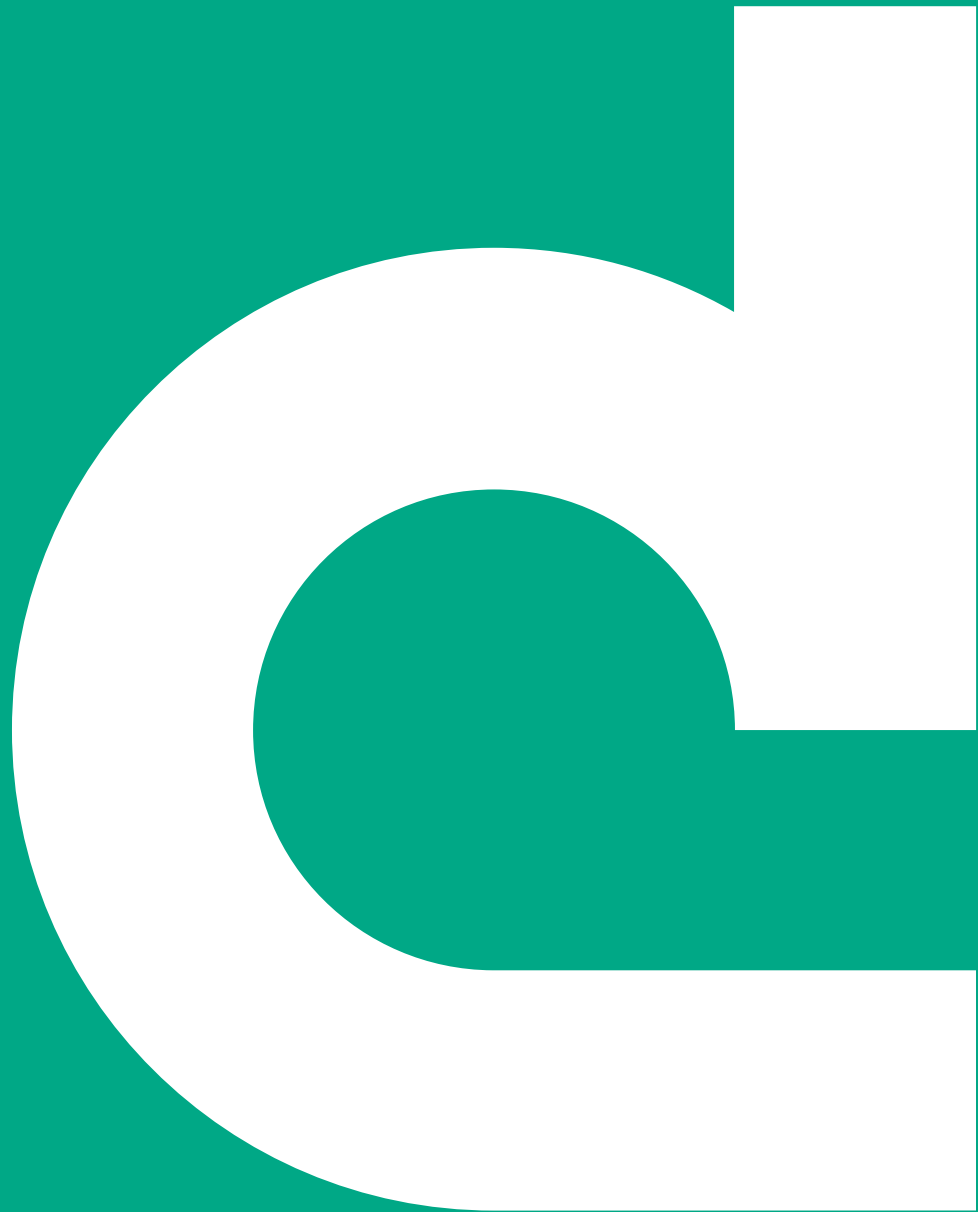


**Anti-Corruption Laws Compliance  
Policy  
PrJSC “Pharmaceutical Firm “Darnytsia”**



## 1. GENERAL PROVISIONS

Corruption in any of its forms contradicts the principles of Darnytsia Company (hereinafter referred to as “Darnytsia”) and undermines its business reputation before the state, shareholders, patients, partners, competitors, employees and the society as a whole. Corruption not only harms Darnytsia, but also affects every its employee. Corruption can lead to huge fines.

The Anti-Corruption Laws Compliance policy (hereinafter referred to as the “Policy”) shall not replace or cancel the regulations established by the current anti-corruption laws, but may also establish additional requirements.

