Lenis

Guidelines for Business Partners

Ljubljana, April 2025

Guidelines for Business Partners

These guidelines are designed to ensure that all business partners of Lenis farmacevtika d.o.o., together with daughter companies and contractors (hereinafter referred to as Lenis), uphold the highest standards of ethics, integrity, and legal compliance in their operations. Lenis is committed to operating ethically and expects its business partners to operate in full compliance with all applicable laws, rules, and regulations.

They are intended to provide a framework for preventing corruption, bribery, modern slavery, money laundering, and ensuring accurate record-keeping. Lenis reserves the right to audit and monitor compliance with these guidelines and take appropriate corrective actions if violations are found, which may include termination of the business relationship.

These guidelines also include definitions of key terms to clarify expectations and consist of 6 key areas:

Appendix:

Appendix 1 - Due Diligence Questionnaire and Declaration

1. Anti-Corruption and Anti-Bribery

Lenis is committed to conducting business with the highest ethical standards and in full compliance with anti-corruption and anti-bribery laws and regulations. Lenis' business partners are expected to adhere to these principles.

Zero Tolerance for corruption: Lenis does not tolerate any form of corruption in the course of its business. Lenis personnel or its business partners may never directly or indirectly (i.e., through an intermediary) give a payment, gift, or Anything of Value with the intention to improperly obtain or retain business or any business advantage or to improperly influence the recipient's behavior.

Key Expectations:

- **Prohibition of Bribery and Corruption:** Business partners must not engage in or tolerate any form of bribery or corruption. This includes offering, receiving, or soliciting anything of value with the intent to influence business decisions or gain unfair advantages.
- **Facilitation Payments:** Business partners must not make facilitation payments, which are small payments made to government officials to expedite or secure the performance of a routine government action.
- **Third-Party Due Diligence:** Business partners must conduct appropriate due diligence on all third parties involved in transactions to ensure compliance with anti-corruption and anti-bribery standards.
- **Reporting Suspicious Activities:** Business partners must report any concerns about bribery or corruption immediately through Lenis' designated **Whistleblower Portal** through a form on the company website www.lenis.si/our-policies, to the designated compliance officer at compliance@lenis.si or by post to Business Compliance Officer, Lenis d.o.o., Litostrojska cesta 52, 1000 Ljubljana, Slovenia.

Definitions:

- **Corruption:** The abuse of power or position for personal gain, often involving bribery or other unethical practices.
- **Bribery:** The most common form of corruption. The act of offering, giving, receiving, or soliciting something of value with the intention of influencing business decisions or securing an undue advantage.
- **Facilitating payments**: "facilitating" or "grease" payments are small payments of cash or Anything of Value to a Government Official for the purpose of expediting or securing the performance of a routine governmental action (e.g., processing of a visa). Such payments violate most international anti-corruption laws.
- **Inappropriate Advantage**: any advantage, including gaining or retaining business or any other favorable decision, action, or omission obtained or retained as a result of bribery and corruption.
- **Anything of Value**: means anything that has monetary value or would constitute an advantage, financial or otherwise, to the recipient, such as, but not limited to: cash or a cash equivalent, services, offers of employment, fee-for-service contracts, charitable donations, political contributions, travel and/or entertainment expenses, meals, drug samples, gifts, conference and registration fees, and discounts not readily available to the public.

- **Health Care Professional" ("HCP"):** means members of the medical, dental, pharmacy, and nursing professions and any other persons who, in the course of their professional activity, are qualified or permitted to prescribe, supply, administer, purchase, recommend, reimburse, pay for or acquire a medicine, or influence or authorize any of the foregoing. The term also includes health service managers and administrative or clinical support staff who provide support to HCPs, as well as any employees of any entity that is owned by or comprised of HCPs. Examples of Health Care Professionals are physicians, nurses, medical assistants, pharmacists, paramedics, product formulary committee members, clinical investigators, and public and private hospital employees.
- **Government Official:** means any of the following: (i) Official (elected, appointed, or career) or employee of a federal, national, state, provincial, local, or municipal government or any department, agency, or subdivision thereof; (ii) Officer or employee of a government-owned or -controlled enterprise or organization (e.g., an HCP practicing at a government-owned or - controlled hospital or clinic); (iii) Officer or employee of a public international organization (e.g., UN, World Bank, EU, WTO, NATO); (iv) Individual acting for or representing a government or any of the organizations referred to above, even if he/she may not be an employee of such government or organization; (v) Individual who is considered to be a government official under applicable local law; (vi) Candidate for political office; (vii) Official of a political party, and (viii) Family member of any of the Government Officials described in this definition.

2. Modern Slavery and Human Trafficking Prevention

Lenis is committed to preventing modern slavery and human trafficking within its business and supply chains. Business partners are expected to ensure that these practices do not occur within their operations.

