

Antibiotice **at**

CODE OF ETHICS ANTIBIOTICE SA

General Director's Message

Dear colleagues,

You have joined a company with over 65-year experience in the pharmaceutical market. A company seeking always to put its employees' intelligence in service to those who need its support. A company whose mission is to achieve valuable and affordable medicines as a means of providing healthcare.

We are honest, compassionate and always concerned with modernizing our work and products. We strongly believe that a valuable medicine is not necessarily an expensive one, but a medicine people can afford and brings the company a reasonable profit. A profit that satisfies our shareholders and allows us to target performance, permanently investing in people, technology and carefully selected partners.

We aim to continually meet the expectations of our consumers and customers, business partners, shareholders, community and, not least, our employees. For these reasons, we assume an honest behavior towards all the stakeholders. Each of our employees represents Antibiotice, having the duty to respect and implement the Code of Ethics.

In everything you do, do not forget to ask yourself if the decisions you are about to take do not breach the state laws and ethics assumed by the society. If the recommendations of this Code of Ethics do not seem to be sufficient, ask yourself the following questions :

- *What am I going to do is correct? Do I defend the truth and honesty ?*
- *Would I feel comfortable if my actions were made known to my loved ones or whether I should accept the consequences of these actions?*
- *Are my decisions in favour of my company's image?*

If the answer is "no" to any of these questions then it is better to ask for your colleagues' opinion before acting. Choose every time the correct, legal path which brings you peace and safety and leads to an increased prestige of your company.

The principles and values set out in this Code of Ethics are meant to highlight the elements that substantiate the company's policy in terms of ethics and morality.

Assuming these values is essential for ensuring the prosperity of Antibiotice S.A. and therefore, all decisions on the human resources management in matters of salary, motivation, promotion or retention will be influenced by the compliance with the Code of Ethics.

*General Director
Ioan Nani, Economist*

PRELIMINARIES

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A. This Code of Ethics (hereinafter referred to as the “Code”) sets out principles and rules intended to determine an honest professional conduct and create an organizational culture based on integrity standards in accordance with the law in force.

B. The fundamental ethical values assumed by ANTIBIOTICE S.A. (hereinafter referred to as “Company”) are:

- a. Integrity
- b. Professionalism
- c. Responsibility
- d. Transparency

C. The provisions of the Code of Ethics are mandatory and will be applicable to all the company’s structures, members of the Management Board, Directors (hereinafter referred to as “administrators”), employees and company’s collaborators (hereinafter referred to as “employees”). Director of the company, within the meaning of this regulation, is only that person to whom the Management Board has delegated company management duties through a mandate contract. The Code will be brought directly to the attention of administrators and employees and will be published on the Company's website to be communicated to commercial partners, business community and to the interested public.

CHAPTER 1 - PRINCIPLES AND RULES

1.1 INTEGRITY PRINCIPLES AND RULES

Art.1 (1) The Company is defined as an ethical partner in business that cultivates respect, loyalty and fairness in the relationships with third parties and its own employees.

(2) The Company will responsibly select its business partners, taking into account the compatibility of trade objectives as well as ethics and integrity in business.

Art.2 Recruitment, selection and promotion of employees shall be made in a transparent, fair and non-discriminatory manner, based on criteria clearly defined by the Company and brought to the attention of the concerned parties.

Art.3 (1) The company will help improve the health of the population, providing quality and affordable medicines.

(2) The company assumes the membership of the local community and aims to support the academic and sports performance, key factors in maintaining the health of the population.

Art.4 The Company's administrators and employees will perform their duties only in the company's interest, having an integrity behavior at all times in relation to the Company, business partners and authorities, observing the legislation in force, internal regulations as well as the norms of good social conduct.

Art.5 The administrators and employees will adopt the values of the Code of Ethics, treating the other employees with dignity and respect, regardless of race, nationality, ethnicity, age, sex or sexual orientation, religion or social class.

Art.6 The administrators and employees of the Company:

- a. will not abuse the position they hold;
- b. will not use the information obtained when exercising their positions in activities that are not related to them;
- c. will not use the Company's assets in their personal interest, nor will they appropriate them without its consent.

Art.7 (1) The administrators and employees of the Company will not be involved, directly or through intermediaries, in commercial relations with the Company nor in share transactions with its affiliated parties¹.

