

CODE OF ETHICS AND BEHAVIOR AT SINDUSFARMA



SINDUSFARMA

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PRESENTATION

The Union of the Pharmaceutical Products Industry in the State of São Paulo – SINDUSFARMA, set up in 1933, has as its legal prerogative the coordination and protection of the economic category of the Pharmaceutical Products Industry in the State of São Paulo and other units of the Federation, as well as the duty of cooperating with the public powers and other associations in terms of social solidarity and its subordination to the national interests and the legislation in effect.

Whereas the actions of Sindusfarma are founded on constitutional provisions and on a culture of compliance and ethics and ethical principles, through a rigorous observance of the legislation, the promotion of good governance practices and a respect for moral principles, the Sindusfarma Code of Ethics and Behavior was drafted to serve as orientation for the behavior and actions of our associates and employees, indistinctly.

Sindusfarma is acknowledged nationwide for its technical excellence and contemplates social objectives based on the principles of party exemption, free competition and free initiative, in an ethical management, harmonious with the different segments of the pharmaceutical industry, besides facing the challenges of a sector under constant progress and renewal, through transparent and sustainable relationships.

The present Sindusfarma Code of Ethics and Behavior is an important tool to carry out our activities and that of our members, by means of coherent postures and a clear communication among our different audiences, to be able to attain our goals.

CLEITON DE CASTRO MARQUES

President

NELSON MUSSOLINI

Executive President

1. VISION AND MISSION

Based on legal and constitutional provisions, Sindusfarma as a mission to carry out studies, coordinate and legally protect the economic category of the Industry of Pharmaceutical Products established in Brazil and especially in the territory of the State of São Paulo.

Its' vision is characterized by the defense of the general interests of members, whether jointly or separately, in the sense of dynamically attaining scientific and technological evolution in the field of pharmaceutical products and services, to contribute to institutional and social well-being.

The Sindusfarma mission and vision are developed based on its vocation as a technical, innovative consultative and educational agency, allied to competency and transparency for the development of the pharmaceutical industrial sector.

2. VALUES AND ETHICAL PRINCIPLES

Our values and ethical principles for corporate social responsibility are guiding principles in our professional and personal relationships, which should be practiced day after day and continuously in the exercise of our activities, and are:

2.1. Integrity: Honesty, impartiality and respect for ethical principles that reflect the constant quest for the truth of the facts, in clarifying and resolving conflicts and in the fulfillment of the agreed goals.

2.2. Transparency: The activities of fostering best practices and a healthy, harmonious and productive professional environment in internal and external relationships, especially in interactions with professionals from the pharmaceutical industry and related activities.

2.3. Trust: A dynamic and consistent action that will inspire credibility for the members of the association and in society at large make Sindusfarma a national benchmark in the pharmaceutical sector.

2.4. Equity: Our relationships are based on cordiality and respect for differences and an equality of rights. Under any hypothesis whatsoever will we admit:

2.4.1. Discriminatory or prejudicial practices, abuse of power, sexual harassment, physical or moral, taking into consideration the social condition, schooling, origin, religion, belief, handicaps, color, race, gender or marital status;

2.4.2. Disrespect, intimidation or threats in the relationship among managers, associates and third parties, regardless of their hierarchical degree or position;

2.4.3. Punitive administrative practices.

2.4.4. Any sort of discrimination regarding the origin of the capital of our member companies.

2.5. Independence: Autonomy while carrying out its activities.

3. BREADTH AND SCOPE

The provisions of the present Sindusfarma Code of Ethics and Behavior apply to the employees, regardless of their hierarchical levels, and to members, regarding health professionals, professionals connected to the health area, suppliers of products and services, business partners, institutions and associations, public authorities and to all those who directly or indirectly have relationships with Sindusfarma.

When it comes to third parties, the responsibility befalls the members, when acting on behalf of or in the interests of the Union.

The scope of the present Sindusfarma Code of Ethics and Behavior will be throughout the State of São Paulo and in all the national territory, in whichever circumstances.

Its enforcement is mandatory and normative, in the sense of guiding the behavior of employees and members, who will be subject to their guidelines, indistinctly, pledging to know them and comply with them through the signature of Attachment 1 – TERM OF ADHERENCE AND COMMITMENT.

3.1. Employees: Presidency, Board, Managers and Employees at Sindusfarma.

3.2. Members:

3.2.1. Effective: Legal entities, with headquarters or branches in the State of São Paulo, producers, importers or exporters of the pharmaceutical sector.

