

CODE OF CONDUCT

by Pharmacare PLC

An Expression of Trust, building a better tomorrow for a current generation



*A*bstract:

At Pharmacare, we are committed to engage in our work under strict compliance with all relevant laws and entailed regulations. We pride ourselves on reflecting all that pertains to our system of corporate, including financial statistics, mode of management and other critical details in absolute transparency to the public. The attached Code of Conduct sets a rigid scaffold demonstrating our behavior, whether in terms of a professional working environment or within social networking among each other. Adhering to those guidelines, further, promotes the skeleton stabilizing the reciprocal interrelationship with our shareholders, stakeholders, clients and partners. Such an environment exploiting high levels of ethical, moral and legal functioning within our corporate pioneers our venturing towards excellence in quality and trust in expression.

Thank you for considering this set of guidelines comprising our Code of Conduct within the Pharmacare Group serving to lead our Company towards the climax of success.

Sincerely,



Bassim Khoury
Pharmacare Chief Executive Officer



7 TABLE OF CONTENTS

PREFACE	I
ABSTRACT	II
TABLE OF CONTENTS	III
INTRODUCTION	VI
1. SERVICES BY PHARMACARE	6
1.1 QUALITY STANDARDS AND GOOD PRACTICE.....	6
1.2 ACCESS TO HEALTHCARE	6
1.3 INNOVATION AND ASSUMING LEADERSHIP	7
1.4 COMMUNICATIONS WITH 3 RD PARTIES	7
2. PERSONAL INTEGRITY	8
2.1. CONFLICT OF INTERESTS	8
2.2. GIFTS AND ENTERTAINMENT.....	8
2.3. INSIDER INFORMATION AND TRADING	8
3. CORPORATE INTEGRITY	9
3.1 BUSINESS PROBITY	9
3.2 TAXATION.....	9
3.3. DATA PRIVACY.....	10
3.4 BRIBERY AND IMPROPER ADVANTAGES.....	10
3.5 ANTI-TRUST LAW	10
3.6 DATA PRECISION	10
1.3.4 BIOCHEMICAL PROPERTIES	10
1.3 INNOVATION AND ASSUMING LEADERSHIP	10
1.4 COMMUNICATIONS WITH 3 RD PARTIES	10
4. EMPLOYMENT	11
4.1 DISCRIMINATION AND HARASSMENT	11
4.2 A SAFE WORKING ENVIRONMENT	11
5. COMPANY ASSETS	12
5.1 CONFIDENTIALITY	12
5.2 E-COMMUNICATION	12

Pharmacare PLC – An Expression of Trust

5.3 INTELLECTUAL PROPERTY RIGHTS	13
5.4 RECORDS AND DOCUMENTATION	13
6. RESPONSIBLE BUSINESS.....	14
6.1 SUSTAINABILITY	14
6.2 STAKEHOLDER ENGAGEMENT	14
6.3 GOVERNMENT OFFICIALS	15
6.4 BUSINESS PARTNERS	15
6.5 PATIENT GROUPS	15
6.6 PHILANTHROPIC INITIATIVES	15
7. COMPREHENSIVE COMPLIANCE MANAGEMENT	16
7.1 COMPLIANCE RESPONSIBILITIES	16
7.2 COMPLIANCE OFFICERS.....	16
7.3 ADDRESSING NON-COMPLIANCE	17

Our Code of Conduct



Introduction:

Pharmacare was founded within a conservative environment in the Occupied Land of Palestine in 1985. Since then, Pharmacare has expanded internationally to currently cover a widespread geographical range. Our Code of Conduct, therefore, diversifies in minor facets amongst pertinent countries, thus complying with the locally accepted norm within the different relevant locations. This implies that though Pharmacare's mutual relationship with its employees and its mode of governance as a corporate is universal, it ought to follow the domestic regulations dictated by the country where its company resides with respect to minor parameter alterations.

Though our Code of Conduct and our Compliance Management System have been issued to guide our practice and act as reference to key matters, it is the responsibility of every individual within Pharmacare to often seek individual cases based on a discrete wise judgement and a proper consultation with key senior figures within the Group.