¹ According to the provisions of the Fiscal Code in force on the date of approval of this Regulation, a person is affiliated if his/her relationship with another person is defined by at least one of the following cases:

- a) a natural person is affiliated with another natural person if they are spouses or relatives up to the third degree inclusive;
- b) a natural person is affiliated with a legal person if the natural person owns, directly or indirectly, including the holdings of affiliated person, at least 25% of the value/number of shares or voting rights of a legal person or if he/she controls effectively the legal person;
- c) a legal person is affiliated with another legal person if it owns at least, directly or indirectly, including the holdings of affiliated person, at least 25% of the value/number of participation titles or voting rights in the other legal person or if it controls effectively that legal person;
- d) a legal person is affiliated with another legal person if a person owns, directly or indirectly, including the holdings of affiliated persons, at least 25% of the value/number of participation titles or voting rights in the other legal person or if it controls effectively that legal person.

Art.8 The persons convicted, by final court decisions, for fraudulent management or corruption and service offenses as defined in the Penal Code cannot be members of the Company's Management Board or Directors.

Art.9 The Company's administrators and employees will not require or accept, directly or by intermediaries, any bribe or other undue benefits in order to perform or not to perform a task in connection with the Company and will denounce immediately any proposal made in this regard.

Art.10 The Company's administrators and employees will not promise, bribe or offer any other undue benefits, directly or by intermediaries, to the civil servants, business partners or to any other persons or legal entities and they will denounce immediately any request made in this regard.

Art.11 The administrators and employees of the Company will strictly maintain the confidentiality of the information obtained in the exercise of their position. The members of the Management Board, Directors as well as the staff with managerial positions are obliged to maintain confidentiality for a minimum seven(7)-year period after ceasing the relation of work with the Company.

Art.12 With the exception of persons empowered by the Management Board or by the Directors, the Company's administrators and employees are not allowed to make public statements about the Company or its employees. The Company's administrators and employees shall refrain from any action that could prejudice the image of the Company or of the products/ brands in its portfolio.

1.2 PRINCIPLE OF PROFESSIONALISM

Art.13 The administrators and employees of the Company have the obligation to make every effort to effectively and efficiently fulfill their duties, being directly responsible for compliance with legality in the acts and actions they perform.

Art.14 The level of professionalism of the Management Board's members, Directors will be a high one, so as to be able, through their previously gained professional experiences, to have a good understanding of the markets in which the Company operates and to cope with the challenges and current issues the Company faces.

Art.15 The activity of the Company's administrators and employees will be guided by the principles of legality and efficiency, being oriented towards increasing the degree of satisfaction of shareholders and customers but also towards economic sustainability (the efficient use of human resources and assets to allow the company to operate in the long term).

Art.16 The administrators of the Company will comply with the Operating Regulations of the Management Board, having during the entire period of their mandates a professional and moral conduct appropriate to the position they hold, being aware that they represent the image vectors of the company.

Art.17 Throughout the period of performing their tasks, the Company's employees will observe the work discipline and internal regulations, will have a proper attire and a decent behavior in accordance with the position within the company and with the representation role in the relations with trading partners or authorities.

Art.18 Unless they are in conflict of interest, incompatibility or in medically justified cases, the Company's administrators and employees of the Company will not refuse to perform a service assignment for personal reasons, and the way in which they will carry out the assignments will not be influenced by personal reasons.

Art.19 The Company's administrators and employees will not exceed the limits of their competence and authority with which they were invested and will not perform activities for which they do not have the necessary professional competence or which are illegal.

1.3 PRINCIPLE OF RESPONSIBILITY

Art.20 The Management Board and the Directors assume the responsibility towards shareholders for managing the Company, aiming with the highest priority for it to achieve economic profitability and sustainable financial performance in the long term.

Art.21 The Management Board and the Directors assumes the responsibility for research, development and innovation as well as for the human capital development in order to ensure the Company's competitiveness and generate long-term added value.

Art.22 The Company's administrators and the employees assume their decisions, their implementation being done through a fair delimitation of attributions, in accordance with the good corporate governance practices.

Art.23 Environmental responsibility is another principle of the company's activity. Operation of equipment complying with the safety and environment protection standards, recycling waste and limiting the emissions of technological residues represent objectives assumed by the Company.

