

PERSONAL DATA PROTECTION POLICY

„SOPHARMA” AD

„SOPHARMA” AD is a commercial enterprise established and existing in conformity to the currently acting legislation of the republic of Bulgaria, entered in the commercial register at the Registry agency under UIC № 831902088 and with headquarters and address of management in the city of Sofia, region “Nadezhda” “Iliensko shose” str. 18, represented by an Executive director, phone: +35928234253, fax: +35929300270, e-mail: mail@sopharma.bg, website: <http://www.sopharma.bg>.

The major subject matter of activity of the company is the production of medicaments and chemical-pharmaceutical products, domestic and international trade, scientific and research activities in the spheres of phytochemistry, chemistry and pharmacy. The company performs its business operations on the basis of a permit for the manufacturing of medicinal products issued by the Bulgarian Drug Agency (BDA).

„Sopharma” AD is a public company constituted as per the provisions of the national Public Offering of Securities Act (POSA).

„Sopharma” AD is the administrator of personal data within the meaning of the Law for the protection of personal data (LPPD) and it is dully registered by the Commission for personal data protection (CPDP) with Certificate № 88011, entered in the public register of the administrators of personal data. Exhaustive information on the objectives, the grounds and the means used for the processing of personal data, the personal data records kept at the company, the categories of physical

persons whose data is being processed as well as the categories of the various recipients of such information, etc., may be accessed on the website of the Commission for personal data protection at: <https://www.cdpd.bg>

I. THE POLICY: OBJECTIVES AND SCOPE

Art. 1. Within the framework of the present Personal data protection and confidentiality policy, „Sopharma” AD has taken into consideration the issue of personal integrity and places the necessary efforts to protect this information against any unauthorized processing of the individual’s personal data. In conformity to the requirements of the law and the adopted good practices, the company takes the required technical and organizational measures to protect the personal data of the physical persons.

Art. 2. With the present Personal data protection and confidentiality policy „Sopharma” AD aims to inform all individuals of the purpose of processing their personal data, the respective recipients, or categories of recipients of such information, as well as the obligatory or voluntary nature of the act of submitting the data and the consequences from refusing to do so and information about the right of access and editing of the collected data in conformity to the requirements of Art. 19 and Art. 20 of the Law of the Protection of Personal Data (LPPD).

II. TERMS AND DEFINITIONS

Art. 3. For the purposes of the present Policy:

1. “Personal data” is any information pertaining to an individual who is identified or can be identified directly or indirectly through an identification number or via one or more specific identifiers.

2. “Personal data processing” is any activity, or a set of activities, performed by „Sopharma” AD with the employment of automated or non-automated methods (collecting, recording, organizing, storing, adapting or modifying, recovering, counseling, using, disclosing by transmitting, disseminating, providing, updating or combining, blocking, erasing or destructing, etc.) for the processing of an individual’s personal data.

3. “Personal data register” is any structured volume of personal data, accessible via a set of specific criteria based on the internal documents of

„Sopharma” AD, which can be centralized and decentralized and which is arranged as per the principles of functionality.

4. The “**Personal data administrator**” is „Sopharma” AD which autonomously, or through the commissioning of an external party, processes the available personal data.

III. THE PERSONAL DATA PROCESSED AT „SOPHARMA” AD

Art. 4. (1) In the capacity of a personal data administrator "Sopharma" AD, processes categories of personal data structured in specific registers which are published and made accessible in the Public register of personal data entered by the registered personal data administrators.

2. „Sopharma” AD processes personal data provided by the individuals themselves which data is related to the preparation and conclusion of contracts, the provision of medical and internal information as well as with regard to the admission regime and video surveillance installed on the territory of the Company.

3. „Sopharma” AD also processes personal data which is not obtained from the individual to whom it refers but has been provided by a third party in connection with a specific normative or regulatory framework requirement whereby the person providing such information to the Company undertakes the following obligations:

1. To provide the said third person with the relevant data on the administrator, namely „Sopharma” AD;

2. To notify the third party of the purpose, the category of the provided data and the category of the recipients of the data;

3. To provide information on the right of access and the editing of the personal data by the person concerned.

Art. 5. The data processed by "Sopharma" AD is differentiated on the basis of the specific activity or the normative - respectively the regulatory - framework, and examples of such categories of personal data may be:

1. Physical identity - name, PIN, data from the identity card, place of birth, address, telephone, e-mail as well as sex, age, weight and height of the individual showing adverse reactions to the administered drugs, etc .;

2. The physiological identity - blood group, blood picture, plasma, ECG, physical condition, instrumental and laboratory tests, diseases;

3. The individual`s mental health;
4. Social Identity - education, qualification, occupation position and occupational functions, work activity, internship and professional experience biography, citizenship, social environment, habits;
5. Family identity - marital status, family ties;
6. Economic identity - participation and/or possession of shares and/or assets in legal entities, outstanding public debts and other liabilities subject to forceful execution, identification data needed for the purposes of the tax legislation at the place of residence of the individual, tax identification code issued by the respective jurisdiction, the functions of the controlling authorities, etc .;
7. Data revealing the racial and ethnic origins of the respective individual.