Pharmacare seeks to maintain its locally and internationally expanding reputation pertaining to quality of products and integrity of approach on assuring a strict adherence to the following:



1. Services by Pharmacare:

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- a. **Quality Standards and Good Practice:** Pharmacare applies the best possible standards in terms of systems and processes, manufacturing and operations, and final products. Adhering to an internationally acknowledged set of strict regulations for practice sets forward our advantageous fundamental pillar towards a competitively strategized reputation.
Patient safety and timely reporting of any adverse events and customer complaints is of an utmost importance. Complaints are considered as any written, electronic or oral communication that alleges deficiencies related to the identity, quality, durability, reliability, safety, effectiveness or performance of a Pharmacare product or medical device after it is released for distribution. Pharmacare employees have been trained to, upon awareness, immediately report any adverse event to their local safety unit and any customer complaints to the local regulatory and quality function, regardless of whether the employee becomes aware of the incident during or outside of work, and regardless of the communication channel (e.g. in person, via social media).
- b. **Access to Healthcare:** Finding equitable and sustainable solutions to the local impediments within our public health system may only be sought through persistent commitment and an exerted potential by diversified stakeholders. It requires all players – public authorities, non-governmental stakeholders, local communities and the healthcare

industry – to work synergistically together. To produce fruitful outcomes, we are committed to bring about sustainable, efficient and affordable means of help to people. For the sake of enabling such an initiative, Pharmacare pledges a responsibility to tackle the challenges thus enabling access by overcoming barriers. We pursue sustainable and comprehensive solutions that are tailored to local healthcare needs. In addition to our key contribution as a leader of generic medicines and diagnostics, we offer patient access programmes, aiming at improving affordability, investing in healthcare infrastructure, increasing public health awareness and advancing the prevention and early detection and monitoring of diseases. All such actions taken within Pharmacare are always assured to follow domestic laws, regulations and industry codes within the geographical locations where a given company might lay, whether in terms of pharmacovigilance, pricing policy, patient data protection, antitrust requirements or integrity standards related to interactions with business partners and other stakeholders

- c. **Innovation and assuming Leadership:** Pharmacare assumes a leading position within the world of pharmaceuticals in Palestine. We pride ourselves on leading the reputation of the innovative pharmaceutical company in the region. We strive to achieve high standards of quality in everything we do. As a term of success, Pharmacare must be aware of changing market situations and must strive for distinctively outstanding and excellent products through efficient business processes. This is the role assumed by quality management, with one of its key aims being the continuous improvement of business processes and products. Innovation is critical as it drives improvement and increased quality.
- d. **Communications with 3rd parties:** Pharmacare engages in real-time communications with healthcare professionals and healthcare organisations to share our recent innovations in products, research and services. These interactions are based on standards of ethics, integrity and fair remuneration for services. All activities, whether marketing of pharmaceutical and diagnostic products or any other interactions with healthcare entities are highly regulated. Pharmacare is committed to complying with all applicable laws, regulations, industry codes and internal Pharmacare processes and standards relating to good marketing practices and any interactions with healthcare professionals and healthcare organisations.



2. Personal Integrity:

We pride ourselves on a fine reputation marking probity and integrity

- a. **Conflict of Interest:** Pharmacare exerts zero tolerance with respect to interests, advantageous personal involvement or undue rewards with the potential to influence the objectivity of its employees or their personal associates with respect to his role in the company or the mode of performance of the company.
- b. **Gifts and Entertainment:** Gifts, hospitality or any other means of entertainment that may compromise objective, independent or professional judgement are not accepted by any of Pharmacare's employees.
- c. **Insider Information and Trading:** Pharmacare implies a strict perception against any improper disclosure of insider information to third parties outside its circle of confidentiality with respect to the relevant regulations and in compliance with the Group's Share Dealing Code. No employees, directors or officers are permitted to trade any insider information in return for personal advantage or profit. Relevant parties are consulted in cases of uncertainty as to whether particular information may be perceived as insider or otherwise.



3. Corporate Integrity:

An Embodiment of Integrity

- a. **Business Probity:** Pharmacare's capital lies in terms of its reputation as a business serving humanity in accordance with the highest standards set forward by Pharmacare. All employees are expected to contribute to the ethical perception of Pharmacare that goes in line with the Group's Code of Conduct marking the reflection of the business in a socially responsible fashion.
- b. **Taxation:** Pharmacare abides by the different taxes imposed in wherever country it functions. Those majorly comprise income taxes and value-added taxes. In compliance with the relevant authorities and to reduce double taxation, Pharmacare applies locally devised methods parallel to the OECD Transfer Pricing Guidelines for Multinational

Pharmacare PLC – An Expression of Trust

Enterprises and Tax Administrations. Pharmacare maintains a clean record before taxation bodies and relevant governmental authorities.

