

Liba Laboratuvarları A.Ş

Donations and Sponsorship Policy

June 8, 2020

1. PURPOSE AND SCOPE

Liba Laboratuvarları A.Ş. (together referred as “Liba” or “the Company”) Donation and Sponsorship Policy (“the Policy”) is aimed at determining the principles of donation and sponsorship decisions and carrying out the relevant processes in a manner that is safe and conducive to the Company’s reputation.

This Policy applies to all Liba employees, subcontractors, customers, suppliers, and all other stakeholders.

2. DEFINITIONS

The terms, words, and expressions used in this Policy are to derive their meaning from the effective laws and regulations unless their definition is provided under this section.

Donation: Refers to contributions in the form of money or service with an aim to serve the public interest or realize a social goal for people in need (For example, donating cash or supplies to a charity.).

Employee: Refers to employees at all levels acting on behalf of Liba, including the regional manager, manager, staff, temporary staff and subcontractors.

Ministry: Refers to the Turkish Ministry of Health.

Public Official: Refers to those who work in domestic or foreign government institutions for a salary in order to serve citizens. For example, a health worker working in a public hospital is referred to as a public official.

Scientific Convention: Refers to workshops, seminars, symposiums, courses and meetings organized by the Ministry, national or international associations, health institutions or organizations, universities, physician/dentist/pharmacist professional organizations or license/permit holders, or healthcare professionals in order to provide information on a scientific subject.

Sponsorship: Refers to contributing to an event, person, group, institution, activity or organization by providing capital, products, service, etc. Corporate benefit is aimed by increasing visibility as a result of sponsorship. (Examples include sponsoring aircraft, congress, registration, transportation, accommodation etc. expenses of healthcare professionals for scientific conventions and congresses aimed at improving their professional capabilities.)

Stakeholder: Refers to real and legal persons who may or may not be affected by the activities, goals, policies, and outputs of a company or organization.

Third Party: Refers to persons that act on behalf of Liba, including but not limited to distributors, vendors, intermediaries, consultants, representatives, contractors and subcontractors.

3. GENERAL PRINCIPLES

The Company aims to protect itself against all kinds of sanctions by ensuring that all its employees, customers, suppliers, and other third parties comply with local and international laws and regulations on bribery and corruption.

A donation and sponsorship request received by the company must be evaluated by the relevant manager(s) and the General Manager. Donations and aids must be made to the individuals in need, or to the institutions or organizations that legally operate for causes of social responsibility. Payments must be made in accordance with the law, not to provide any privilege nor to obtain a business opportunity or to maintain a business relationship. The decision to engage in a donation or sponsorship should be carefully weighed and evaluated before any action is taken. All donations and sponsorships must comply with the Liba Code of Ethics and Business Conduct and related policies, the Regulation on Promotion Activities for Medicinal Products or Medicines, and the Regulation on Pharmaceutical Promotion Principles and Relations with Healthcare Professionals.

In an effort to prevent negative events that may occur as a result of Liba's donation and sponsorship activities underlined by social responsibility efforts, an evaluation about the relevant people and institutions should be conducted before moving forward with a donation or sponsorship. Market, internet, social media, and sanction lists may be reviewed for evaluation purposes. Reviews and results must be recorded.

For all donations and sponsorships,

- Name of the receiver of the donation or sponsorship,
- Content of the donation or sponsorship,
- Total amount of the donation or sponsorship,
- Permits and authorizations obtained before the donation or sponsorship,
- The Third-Party Recognition Form (“TPRF”) as filled out by the receiver of the donation or sponsorship,
- The third-party due diligence report and all relevant documentation,

must be obtained, recorded to the appropriate debit accounts, and retained transparently.

Information on the legal name, address, corporate affiliation and key executives of the third party must be requested on the TPRF. The accuracy of the information must be confirmed by a reconciliation between the TPRF and the third-party due diligence report.

Donations or sponsorships aimed, directly or indirectly, at public officials, politicians, political candidates, institutions or organizations are strictly prohibited. Company assets or resources (vehicles, laptops, telephones, facilities, products, etc.) should not be allocated to such individuals or organizations.

Donation and sponsorship budgets are determined through annual consultations with the General Manager, and the approval of the General Manager is obtained before any donation and sponsorship activity takes place. If any third party is doubted before a donation or sponsorship engagement, the Compliance Officer must be contacted and approval must be sought.

4. RESPONSIBILITIES PERTAINING TO CONGRESSES AND SCIENTIFIC CONVENTIONS

Due to the sector in which the Company operates, it may remain in contact with private healthcare professionals and public officials to promote products. Liba employees should avoid actions that might damage the Company's respectability in these relationships, and should avoid situations that might create the perception of bribery or corruption. In this context, visits by Liba employees to Public Officials for product promotion purposes must be recorded and reported to the Compliance Officer at regular intervals.

In order not to fall in compliance with local or international legislation nor to face a sanction, donations and sponsorships (airfare, accommodation, transportation, congress registration fee, etc.) aimed at scientific conventions, congresses, promotional stands, and speeches must fully comply with the relevant regulations published by the Ministry of Health and the Liba Code of Ethics and Business Conduct.

The main issues to be considered regarding scientific conventions and congress sponsorships are as follows:

- The Company must report contributions to scientific conventions as instructed by the Ministry of Health, and report via the Electronic Document Management System of the Ministry of Health (“EBYS”) on the company name, congress location, convention title, dates and total cost of the related convention.
- Sponsorships made for congress attendances must be made directly to the organization organizing the event, and not to healthcare professionals.
- The Company may sponsor healthcare professionals four times in a year—two of which must be for domestic events.
- A value transfer form must be signed by the sponsored healthcare professionals and the form must be retained properly for at least 5 years.
- Except for international scientific conventions that are held in different countries every year in order to prevent perceptions bribery, the Company must not organize nor support conventions at holiday resorts between December 1st - March 1st and June 15th – September 15th.
- Persons (spouses, relatives, guests, etc.) other than professionals must not be invited to conventions and their expenses must not be covered.
- In order avoid negative perceptions, airfare and accommodation must be arranged for dates that are closest to the convention. For further information, please visit Liba Laboratuvarları A.Ş. Expense Policy.

In the event that the Company decides to work with an agency for scientific conventions and congress organizations, a third-party due diligence assessment must be conducted. If no evidence indicates threat to the Company's reputation, the engagement must proceed contractually.

Liba employees must evaluate the cost (airfare, accommodation, transportation, congress registration fee, etc.) of each congress and scientific convention through a

quote from the contracted agency, and evaluate the quote on the basis of the standards set forward by the Ministry of Health.

5. AUTHORITIES AND RESPONSIBILITIES

As all employees are required to comply with this Policy, it is the responsibility of the General Manager and the Compliance Officer to ensure the enforcement of this Policy.

The violation of the policy constitutes an important disciplinary offense and may result in disciplinary actions requiring verbal or written warnings, or the termination of employment.

In the event of witnessing behaviors that violate this policy, employees may report to;

- libaetikhatti@liba.com.tr
- The Compliance Officer, or
- The General Manager.

This Policy is periodically reviewed by the Compliance Officer in line with evolving legal obligations and Company processes.