If the applicable anti-corruption laws sets stricter/different requirements than this Policy, we must comply with such stricter/ different requirements.

Darnytsia ensures implementation of the standards, decision-making procedures and performance of local regulations, as well as best practices.

### The Policy shall be binding upon:

- ✓ All employees
- ✓ Management bodies
- ✓ Darnytsia’s Directors
- ✓ Counterparties – to the extent stipulated by contracts (agreements) concluded (entered into) with such persons.

For the purpose of complying with the Policy, all these categories of parties shall be jointly referred to as “**Policy-Covered Parties**”.

## 2. APPLICABLE ANTI-CORRUPTION LAWS

The Policy has been developed in accordance with the applicable anti-corruption laws, the Charter, the Code of Business Conduct and Ethics and other internal documents of Darnytsia.



## 3. KEY PRINCIPLES

Darnytsia adheres to the principles of compliance with applicable anti-corruption laws and ethical behaviour in all types of business relationships. Darnytsia expects compliance with the applicable anti-corruption laws by all parties acting in favour of or on behalf of Darnytsia.

### 3.1. Zero Tolerance to All Forms and Manifestations of Corruption

Darnytsia explicitly declares its zero tolerance to corruption in any form and demands that the Policy-Covered Parties unconditionally comply with the key principles and requirements of the Policy.

### 3.2. The Tone from the Top and the Tone in the Middle

Darnytsia’s management, regardless of the level of position, performs official and/ or corporate duties reasonably and conscientiously, guided by the highest professional and ethical standards, legal norms and best practices of corporate governance, putting the interests of Darnytsia above their own.

By its example, Darnytsia’s management should set the standard of high ethical behaviour and form zero tolerance of the Policy-Covered Parties of any forms and manifestations of corruption, which is an integral part of the corporate culture and daily business practices of Darnytsia.

### 3.3. Reputation Enhancement

Darnytsia makes reasonable efforts to prevent persons who are known to be involved or involved in illegal activities or have carried out activities that contradict the ethical standards established in Darnytsia from taking senior positions.

### 3.4. Periodic Risk Assessment and Mitigation

Darnytsia annually takes measures to identify, assess and reassess corruption risks, as a result of which anti-corruption procedures are developed and implemented that reasonably and proportionally correspond to the level and nature of the identified risks.

### 3.5. Information Sharing and Training

Darnytsia continuously monitors changes in the applicable anti-corruption laws and promptly shares information with all parties concerned about the relevant changes and trends.

Darnytsia implements and supports a programme of training of the Policy-Covered Parties in the requirements of the applicable anti-corruption laws and compliance controls of Darnytsia.

### 3.6. Control Efficacy Monitoring

Darnytsia monitors the efficacy of the implemented anti-corruption controls, monitors their compliance and improves them, as required.

### 3.7. Audit and Control

Darnytsia ensures regular internal and external audits of financial and economic activities, as well as continuously monitors the completeness and correctness of all business operations in accounting, compliance with requirements of the applicable anti-corruption laws and internal documents of Darnytsia, in particular the key principles and requirements established by the Policy.

## 4. CORRUPTION RISK AREAS

### 4.1. Interaction with Government Officials (GOs) and Government Entities

Provision of values and benefits of any kind, aimed at unintended influence on decision-making, shall be prohibited all over the world. Relationships with GOs and government organisations require special care, as they are regulated by applicable anti-corruption laws and are characterised by an increased risk associated with bribery and corruption. This applies, in particular, to preferences in favour of GOs.

Darnytsia and the Policy-Covered Parties shall be prohibited from providing any values in favour of the GOs for the purpose of illegally influencing their official decisions in order to obtain, maintain or control the business opportunities or commercial benefits of Darnytsia. Darnytsia may hire and/or provide GOs with internship for legitimate business purposes, subject to compliance with the applicable anti-corruption laws and internal documents of Darnytsia.

### 4.2. Healthcare Workers Interaction

Darnytsia interacts with healthcare workers in accordance with the terms of the laws and internal documents of Darnytsia.

It is allowed to arrange for, conduct, sponsor the promotional events, conferences, seminars, symposia on medical subjects with the participation of healthcare workers by Darnytsia, provided that promotion at such events is not the main goal and of a secondary nature compared to scientific, professional and educational ones.



Darnytsia's employees are properly trained and have sufficient scientific knowledge to provide accurate and complete information about the Darnytsia's medicinal products promoted by them.

Darnytsia may not promise, offer, or provide illegal benefits, directly or through other persons, to any healthcare workers.

