. company carries out on time and completely all the reports required by the regulations applicable to companies traded on the capital market. Through press releases and current reports, shareholders and investors are informed about the evolution of the company's economic situation, the availability of financial statements, changes in the management of the company, disputes in which the company is involved, dividend payments, transactions carried out by persons with management responsibilities, the decisions of the Board of Directors and of the General Meetings of Shareholders, or on other events/aspects of interest.



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By *privileged information*, one understands a piece of information of a precise nature that has not been made public, which refers directly or indirectly to one or more issuers or to one or more financial instruments, and which, if made public, could significantly influence the price of those financial instruments or the price of related derivative financial instruments.

BIOFARM S.A., as the Issuer, has the obligation to draw up and update the list containing the persons who have access to privileged information, as well as to transmit it to the F.S.A., following the receipt of a request in this regard from the Authority. Any person on the list acknowledges, in writing, the legal obligations directly attributable to him/her, as well as the sanctions applicable in the case of abusive use and unauthorized disclosure of the privileged information.

The issuer also has the obligation to draw up a list of all the persons with management responsibilities and of persons in close relations with them, in accordance with the EU Regulation No. 596/2014, and to notify the F.S.A. of the transactions carried out by the management personnel, according to the EU Regulation No. 2016/523.

Fair Competition Principles

BIOFARM S.A. company complies with the principles of fair competition, according to the applicable legal provisions. In addition, BIOFARM S.A. carries out collaborations with various consultants/lawyers specialised in the field of competition, to carry out internal audits, as well as to benefit from the necessary support in carrying out current activities. Also, BIOFARM S.A. performs, periodically, initial and recurring training sessions for its employees/collaborators, to ensure that all key persons in the organisation are aware of the rules that must be complied with. Moreover, conduct instructions were made for employees/collaborators regarding participation in professional associations, but also in case of control/inspection carried out by any authorities with a control role.

In consideration of the above, BIOFARM S.A. does not agree with any kind of behaviour that could affect the relevant regulations, such as:

- Any kind of collusion (agreement, written or verbal) on prices, price changes, price components etc.;
- Fixing quotas (regarding production and/or sales);
- Geographical distribution of markets;
- Allocation of clients;
- Auction fraud;
- Fixing or maintaining sales prices (between 2 parties in commercial relations or who share common interests);
- Restriction of passive sales;
- Measures that obstruct parallel imports - absolute territorial protection;
- Exclusivity agreements;

Thus, employees/collaborators of BIOFARM S.A. will not discuss, accept or exchange information with competitors, directly or through intermediaries (e.g. clients, agents), regarding:

- the level of discounts it gives to its customers or the list prices of the products;
- the terms and conditions under which they distribute the products and services associated with them (such as delivery conditions);



- the level, nature and period of modification of prices, discounts or the conditions of products distribution - recurrence of the review of the Commercial Policy.

Employees/collaborators of BIOFARM S.A. will not discuss, accept or exchange information with competitors (through letters, e-mails, telephone conversations or meetings) regarding:

- cost structure;
- business strategy;
- sales volumes (current or estimated);
- values of recent or planned sales;
- intention to introduce a new product on the market;
- any other business secrets.

The mere presence at a meeting in which an entity discloses its plans to competitors may fall under competition legislation, even in the absence of an explicit agreement between them.

Therefore, the employees/collaborators of BIOFARM S.A. will refuse invitations to such meetings, stating clearly that they do not wish to receive such information or, if they participate in a meeting in which such a discussion arises, they will leave the meeting.

Behaviours recommended to the employees of BIOFARM S.A.

1. The employees of BIOFARM S.A. will clearly mention the source of information (so that it can never be assumed that this information was obtained from non-transparent sources);
2. The employees of BIOFARM S.A. will keep clear notes of what was discussed at any meeting with their competitors; in this respect, it is prudent that at any meeting with the competitors, the minutes of the discussions should be kept, in which the topics discussed should be clearly mentioned, as well as the position of all the participants regarding them;
3. The employees of BIOFARM S.A. will exercise the same diligence in choosing the language used in the contents of messages by e-mail, voicemail or SMS/applications that allow the transmission of text messages, as if it were an official document. In this respect, the employees of BIOFARM S.A. must consider that e-mails (or messages of any other type) can be seen or could reach other people besides the initial recipients;
4. The employees of BIOFARM S.A. will use any language referring to Biofarm's "market" or "market share" with caution and care.