- c. **Data Privacy:** All processing of personal data, pertaining to employees, clients, partners or identifiable health information, must be in compliance with applicable data privacy laws and the Pharmacare principles.
- d. **Bribery and Improper Advantages:** Pharmacare does not permit any forms of bribery or the granting of improper advantage to any third parties. This includes but is not restricted to illegal rebates, unauthorized soliciting, kickbacks, gifts, fake agreements and under-the-table payments.
- e. **Antitrust Law:** Pharmacare expects all of its employees to comply with and abide by the spirit of competition permitting fair competition among companies producing generic and biosimilar products. Pharmacare, however, does not tolerate any actions taken to disparage any of its categories or subjects within unfair competition.
- f. **Data Precision:** Pharmacare maintains strict probity and integrity with respect to precision and accuracy of data and information disclosed to auditors and stakeholders like equity and debt investors, regulatory agencies and governmental bodies in light of a transparent reflection of the company's financial situation. Asides from Pharmacare's status, reputation and liability as a leading company in the region, employees, directors or officials that might practice any forms of falsifying or disclosing fake data may be severely penalized.
- g. **Customs and Export Control:** Pharmacare follows proper adherence of customs laws in terms of maintaining timely customs' clearance guided and supervised by experienced logistics departments. Pharmacare, further, abides by the export control regulations through not partnering with sanctioned potential collaborators nor proceeding with any access-restricted goods of all categories. It is crucial to assure that exported products should not be controlled nor require export/ re-export licenses by the authorities.

Further information and guidance: Pharmacare Directive on the Protection of Personal Data. These documents can be found on the Pharmacare intranet (website of Group Legal Department).



4. *E*mployment

Pharmacare sets a high bar for rewarding challenges

- a. **Discrimination and Harassment:** Pharmacare is committed to fair and equal treatment of all current and prospective employees, including equal opportunities for development and advancement. We are clear about our values condemning any form of discrimination or harassment in the workplace.
It is Pharmacare's policy to safeguard no discriminant actions against anyone on the grounds of ethnicity, origin, religion, HIV/ AIDS infection, citizenship, genetic information or such qualities protected under the applicable law. This set of guidelines applies to employment criteria, work discipline, promotions, compensations and terminations. Harassment and discrimination are treated and subsequently reported as misdemeanor.
- b. **A Safe Working Environment:** At Pharmacare, we endeavour to provide an environment comprising safety, security and health in nature. To do this, we aim to follow special related laws and regulations, particularly internationally acknowledged good practices. Our team at Pharmacare works coherently parallel to our line sustainable technologies to minimize impact on the environment and to provide an integrated safe, secure and healthy workplace.



5. *C*ompany Assets

Pharmacare's Assets are based on a Proper Management of Information

- a. **Confidentiality:** Competitive intelligence is part of our industry in the world of pharmaceuticals. At Pharmacare, we are specially cautious about the exposure of our internal strategies to third parties. Secrecy obligations are part of the employment contract and will continue to be in force after the end of employment.
- b. **E-Communication:** Electronic modes of communications within or in affiliation to Pharmacare should comply with our exclusive use and recruitment of such tools for or in favour of the Pharmacare business, unless exceptionally authorised. Such tools may comprise hardware like telephones and computers, as well as social media, like e-mail, blogs and Facebook. A prior review and approval from the local communications department must be sought in order to conduct online activities “on behalf of the Company”. We take such activities quite seriously and are always cautious to maintain dedicated regulation. If an employee creates a Pharmacare external digital channel (e.g.

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whether pertaining to websites or external media pages), the channel must be registered in the Global Digital Registry.

- c. **Intellectual Property Rights**: Pharmacare's valuable assets are protected by means of intellectual property laws i.e. trademarks, regulatory data, copyrights, domain names and such privileges. Pharmacare supports initiatives, which are designed to foster a legal and regulatory environment that protects intellectual property rights.
- d. **Records and Documentation**: Employees at Pharmacare are anticipated to think as to when decisions pertaining to records management are to be at discretion, or else should involve a senior member consultation. Such considerations may involve whether or not it is necessary to create, destroy or share records. Convenience records fit into this category, whereas official records ought to be followed in compliance with the regulations. Records affiliated with any imminent legal or regulatory investigation must be retained until the relevant case is a closed.