Art.24 Social responsibility is assumed by the Company and presupposes respect for human and social values both nationally and in all the external territories in which its business operates. Promotion of internal projects and programs for the development of employees and cultivation of their responsible behavior is also a responsibility assumed by the Company.

Art.25 The company assumes its responsibility for the health of population, supporting through the „Antibiotice Science and Soul” Foundation the sport, people with special needs, medical professionals and various social cases, adopting a sponsorship policy in accordance with to this vision.

1.4 PRINCIPLE OF TRANSPARENCY

Art.26 The company assumes the principles of decision-making transparency in accordance with the norms of good corporate governance as well as the principles of transparency on information of public interest.

Art.28 The Company applies an active policy of communication and consultation with all shareholders, ensuring their participation in general shareholder meetings and making possible their involvement in the decision-making process.

Art.29 To contribute to the proper functioning of the capital market, the Company takes the necessary measures so as the "privileged information" to which the administrators or employers have or may have access before it becomes public, not to be used for personal interest to obtain financial benefits or other personal advantages. Disclosure of this information to other people constitutes a violation of this Code and of the relevant legislation.

Art.30 The company will periodically publish the financial and corporate governance reports in the format and at the terms set by the normative acts and by the regulations of the Bucharest Stock Exchange.

Art.31 The administrators will communicate information on the company's activity to the shareholders and to the Public Tutelary Authority whenever requested or necessary, respecting the legislation in force on transparency in communication and ensuring the equal treatment of shareholders, as well as the communication mode established by the Management Board's Operating Regulations.

Art.32 The Company will publish on its website at least the following information of public interest :

- a. GSM decisions within 48 hours after their approval;
- b. annual financial statements, within 48 hours after their approval;
- c. half-yearly accounting reports, within 45 days from the end of the semester,
- d. the annual audit report;
- e. the list of administrators, directors, their remuneration and CVs;
- f. reports of the Management Board,
- g. the annual report on the remunerations and other incentives granted to the administrators and directors;
- h. The Code of Ethics, within 48 hours after its approval.

CHAPTER II. - CONFLICTS OF INTERESTS AND INCOMPATIBILITIES. SETTLEMENT RULES

Art.33 The conflicts of interest represent the situations in which the administrator or employee of the company has a personal interest that influences or can influence the fulfillment of his/her duties with impartiality and objectivity. The personal interests of the administrator or the employee may include a benefit for himself/herself or his/her family, for his/her close relatives, for friends, for persons or organizations with which they have business relations. The personal interest can also refer to any financial or moral debts that the administrator or the employee has towards the persons listed above.

Art.33¹ Incompatibility represents that situation in which the administrator or employee of the commercial company holds, simultaneously, two or more positions, the combination of which is prohibited by law. The regulation of incompatibility situations aims to maintain impartiality in the exercise of service duties, considering that the positions hold in a state of incompatibility can influence each other, so they can no longer be exercised in conditions of objectivity.

Art.34 The company's administrators and employees shall refrain from any act which constitutes a conflict of interest or a situation of incompatibility and shall immediately notify the Management Board or the hierarchic chief where appropriate, about:

a. his/her interest, her husband's/his wife's interest, interest of a relative or affine up to the fourth degree inclusive in the decision that he /she should make it personally or to which he/she must participate or in the action he/she should take in carrying out its job duties;

b. the fact that he/she is in business relations with a legal person or in friendship or business relations with a natural person in connection with which he/she should make a decision personally, or should participate in making a decision, or in connection with which he/she should perform an act in the performance of his/her duties;

c. the fact that he/she has benefited or is benefiting from a person in relation to whom he/she should make a personal decision, or should participate in making a decision, or in relation to whom he/she should perform an act in the performance of his/her service duties;

d. any personal interests that may conflict with the exercise of mandate or service duties and will avoid situations where such conflicts of interest may arise.

e. his/her capacity, that of his/her spouse or of a relative or affine up to the fourth degree inclusive, as a founder, shareholder, partner, member of the Management Board, member of the board of directors, director of a legal entity (commercial or non-commercial), if the Company is to establish business relations or other types of relations that produce financial effects with this legal person.

f. the fact that he/she holds two or more positions, the combination of which is prohibited by law or other applicable administrative acts.