Darnytsia may not offer or provide to healthcare workers any bonuses, awards, cash refunds, the right to participate in any game, lottery, contest, event, if such provision or participation is pre-conditioned by prescription of Darnytsia's medicinal products.

Darnytsia's hospitality, which applies to healthcare workers during promotional events, as well as during events of exclusively professional or scientific nature, shall be strictly limited to its main purpose.



Darnytsia shall not:

- 1) provide the forms that can contribute to further monitoring of the frequency of prescriptions of Darnytsia's medicines for a specific healthcare worker
- 2) provide any form of remuneration to healthcare workers for prescription of Darnytsia's medicines to patients
- 3) financially encourages healthcare workers to increase frequency of prescription of Darnytsia's medicinal products to patients.



#### 4.3. Gifts and Business Hospitality

Gifts and Business Hospitality can be used to establish long-term partnerships between Darnytsia and the entities it interacts with during carrying out of its activities. At the same time, Gifts and Business Hospitality can, under certain conditions, be used to exert undue influence and be considered as a bribe or corrupt business practices. In this regard, any gifts and business hospitality must meet a set of the following criteria:

- ✓ be directly related to legitimate objectives of Darnytsia's activities, such as presentation or completion of business projects, successful performance of contracts, or to generally accepted holidays such as Christmas and New Year, International Women's Day, memorable dates, anniversaries, etc.
- ✓ be reasonably justified, proportionate and not constitute luxury items
- ✓ not compromise the ability of the recipient to make impartial and fair decisions due to the official and job powers (obligations) entrusted to them, namely, but not limited to, being provided in exchange for information, preferential treatment or opportunities that would not otherwise have been provided
- ✓ not constitute a hidden reward for a service, action, omission, protection, patronage, granting of rights, making a certain decision on a transaction, agreement, licence, permit, etc. or an attempt to influence the recipient for other illegal or unethical purposes
- ✓ not create reputational risk for Darnytsia in the event of disclosure of information about such gifts or business hospitality



✔ not be prohibited by laws, as well as other procedures and policies applicable to the recipient

✔ not impose any moral obligation on the recipient

✔ not contradict the principles and requirements of this Policy, the Code of Business Conduct and Ethics, other internal documents of Darnytsia and the provisions of the applicable anti-corruption laws

✔ go through the necessary and carefully documented procedures established in Darnytsia.

These criteria shall also apply to expenses for the organisation on behalf of and/ or at the expense of Darnytsia of activities aimed at stimulating consumers' activity, promotions, as well as activities related to Darnytsia's activity in the field of public, media, investment and professional communities relations.

Gifts on behalf of Darnytsia and the Policy-Covered Parties to any third parties in the form of monetary funds, cash or non-cash, as well as their equivalents in any currency, are not allowed.

Policy-Covered Parties should avoid Gifts and/ or signs of Business Hospitality that may affect independent decision-making when conducting business in Darnytsia or which may contradict Darnytsia's interests.

Any corruption schemes with the use of Gifts and/ or signs of Business Hospitality, as well as solicitation of such gifts, is unacceptable.



#### 4.4. Sponsorship, Charity and Corporate Social Responsibility

Darnytsia considers itself obliged to participate in implementation of the projects in the field of Corporate Social Responsibility (CSR), support initiatives of governments and charitable organisations aimed at increasing the welfare of society and its development, and also makes a feasible contribution to creation of equal opportunities in the countries of Darnytsia's operation.

Darnytsia does not fund or otherwise participate in charitable and/ or sponsorship activities in order to obtain any undue benefits or preferences relating to economic activities.

#### 4.5. Participation in Political Activities

Darnytsia does not fund or otherwise support or encourage political parties or their members, including candidates for political posts, their election campaigns or political events, or any political organisations or movements. Darnytsia does not allow payment of contributions for political purposes.

Darnytsia does not prohibit the participation of employees in political activities, unless it contradicts the applicable laws and provided that employees do not use the property and name of Darnytsia in such activities. If an Employee applies for or has been elected/ appointed to a position by a Government Organisation and intends to take office, the Employee must first notify Darnytsia in accordance with the Darnytsia's Conflict of Interest Management Policy

#### 4.6. Payments for Facilitation and Payments Through Intermediaries or in Favour of the Third Parties

Darnytsia may not effect payments or provide other benefits not stipulated by the effective laws and that are offered in order to speed up or facilitate the implementation of the usual procedure (action), to which Darnytsia is entitled in accordance with the laws, contract or on other grounds. Darnytsia prohibits making payments in favour of any third parties in its activities, if it is known or there are grounds to believe that such a payment, in whole or in part, will be used for corrupt purposes.