Communication and Marketing

- Clear and open communication with all partners
- Respect for other market participants
- Compliance with the legal provisions, especially those related to comparative and misleading advertising, unfair practices and consumer protection
- Compliance with the highest standards of conduct in all forms of verbal and written communication
- Promotion only of the approved products and only for approved uses
- Communicating and promoting promotional and non-promotional activities in a fair, balanced way and supported by scientific evidence.
- Working with qualified third parties who have a commitment to ethics and integrity.

Social Media

- The use of social media by employees in a responsible way, taking into account that their opinions can be attributed to Biofarm, a fact that can bring consequences.
- Allocation of dedicated resources to create, maintain and manage a controlled communication channel.
- The provided information must be relevant, clear and accurate.



Participation in public life

- Protecting sensitive information and preventing the sharing with third parties of important information that is not publicly available for their own benefit or that of third parties with the intention of bringing about changes in the market.
- Maintaining integrity standards in all situations by not allowing, requiring or enabling others to engage in prohibited conduct on our behalf.

CSR

- The possibility of granting donations and sponsorships, in accordance with the applicable legislation.
- Compliance with the conditions and obligations imposed by the legislation and obtaining all the authorisations, licenses and approvals necessary to carry out the activity
- Reducing dependence and impact on natural resources and promoting sustainability
- Minimizing the impact of products on the environment
- Improving the health and quality of life.

Environmental Protection

The company maintains a high interest and shows a continuous concern for environmental protection activities, for minimizing the impact on environmental factors, which allows the management to identify and control the impact of all the activities, products or services provided. Within the development of new manufacturing capacities, only those responsible development measures were promoted, which allow the monitoring and control of the impact of the activity on environmental factors. For example, the (old) sewage treatment plant on the new site, from the work point on str. Drumul Gura Bădicului nr. 202-232, sector 3, Bucharest, but the new wastewater treatment plant was also commissioned.

For the emission reduction equipment at the head office (wet/dry filter elements for atmospheric emissions, dispersion bins, wastewater treatment equipment - treatment plant) the company ensures their use and operation within the designed parameters, but also maintenance, according to applicable technical procedures. There have been no records of environmental incidents/accidents, accidental pollution of environmental factors on this equipment or on other related equipment.

BIOFARM S.A. maintains the performance of the TUV Profi Cert surveillance audit for the environmental management system, according to SR EN ISO 14001:2015, both for the head office in str. Logofătul Tăutu nr. 99, sector 3, Bucharest, and for the work point in str. Drumul Gura Bădicului 202-232, sector 3, Bucharest.

Top management is involved in providing resources to maintain and improve the performance of the environmental management system.

Also, the Company obtained the renewal of the Water Management Authorisation - valid until 31.06.2025 for the headquarters in str. Logofătul Tăutu nr. 99 and the documentation was submitted for obtaining the Environmental Authorisation for the activity in str. Drumul Gura Bădicului, nr. 202-232, Bucharest.

The steps to control the impact on environmental factors also continued by assuming the impact through payment to the Environment Fund Administration (constituted according to the European principles "polluter pays" and "manufacturer's responsibility", in order to implement the legislation on environmental protection, harmonized with the provisions of the *Acquis Communautaire*), of the legal obligations regarding emissions, packaging placed on the market, waste recovery, including the management of hazardous substances for the environment.

The determinations carried out by BIOFARM revealed that the noise level was within the perimeter limit, the measurements being carried out in 2 campaigns. The steps taken to reduce and comply with environmental requirements made it possible to avoid any sanctions, penalties, environmental



surcharges, as well as to preserve the positive image of the company, as a company actively involved in environmental protection.

Compliance with the Laws and Regulations

The compliance with the applicable legal norms regarding the manufacture and distribution of medicines, food supplements and medical devices is an essential requirement in our field of activity. The applicable procedures within the company are always aligned with the legal requirements. Employees benefit from training programs regarding the legal requirements applicable in the activity they carry out.

Confidentiality and Personal Data Protection

Confidentiality and personal data protection represents a fundamental right of any person. BIOFARM undertakes to protect personal data and to process them only within the limits of the applicable national and community legislation, complying with the rights of the persons concerned, within the limits of the consent expressed by them and taking into account the general principles of processing, among which, but without limitation to: minimizing the processed data, updating them and deleting them at the end of the processing period.