Art.35 The administrators and employees who are aware of the existence of a conflict of interest or an incompatibility within the Company, will immediately notify the Ethics and Integrity Council in writing.

Art.36 The Management Board's President or the General Director, as the case may be, will not knowingly allow administrators or employees of the Company to perform their duties in a situation of conflict of interest or incompatibility. In such situations, the Ethics and Integrity Council will be notified, in order to identify a solution in accordance with the provisions of this Code and the applicable legislation.

Art.37 The solutions for managing the conflict of interests and incompatibilities will be established by the Decision of the Management Board, for conflicts of interests of administrators, or by Decision of the General Director, for conflicts of interests of employees. In both situations, the decision will be taken based on a written report of the Ethics and Integrity Council, issued following a detailed investigation of the conflict of interest or incompatibility situation.

Art.38 (1) The main options for resolving conflicts of interest or cases of incompatibility will be:

- a. the person in conflict of interest will give up to the personal interest;
- b. the person in a situation of incompatibility will renounce the cumulation of positions or capacities;
- c. recusal, respectively ceding on one's own initiative the responsibility of taking the decision or abstaining from voting, with prior information to all parties affected by the respective decision regarding the measures taken to protect the correctness of the decision-making process;
- d. prohibiting the involvement of the person with a conflict of interest in the decision-making process, without prejudice to his or her duties, if the conflict has a low probability of repeating itself;
- e. restricting the access of the person in conflict of interest to certain information;
- f. redistributing the work tasks and responsibilities or the transfer of the person in conflict of interest to a non-conflicting position, if the conflict presents a high probability of repeating itself.

(2) Any other legal measure may be adopted in the resolution of conflicts of interest or incompatibility situations, depending on their concrete nature, the damages caused to the company, the risks to which the Company was subjected as a result of not reporting the conflict and any characteristic elements.

Art.39 Decisions taken or legal documents signed by persons in conflict of interest are revocable through the Management Board's or General Director's decision, as the case may be.

CHAPTER III - The Ethics and Integrity Council

Art.40 The Ethics and Integrity Council has been founded within the Company by Decision no. 34/1481P/06.02.2015 of the General Director, having the structure, powers and work procedures established by Chapter VIII of the "Code of Good Practices of Antibiotice S.A".

Art.41 The Ethics and Integrity Council will supervise the observance of the provisions of the Code of Ethics and any violations of these provisions will be considered an incident of ethics.

Art.42 The Ethics and Integrity Council will analyse all the incidents of ethics which breach the provisions of the current Code whether it was notified of these incidents through a referral or took notice about them and it will rule on them in a written report in which it will propose to the Management Board or General Director, as the case may be, measures it considers necessary.

CHAPTER IV. - Penalties

Art.43 Violation of the provisions of the Code of Ethics by the administrators represents deviations from the way of administration of the Company established by the shareholders through the Letters of Expectations and assumed by the mandate contracts and may attract sanctions according to the mandate contracts and to the Operating Regulations of the Management Board.

Art.44 Violation of the Code of Ethics by the Company's employees represents a misbehavior and may incur penalties in accordance with the Law 53/23 on the Labour Code.

This Code of Ethics was approved by the Management Board of Antibiotice S.A. in the meeting held on January 29, 2017 and updated in the meeting held on October 28, 2021.

Annex to the Code of Ethics

PROCEDURE REGARDING THE DECLARATION OF GIFTS BY THE ADMINISTRATORS OF THE COMMERCIAL COMPANY

1. PURPOSE OF THE PROCEDURE

The purpose of this procedure is to establish how the administrators of the commercial company will declare and present to the head of the commercial company, within a maximum of 30 days from receipt, the goods they received free of charge as part of protocol activities related to the exercise of the mandate, in accordance with the requirements of Law no. 251/2004 on some measures regarding goods received free of charge on the occasion of protocol actions in the exercise of service duties. This procedure does not apply to the Antibiotice employees.