#### 4.7. Conflicts of Interest

Darnytsia does not tolerate situations when the personal interest (direct or indirect) of a Policy-Covered Party affects

or may affect the proper, objective and impartial fulfilment of their duties (exercise of powers). Policy-Covered Parties are required to comply with the conflicts of interest rules set out in Darnytsia's Conflict of Interest Management Policy.

#### **4.8. Agreements on Acquisition and Alienation of Shares in Other Companies**

When making merger and acquisition transactions and/ or acquiring/ selling shares in any legal entities, Darnytsia complies with the applicable anti-corruption laws, including anti-corruption verification procedures. When assessing such a transaction, Darnytsia examines in detail the subject matter of the transaction and/ or the partner to identify the risks of such a company or partner participation in corrupt actions previously committed by them. Such works include, among other things, comprehensive due diligence prior to making the transaction, as well as determining the actions to be taken as a part of the integration process after acquisition of the asset.

#### **4.9. Contractual Policy**

##### **4.9.1. Non-Contractual Relationships Prohibition**

Any non-contractual relationships not stipulated by the effective legislation or internal documents of Darnytsia with any categories of counterparties shall be prohibited in Darnytsia, including any written or oral agreements, as well as those in electronic form, not included in the main text of the contract with the Counterparty or annexes thereto, or of any other form, and standard approval procedures that have not been adopted in Darnytsia.

Any contract or agreement concluded in writing or electronically by Darnytsia must contain the full terms and conditions on which such a contract or agreement is concluded/ entered.

##### **4.9.2. Counterparties Verification**

In its relations with its Counterparties, Darnytsia takes reasonable measures aimed at preventing any manifestations of corruption, both on behalf of and in the interests of Darnytsia. In this regard, Darnytsia requires its Counterparties to strictly adhere to the applicable anti-corruption laws

and internal documents of Darnytsia applying thereto, as well as to maintain culture that does not allow any unethical behaviour both when participating in Darnytsia's procurement procedures and when further doing business with Darnytsia.

##### **4.9.3. Anti-Corruption and Anti-Collaboration Clause**

In order to mitigate risks of corruption and collaboration actions by the Counterparty, Darnytsia is entitled to initiate inclusion of anti-corruption and anti-collaboration clauses in contracts/ agreements concluded/ entered based on the results of Counterparties verification.

For more detailed requirements, see the Contract Execution Procedure.

#### **4.10. Marketing**

Darnytsia implements marketing measures to attract, maintain and increase loyalty to the Darnytsia brand in strict compliance with the laws of Ukraine.

Marketing activities are prohibited if they are aimed at:

⊗ obtaining any illegal benefits or preferences in connection with business activities

⊗ payment of remuneration to a GO, a healthcare worker, a representative of a commercial organisation or to any other party in order to influence its actions (ensure inaction) and encourage them to perform their official duties improperly and/ or gain an improper commercial advantage.

#### **4.11. Accounting Records Maintenance**

Any and all financial transactions, accounting entries and records must be reliably and with a sufficient level of detail reflected in the accounting records of Darnytsia, documented and available for verification.



## 5. WHERE TO SEEK HELP?

**5.1.** If you become aware of or have reason to believe that the principles or requirements of this Policy and the applicable anti-corruption laws are violated, you must immediately email us at the unified hotline: [compliance.officer@darnytsia.ua](mailto:compliance.officer@darnytsia.ua).

**5.2.** Darnytsia ensures independent and comprehensive consideration of all reports of violations.

**5.3.** Darnytsia prohibits any form of harassment (measures of influence) against Policy-Covered Parties who have reported violations in good faith, assisted in investigations, or refused to participate in activities contrary to the principles or requirements of this Policy and the Darnytsia Code of Business Conduct and Ethics.

**5.4.** Any Policy-Covered Party that violated the Policy requirements may be subject to measures of influence up to dismissal and/ or termination of contracts in accordance with provisions of these contracts and the legislation in force of Ukraine.

## 6. POLICY IMPLEMENTATION

Policy-Covered Parties, regardless of their position, shall be liable for violation of the Policy principles and requirements and the applicable anti-corruption laws, and shall be also liable for improper monitoring of actions of their subordinates that caused the violation of the Policy, in accordance with the laws.

## 7. CONSULTATIONS

For advice on the application of the Policy, please contact the following email address: [compliance.officer@darnytsia.ua](mailto:compliance.officer@darnytsia.ua).