„*Personal Data*” means any information regarding an identified or identifiable natural person (“data subject”); an identifiable natural person is a person who can be identified, directly or indirectly, in particular by, reference to an identifier such as *a name, an identification number, location data, an online identifier, or to one or more specific elements, specific to its physical, physiological, genetic, psychological, economic, cultural or social identity.*

In order to carry out data processing within BIOFARM and in accordance with the European Regulations and norms in force, we have issued a series of generally binding rules, policies and procedures, which regulate data processing.

At BIOFARM, protecting confidential and sensitive information is essential. This commitment applies both to information about the company and our employees, as well as to information about our business partners.

Improper use or disclosure of this information can cause significant damage, possibly leading to legal liability.

„*Confidential information*” means any information, regardless of its form, that is not in the public domain.

Examples of confidential information:

- Strategic/business plans
- Information about prices
- Marketing plans and business development strategies
- Clinical data, research data and technical data, inventions and innovations
- Confidential information entrusted to us by business partners.

Prohibition of Money Laundering and Terrorist Financing

Money laundering is the attempt to hide the origin and real possession of income from illegal activities.

The financing of terrorism constitutes the provision of funds, by any means, directly or indirectly, with the intention of being used or with the knowledge that they will be used, in whole or in part, to carry out acts of terrorism or to provide support to those who intend to carry out such acts.

BIOFARM does not support or facilitate money laundering or the financing of terrorism, and the company's employees are obliged not to carry out commercial activities with persons or entities that are subject to imposed sanctions or appear on the lists of legal entities suspected of committing or financing acts of terrorism.

Intellectual Property

An important competitive advantage of the company is constituted by intellectual property rights: patents, licenses, trademarks.



The company has a consistent portfolio of over 650 trademarks with protection at national, but also at international or community level, thus contributing to the sustainability of the business of Biofarm S.A..

The company ensures (both internally and with the support of intellectual property consultants) the monitoring of its own brands and takes all the necessary legal steps to protect the conferred intellectual property rights and avoid their infringement, with the following objectives: continuing the construction of its own image and reducing the risk of confusion, going as far as to the risk of association (on the part of the general public and patients) between competing products and our own, covered by Biofarm® brands.

In order to reduce the risk of confusion or association with other products belonging to its competitors, Biofarm also registers the packaging related to its products as trademarks.

The most famous Biofarm brands have written history, and the fact that after so many years since their appearance, the products are still highly appreciated shows their indisputable quality: Carmol, Triferment, Anghirol, Cavit, Colebil, Bixtonim.

The company also has in its portfolio newer brands such as: Devaricid, Sennalax, Nervocalmin, Extravalerianic, Protecardin, Carbocit, Difebiom, Bioflu, Septosol and Hepatoprotect, all of which are on the way to gaining the notoriety they deserve.

The sustained research and development activity, which Biofarm carries out, aims at the emergence of new, competitive products, for whose names new brands are constantly registered.

IT Security

BIOFARM S.A. has established measures against IT crimes and to protect the confidentiality of pertinent data, which help to reduce the possibility of the manifestation of IT risks, and in the event that they appear, to be anticipated, detected and eliminated within the shortest time and with as little impact as possible.

The training of all employees regarding the obligations applicable in case of using work terminals, regarding the preservation of the integrity of the services provided and the information managed, and the confidentiality of the data administered are usual steps within BIOFARM S.A.

Software updates within the shortest time after their publication by manufacturers, the use of high-performance antivirus and firewall systems, represent solid security principles and guarantees, which our Company has implemented.

Compliance with the Code of Ethics and Organisational Conduct

All the employees of BIOFARM S.A. are responsible for complying with all the aspects included in this Code. This Code will be made available to each new employee, and he/she will certify in writing that he/she is aware of the obligations and principles included in this Code. In addition, all the employees of BIOFARM S.A. must provide written attestation that they have read and complied with this Code during the previous calendar year.

The aspects addressed by this Code are sufficiently important, so that any lack of reaction in the areas covered here can be considered a sufficiently serious misconduct to justify a disciplinary sanction up to and including dismissal.

Any employee who has a question about this Code or has any concerns regarding the deviations perceived from the Code, can address the direct supervisor, the Legal and Relationship with Investors Department or the Ethics Committee of BIOFARM S.A.



Any violation of this Code and the internal or national regulatory framework can be reported by any employee or partner of BIOFARM S.A. according to the Integrity Verification Procedure (Whistleblowing). Reporting can be done anonymously and BIOFARM S.A. undertakes to treat any report with maximum confidentiality. Any retaliation against an employee who makes a good faith report of a possible violation of the Code will not be permitted or tolerated.