Key Expectations:

- **Prohibition of Forced Labor:** Business partners must ensure that they do not engage in or support any form of forced, compulsory, or child labor in their operations or supply chains.
- **Fair Treatment of Workers:** Business partners must uphold the rights of workers, including the right to freely chosen employment, safe working conditions, and fair wages.
- **Supply Chain Monitoring:** Business partners must take steps to ensure that their supply chains are free from modern slavery and human trafficking.
- **Reporting Mechanisms:** Business partners should establish mechanisms to report any concerns related to modern slavery or human trafficking without fear of retaliation.

Definitions:

- **Modern Slavery:** Encompasses practices such as forced labor, human trafficking, and other forms of exploitation where individuals are coerced into work or services under threat or deception.
- **Human Trafficking:** The act of recruiting, transporting, or harboring people by force, fraud, or coercion for the purpose of exploitation, often for labor or sexual services.

3. Anti-Money Laundering (AML)

Lenis is committed to preventing money laundering and terrorist financing. Business partners must comply with all applicable anti-money laundering laws and regulations.

Key Expectations:

- **Know Your Customer (KYC):** Business partners must have procedures in place to verify the identity of their clients and counterparties, particularly when conducting high-risk transactions or engaging with high-risk jurisdictions.
- **Monitoring and Reporting Suspicious Activities:** Business partners must monitor and report any suspicious financial transactions or activities that could be linked to money laundering or terrorist financing to relevant authorities.
- **Risk Assessment:** Business partners must conduct periodic risk assessments to identify potential money laundering risks within their operations and supply chains.
- **AML Compliance Program:** Business partners must implement and maintain an effective anti-money laundering program to detect and prevent illicit financial activities.

Definitions:

- **Money Laundering:** The process of concealing the origins of illegally obtained money, typically by means of transfers or other financial transactions.
- **Terrorist Financing:** The provision of financial support to individuals or groups involved in terrorist activities, either knowingly or unknowingly.

4. Accurate Books and Records

Business partners are required to maintain accurate and truthful financial records. This ensures transparency, accountability, and compliance with relevant laws and regulations.

Key Expectations:

- **Maintain Accurate Financial Records:** Business partners must keep accurate and complete books, records, and accounts that reflect all business transactions and financial conditions in compliance with local regulations and generally accepted accounting principles or International Financial Reporting Standards.
- **No Falsification of Records:** Business partners must not falsify or alter records, invoices, or reports to mislead regulators, auditors, or other stakeholders.
- **Audit Cooperation:** Business partners must cooperate fully with internal and external audits conducted to ensure compliance with accounting, regulatory, and financial reporting standards.
- **Document Retention:** Business partners must retain business records for the required duration in accordance with legal and regulatory requirements and ensure their proper storage and security.

Definitions:

- **Books and Records:** The documentation and accounting records that reflect the transactions and financial activities of a business, including invoices, contracts, receipts, and financial statements.
- **Falsification of Records:** The act of deliberately altering, fabricating, or omitting information in business records to deceive or mislead others.

5. Compliance with Applicable Laws and Regulations

Business partners must comply with all applicable local, national, and international laws, including self-regulating industry standards.

To the extent local laws and regulations may impose stricter requirements than those imposed in these Guidelines, Lenis expects business partners to follow those stricter requirements.

Key Expectations:

- **Compliance with Healthcare Laws and Regulations:** Business partners must ensure compliance with laws governing the pharmaceutical industry, including drug safety, clinical trials, and marketing regulations.
- **Export Control Compliance:** Business partners must comply with all relevant export control laws, economic sanctions, and trade restrictions imposed by governmental authorities.
- **Environmental and Safety Regulations:** Business partners must comply with all environmental laws and occupational health and safety standards.

Overview of key laws and regulations:

While not an exhaustive list, below is a summary of key laws, regulations and industry standards that apply:

- US Foreign Corrupt Practices Act (FCPA)
- UK Bribery Act
- OECD Anti-bribery Convention
- Trade and Economic Sanctions
- Antitrust and Competition Laws
- Laws Restricting Interactions with HCPs
- Payment Disclosure Laws and Codes
- Local Industry Associations Codes of Conduct (e.g. EFPIA)

6. Reporting and Enforcement

Business partners are encouraged to report any concerns or violations of these guidelines or applicable laws. Lenis will ensure that there will be no retaliation against those who report violations in good faith.

Reporting Channels:

- **Ethics Hotline**: www.lenis.si/our-policies > Whistleblowing Reporting Form
- **Email for Reporting**: compliance@lenis.si
- **By Post**: Compliance Officer („confidential"), Lenis d.o.o., Litostrojska cesta 52, 1000 Ljubljana, Slovenia

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Lenis

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