IV. PERSONAL DATA PROCESSING

Art. 6. In its capacity of personal data administrator „Sopharma” AD processes the available data through a set of automated or non-automated activities such as collecting, recording, organizing, storing, adapting or modifying as well as recovering, consulting, using, disclosing, distributing, providing, updating or combining, blocking, deleting and destroying the data, subject to the following basic principles:

1. The legitimacy of the processing of personal data;
2. The appropriateness of the processing of personal data;
3. The proportionality in the processing of personal data;
4. The timeliness of the processed personal data.

Art. 7. „Sopharma” AD processes the personal data either on its own or through the assignment of the job to external entities by defining the objectives and the volume of the obligations entrusted to such entity given the availability of relevant legal grounds to execute the task as per the provisions of the Law for the Protection of Personal Data. The entities processing personal data on behalf of „Sopharma” AD are, for example, the Company`s employees whose rights and obligations, relating to this activity, have been duly regulated by the internal acts of the Company.

V. THE PURPOSE OF PROCESSING PERSONAL DATA

Art. 8. The purpose of processing personal data is the definitive identification of the natural persons, present and future employees of the Company, contractors,

visitors, individuals possessing the right of access to internal company information and such who have sent notifications of adverse reactions to certain drugs and other related persons. Data processing is most often performed as a result from the execution of the statutory obligations undertaken by the administrator of personal data which ensue from the specifics of the currently acting legislation which serves to regulate the good manufacturing practices adopted in the sphere of the pharmaceutical industry, the financial and accounting activity, the retirement, healthcare and social security activities, human resources management, the European legislation relating to market abuse, trade in domestic information and market manipulations, automatic information exchange in the taxation sphere and information on the normal functioning of the capital markets, etc., as listed in the registers of personal data kept by „Sopharma” AD and made available on the internet site of the CPDP (<https://www.cpdp.bg>).

Art. 9. In connection with the fulfillment of its statutory obligations and in the process of executing its business plans the Company processes personal data for the purpose of:

1. Identifying and exchanging information needed for the labor, social and for the national tax legislation.

2. Identification of the customers and verification of the identity of the individuals via the presentation of an official document of identification. According to the General terms and conditions, applicable to the relations between “Central depository” AD and the issuers of non-cash financial instruments, in the process of establishing lasting commercial relations with physical persons the Company is obligated to identify its customers by observing the provisions of the Law for the measures against money laundering.

3. The access control and risk assessment as required by the Rules for good manufacturing practices (GMP`s).

4. Creation, editing, updating and keeping of a list of the individuals having the right of access to insider information regarding the Company's obligation to disclose internal information as per the provisions of § 41 § 1 of the Supplementary provisions of the Public Offering of Securities Act, Article 18 of Regulation (EU) № 596/2014 of the European parliament and of the Council dated 16 April 2014 and the relevant

Regulations set for execution by the Commission which serve to define these matters for the purpose of protecting the loyalty in the relations between the financial markets and for carrying out the necessary investigations of all possible cases of market abuse.

5. Evaluation of the reports on suspected adverse drug reactions, storage and presentation of the processed information pursuant to the provisions of Article 190 *et seq* of the LMPHM of the BDA, the European Drug Agency and the other regulatory organs outside of the country with a view to exchanging such information in accordance with the order and the acting EU regulations as well as controlling the safety of the offered medicinal means.

Art. 10. The processing of personal data by „Sopharma” AD is permissible, in addition to all other cases, also in the event of a necessity ensuing from a statutory obligation undertaken by the personal data administrator as well as when the individual, to whom the data refers, has explicitly given his/her consent or the processing is necessary for the performance of certain contractual obligations undertaken by the individual as a party to a contract and also for activities preceding the conclusion of such a contract and performed at the request of the said individual.

