

## ***R U L E S***

### ***of conduct of suppliers***

### ***of “Antibiotic” Group\****

#### ***I. Introduction***

**“Antibiotic” Group** as a supplier of high-quality products and services, complying with and maintaining the principles and standards of Good Practices in the manufacture and distribution of generic drugs for human use, relies on its business partners to observe the principles of ethical behaviour and integrity laid down in the present Rules for Conduct of Suppliers (RULES), which is the basis for business relations of trust.

#### ***II. Defining guiding principles and responsibilities***

##### ***1. Compliance with legislation, standards, guidelines, principles***

We expect our partners to comply with all applicable laws and regulations of the national legislation, international standards, guidelines and principles, in particular the principles of the United Nations (UN) Global Compact, the Universal Declaration of Human Rights, UN conventions and the International Labor Organization.

These RULES of conduct and the above documents cannot be circumvented in contractual agreements.

##### ***2. Preventing corruption***

We seek and expect business relationships based on trust, transparency and mutual responsibility. We demand fair competition; not allowing offering and/or acceptance of bribes; avoiding conflicts of interest related to financial or other arrangements.

##### ***3. Antitrust and competition law***

Business partners must refrain from any agreements and arrangements that restrict competition and/or lead to market or customer allocation.

##### ***4. Keeping accurate records***

Our partners are required to maintain correct documentation, conduct appropriate quality audits, and provide data upon request to ensure traceability of processes.

***\*Antibiotic Group (Antibiotic) involves:***

“Antibiotic – Razgrad” AD - parent company

“Balkanpharma – Razgrad” AD – subsidiary

## **5. Fulfilment of business obligations, business integrity and fair transactions**

We rely on our partners to fulfil their business obligations actively and openly. All transactions should be carried out in a transparent manner and accurately reflected in the Supplier's documentation.

## **6. Disclosure of information**

Information related to the supplier's health and safety practices, environmental protection, financial condition should be disclosed in accordance with applicable national and international laws and regulations.

## **III. Work conditions**

### **1. Health and safety**

We expect our partners to ensure good health and safety practices in all areas of their activity, including: occupational safety, emergency preparedness, disease reporting, safe working environment.

### **2. Working hours**

Working hours must comply with applicable national and international legislation.

### **3. Remuneration**

Suppliers ensure that the remuneration they pay to their employees complies with the legally established minimum standards.

## **IV. Human rights**

### **1. Freely selected employment**

No labour should be used, including transportation, harbouring, recruitment, transfer or acceptance of persons by means of threat, force, coercion, abduction or fraud for work or provision of services.

### **2. Child labour**

No child labour should be used at any stage of the supply chain.  
No form or any form of exploitation of children and adolescents is tolerated.

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### **3. *Forced labour***

Any form of forced labour that violates human rights is prohibited.

### **4. *Disciplinary measures***

All employees, including temporary workers, migrants, and students, should be treated with dignity and respect. It is inadmissible imposing sanctions, fines, other punishments or disciplinary measures, unless they are in accordance with the applicable national and/or international standards.

### **5. *Absence of discrimination***

Measures need to be taken to ensure that their employees are not subject to verbal, mental, sexual and/or physical harassment, violence and abuse by applying the current legislation on non-discrimination.

### **6. *Freedom of association***

Suppliers should respect the right of all workers to form and join trade unions of their own choice, the right to collective bargaining and the right to peaceful gatherings, as well as respect the right of workers to refrain from such actions. Workers and/or their representatives should be able to communicate openly and share with management regarding working conditions and management practices without fear of discrimination, intimidation and/or harassment.

## **V. *Environment***

All suppliers should comply with applicable environmental laws and regulations, including procurement of permits, reporting, pollution prevention and reduction of resource use, controlled use and reduction of waste water, monitoring and control of harmful emissions in the air.

## **VI. *Final provisions***

### **1. *Protection of information, assets and interests***

Suppliers undertake a commitment to protect the reputation of **“Antibiotic” Group** and any information entrusted to them and to which they have access, including intellectual property, trade secrets or financial information.

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## **2. Changes in the RULES of conduct**

**“Antibiotic” Group** reserves the right to update, amend or change the requirements of the RULES of conduct of Suppliers.

*Nothing contained in any documents issued by Suppliers shall be deemed to change or modify any part of these RULES.*

## **3. Adoption of the RULES of conduct and entry into force**

The RULES of conduct for Suppliers shall enter into force from the date of its adoption by the Board of Directors of *Antibiotic – Razgrad AD* and shall apply to the companies in **“Antibiotic” Group**.

**4. Familiarization with and acceptance of the RULES of conduct** - Suppliers shall fill out a form provided to them, an integral part of the RULES.

***Adopted by Protocol dated 27.10.2022. from a meeting of the Board of Directors of “Antibiotic – Razgrad” AD.***

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