Palestine



Malta





6. *R*esponsible Business

Creating a sustainable environment for our current stakeholders and future community

- a. **Sustainability:** It is our priority at Pharmacare to not only aim at industry, but to contribute to our society by means of quality products, trustworthy partners, community service and a transparent reflection towards our people. Pharmacare has succeeded in maintaining this legacy owing to its long-term vision founded by its establishing entrepreneurs and forming the hardcore skeleton of its business theme and Mission Statement. We seek the economy, the environment, the patients and our stakeholders as holistic entities and we endeavor to serve each to the best standard possible. We recruit various modes of media to reach out to a diversity of our audience; we reflect topics of interest to our stakeholders; we are in seek of a variety of systems, electronic info databases and information technology tools to enhance the level of our services and to maintain the reputed image we reflect.
- b. **Stakeholder Engagement:** Pharmacare follows internally developed policies and guidelines as to their transparency with respect to stakeholders. An explicit exposure and an open dialogue with our stakeholders; comprising partners, employees, investors,

media entities, NGOs and many others, promotes a crucial strategy towards our sustainability and our mode of function. We endeavor to keep our stakeholders engaged within our company affairs by means of following the aforementioned policies, and through assigning each his role within our followed ‘‘Division of Labour’’ Concept.

- c. **Government Officials:** Working in proximity with government officials is a sensitive area, which we are aware of at Pharmacare. We endeavor to maintain proactive and transparent relationships with governmental bodies to contribute to better sought outcomes, whether in terms of economic stability, social expansion or environmental protection. Our employees are committed to complying by all relevant laws and regulations on working with government officials, especially in relation to political support and complicit financial endowments.
- d. **Business Partners:** Pharmacare honours its relationships with the different business partners, with whom we establish connections based on first-hand assurance measures of a due-diligence. Provided we deduced positive outcomes corresponding to a potential partner’s credibility, integrity and suitability, we sign a contract stipulating that this partner pledges abidance by the laws and regulations governing such partnerships, alongside the general codes of industry and particular code of ethics. In cases of uncertainty, the other party is anticipated to seek consultation through our Pharmacare Chief Compliance Officers. Pharmacare reserves the right to seek remedial measures or terminate a contract once the other party does not comply with the relevant regulations or the contractual terms over which they signed. Viable contracts with the right business partners are apt to enhance sustainability and contribute to the success of Pharmacare.
- e. **Patient Groups:** Pharmacare assumes a transparent communication with patient groups promoting a key factor towards developing the line of its generic products and the enabling of its regulatory approvals. Developing good relationships with our patient groups sanctions our greenlight towards disease awareness campaigns and clinical trial design. Pharmacare follows relevant laws, regulations and ‘‘Good Practice’’ guidelines of dealing with patient groups to enable a mutually beneficial environment.
- f. **Philanthropic Initiatives:** We, at Pharmacare, pride ourselves on demonstrating a rich history of philanthropic initiatives, whether in the form of targeted donations, event promotions, awareness campaigns and endowments to special needs groups. Such non-commercial sponsorships mirror our values fostering a public advantage and a social impact with the potential to enhance welfare.



7. *C*omprehensive Compliance Management

Corporate Compliance – Our Discipline Strategy at
Pharmacare confers an integral potential towards success

- a. **Compliance Responsibilities:** At Pharmacare, it is a strict thumb-rule to comply with all relevant laws and regulations amid this highly regulated area of the business accordingly. Pharmacare is not only about seeking results, but is also about the means of how those results were sought. Thus, Pharmacare has set forward a Compliance Management System granting support to both employees and Line Managers in respective ways to enable proper leadership and subsequently abate non-compliance.
- b. **Compliance Officers:** Compliance Officers at Pharmacare are in charge handling and coping with any cases of uncertainty by employees and stakeholders, as well as assessing any complaints or related queries by the public. Compliance Officers also ensure that all

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“Good Practice” activities are followed and implemented accordingly, and that our current Compliance tools are constantly reviewed and updated.

- c. **Addressing non-compliance:** All employees at Pharmacare are assumed to follow our Code of Conduct reflecting 100% compliance to the relevant laws, regulations, industry codes and internally issued principles, unless proven otherwise. Compliance Officers and Human Resources at Pharmacare are in charge of arranging for internal or external investigations and subsequent corrective measures once a case of non-compliance has been suspected and subsequently proven. Top Management and Chief Compliance Officers at Pharmacare are exposed to track and monitor alleged violations, from initial reports through to resolution. Results of such positive allegations are published in the annual reports issued by Pharmacare PLC.

Further information and guidance: Pharmacare Directive on adequate handling of non-compliance cases and the Pharmacare Directive on Business Ethics Incident Reporting. These documents can be found on the Pharmacare intranet (website of Group Legal Department).