VI. CONSEQUENCES FROM THE REFUSAL TO PROVIDE PERSONAL DATA

Art. 11. The explicit consent of the individuals whose data is being processed is **not always necessary** if, and when, the Administrator has alternative legal rights to process personal data: for example, a statutory obligation related to the requirements laid out in the Law for the measures against money laundering and the Rules for its application, the Law for medicinal products in human medicine, the good manufacturing practices, etc.

Art. 12. In the event of a refusal to voluntarily grant the required personal data, „Sopharma” AD will not be able to meet its statutory requirements, including the danger that it may not be able to provide its products and/or services.

VII. DISCLOSURE OF PERSONAL DATA

Art. 13. In the capacity of a personal data administrator „Sopharma” AD is entitled to disclose the processed personal data relating only to the categories of persons exhaustively listed as follows:

1. Natural persons to whom the data relates;
2. Persons for whom the right of access is provided for in a statutory act or by an established regulatory requirement, or
3. Persons for whom the said right ensues from the provisions of a valid contract.

Art. 14. The processed personal data of the clients of „Sopharma” AD, as well as persons related to them, may be provided to other commercial companies which are administrators of personal data in connection with the realization of specific tasks under the instructions and on behalf of „Sopharma” AD (for example, the collection of receivables, maintaining an archive, etc.).

VII. RIGHTS OF PHYSICAL PERSONS

Art. 15. The individuals, whose personal data is being processed, shall have the following rights:

1. The right to accessing the information on the identity of the administrator and its representative, the purpose of the personal data processing activity, the recipients or the categories of recipients to whom the data may be disclosed, the mandatory or the voluntary nature of providing the data and the consequences from refusing to do so.

2. The right of access to their own data. In the events when granting the right to an individual to access his/her own personal data there is a possibility of accessing the data of a third person the administrator shall be obligated to provide only a partial access to said data without disclosing information on the identity of that third party.

3. The right of deletion, editing or blocking of personal data the processing of which does not meet the requirements of the LPDP, as well as the right to demand that that the third parties, which have obtained access to the personal data of the individual, should be informed of every performed deletion, blocking and editing with

the exception of the cases when such activity proves impossible or is associated with excessive effort.

4. The right to forward objections to the administrator against the processing and/or disclosure of the personal data of the individual based on well substantiated legal grounds. Every individual shall have the right to be dully informed prior to the first disclosure of his/her personal data to any third parties given well substantiated legitimate reasons for such disclosure.

5. The right of defense – granted by the CPDP and the Court of law.

IX. PROCEDURE FOR EXERCISING RIGHTS

Art. 16. (1) The natural persons shall exercise their rights by submitting a written application to the Company, addressed to the Director of the “Security” department, which shall contain the following minimum volume of information:

1. Name, address and other identification data of the individual concerned.
2. Description of the request.
3. The preferred form of the information to be provided.
4. Signature, date of filing of the application and address for correspondence.

(2) Submitting the application is free of charge.

Art. 17. When the application is to be submitted by an authorized individual it shall be accompanied by an express notary certified Power of attorney.

Art. 18. In the event of the death of the individual, his/her rights shall be exercised by his/her heirs and the submitted application shall be accompanied by a notary certified Certificate of inheritance.

Art. 19. The term set for considering the application and pronouncing a decision on it shall be 14 days as of the day of its submission and, respectively 30 days, when more time is needed for the collection of the requested data in view of any possible difficulties in the operations of the Company.

Art. 20. The Company shall prepare a written answer and shall communicate it to the applicant personally and against his/her signature or via the regular mail with a return receipt and it shall conform to the specific form for presenting the information as desired by the applicant.

Art. 21. Where the requested data does not exist or its provision is prohibited by law the applicant shall be denied access to such information.

Art. 22. In the event that the Company fails to respond to the request for accessing personal data within the set terms or the applicant is not satisfied with the answers given and where he/she believes that his/her rights, connected to the protection of personal data have been violated such an individual shall be entitled to the right of legal defense.

FINAL PROVISION

§ 1 The present Policy was endorsed by the Board of Directors of „Sopharma” AD with a decision of the Board dated 30.01.2017 and it has entered into force on that same date. The activities and measures taken for the protection of personal data are performed by the Company in conformity to the normative regulations and have been brought in compliance with the rules outlined in the present document.

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| <p>The undersigned Oleg Stoyanov Ivanov hereby certify the veracity of the translation from Bulgarian into English of the present document. The translation consists of 9 pages.</p> <p style="text-align: right;">Translator:..... /Oleg Ivanov/</p> |
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