2. LEGISLATION

- Law no. 251/2004 on some measures regarding the goods received free of charge on the occasion of some protocol actions in the exercise of the mandate or position;*
- Law no. 161/2003 on some measures to ensure transparency in the exercise of public dignities, public functions and the business environment, prevention and sanctioning of corruption, with subsequent amendments and additions;*
- Decision of the Government of Romania no. 1269/2021 on the approval of the National Anti-Corruption Strategy for the period 2021-2025.*

3. DEFINITIONS

- the head of the commercial company = General Director of Antibiotice S.A.;*
- gift = good received free of charge as part of protocol activities in the exercise of the duties specific to the administrator position of the commercial company;*
- the Antibiotice S.A. administrators who fall into one of the categories mentioned in art. 1, para. 1 of Law no. 251/2004 = persons who are members of the Management Board of the trading company and who have the obligation to submit asset declarations.*

4. PRINCIPLES

The principles underlying the gift declaration procedure are:

- principle of transparency;*
- principle of equal access to public information;*
- principle of guaranteeing the protection of personal data;*
- principle of guaranteeing the availability of public information, according to Law no. 161/2003 regarding some measures to ensure transparency in the exercise of public dignities, public functions and business environment, prevention and sanctioning of corruption, with subsequent amendments and additions.*

5. DESCRIPTION OF THE PROCEDURE

The administrators of the company bring to the attention of the Inventory Commission, by means of a declaration (the attached form), within 30 days of receipt, the goods they received free of charge as part of protocol activities in the exercise of specific duties.

The Inventory Commission inventories and evaluates the goods received free of charge as part of some protocol activities considering the market prices for them.

The declaration is made in writing and is accompanied by the goods to be handed over, including the following information:

- 1. the name and surname of the administrator;*
- 2. the detailed description of the delivered good;*
- 3. description of the circumstances in which the good was received;*
- 4. date and signature.*

The declarations will be recorded in a register drawn up for this purpose.

If the value of the goods inventoried by the Inventory Commission is higher than the equivalent in lei of 200 euros, the administrator who received the goods can request to keep them, paying the difference of value.

If the value of the goods established by the Inventory Commission is below the equivalent in lei of the sum of 200 euros, they are kept by the administrators.

In cases where the administrator who received the goods did not request to keep them, at the proposal of the Inventory Commission, the goods remain in the patrimony of the commercial company.

At the end of each year, the list containing the goods deposited according to Law no. 251/2004 and their destination is published on the website of the commercial company.

In the process of inventorying and evaluating gifts, medals, decorations, badges, orders, scarves, necklaces, and the like, received in the exercise of specific duties by administrators, as well as the office objects with a value lower than the equivalent in lei of 50 euros are excluded.

6. INVENTORY COMMISSION

The general director decides the establishment of an Inventory Commission that will evaluate and inventory the goods received free of charge as part of some protocol activities in the exercise of the duties specific to the position of administrator of the commercial company.

The Inventory Commission is made up of 3 employees from the commercial company, i.e. 1 president and 2 members with higher education and experience in the field of legal and/or economic sciences.

Responsibilities of the Commission:

- receives the administrators' declarations regarding the goods received free of charge as part of some protocol activities, in the exercise of specific attributions;*
- registers and keeps track of the quantity and value of goods received free of charge by administrators, as part of protocol activities;*
- evaluates and inventories the goods received free of charge by administrators as part of protocol activities;*
- return to the administrators, the goods whose assessed value is below the equivalent in lei of 200 euros;*
- approves the keeping by the administrators of goods with an assessed value that is above the equivalent in lei of 200 euros, provided that they pay the difference in value.*
- proposes keeping the assets in the company's patrimony if the administrators do not want to keep them;*
- ensures the publication of the list including the deposited goods and their destination;*
- ensures the preservation and security of goods.*

DECLARATION ON THE GOODS RECEIVED FREE OF CHARGE AS PART OF SOME PROTOCOL ACTIVITIES IN THE EXERCISE OF ADMINISTRATOR'S MANDATE

The undersigned,administrator of Antibiotice S.A. in accordance with the provisions of Law no. 251/2004 on some measures regarding the goods received free of charge on the occasion of some protocol actions in the exercise of the mandate or position, knowing the provisions of art. 292 of the Penal Code regarding false declarations, I declare on my own responsibility that I received the following goods free of charge as part of the protocol activity in the exercise of the mandate:

Date:

Signature:

Antibiotice **at**