3.2.2. Cooperators: Legal entities of the pharmaceutical industrial sector that do not have headquarters or subsidiaries in the State of São Paulo.

3.2.3. Suppliers/Vendors: Legal entities, service renderers or suppliers of inputs or equipment.

3.2.4. Benefactors: Those who have rendered significant services to Sindusfarma.

3.3. Third parties: Suppliers or service renderers, individual persons and legal entities of Sindusfarma.

3.4. Health Professionals: They are the professionals with higher academic education relating to health sciences, with the ability to prescribe or dispense the use of medication or of products that relate to the members of Sindusfarma, direct or indirectly, including doctors, dentists, pharmacists and nutritionists, among other workers of the health field.

3.5. Professionals Linked to the Health Area: A professional that works in a profession related to health sciences and that can influence in the prescription, release or the indication or referral of medication, in private initiative or as a public agent. This includes nurses, physical therapists, osteopaths, physical education professionals, social services, speech therapists, occupational therapists, psychologists, biomedical personnel, members of product standardization commissions, among others, who relate to the Members of Sindusfarma, directly or indirectly.

4. LEGAL AND NORMATIVE ADHERENCE OR COMPLIANCE

The set of ethical convictions to which we are pledging has the goal of promoting and guiding the internal and external relationships of all of the participants in Sindusfarma and to comply with the national legislation and standards that are in effect in all of their spheres, especially Law n° 12.846, dated August 1st of 2013 – the so -called anti-Corruption Law – and its respective federal regulations – and Decree n° 8.420, dated March 18th of 2015.

The formalization of our commitment through this Sindusfarma Code of Ethics and Behavior imposes upon all employees and members its enforcement in their activities, routines and operations.

Non-compliance with the legislation and the standards in effect, as well as of this Sindusfarma Code of Ethics and Behavior, in its entirety or in its parts, may subject the employees and members to the penalties foreseen in this document, as well as the penalties in administrative, civil and criminal spheres.

5. INFORMATION SECURITY AND CONFIDENTIALITY

Information is the entire set of organized data that needs to be protected and preserved through stringent control.

Information is extremely valuable and essential for any professional activity and should be used exclusively for these purposes and protected against theft, damage, violations, non-authorized exposures or undue use.

The procedures to secure information, known as information security, are aimed at avoiding risks of the undue leakage of information, such as business strategies, intellectual property, patents, data confidentiality, among others.

While carrying out their activities, all employees and members should consider the commitment of protecting information appropriately and in a confidential manner.

5.1. Strategic Information and Confidential Information: That is the information that is needed for the decision-making processes, whose dissemination might affect the activities of Sindusfarma, of the members, of the pharmaceutical sector or that of the competition.

5.2. Protection of Assets: The Sindusfarma assets are destined exclusively to professional purposes and should never be used for private purposes.

5.2.1. Tangible Assets: PP &E. Goods, equipment and materials.

5.2.2. Intangible Assets: Strategic information, trade secrets, brands etc.

5.3. Electronic Media: The set of means of communication, electronic mail and/or the access to the Internet are the property of Sindusfarma. The use of such resources should be restricted to professional activities and Sindusfarma reserves the right to monitor such information.

5.4. Passwords for Access: It is the duty of all to protect the confidentiality of information.

5.4.1 The passwords for access are for personal use, confidential and non-transferrable, enabling full traceability. Granting them to third parties is forbidden, including to higher hierarchical levels and peers at work, under any hypothesis or situation.

5.4.2. The passwords for access to the data systems should be changed regularly, in accordance to the guidance of the Information Technology professionals.

5.5. Software: It is forbidden to install and use software and hardware in the Sindusfarma equipment. Programs should not be downloaded, installed nor copied or removed from the computers without express authorization.

5.6. Public Representation: The public representation of the entity falls upon the Executive President of the entity or whomever has been delegated to do so by the Sindusfarma Board or by the Executive Presidency itself.

5.7. Use of the Sindusfarma Brand: The use of the brand is the exclusive competence of the Executive President of the entity. The use can be expressly authorized to employees to comply with specific purposes.

6. THIRD PARTIES

Sindusfarma and its members are responsible for the enforcement and dissemination of the rules of this Sindusfarma Code of Ethics and Behavior to third parties that will act on their behalf, under their guidance or delegation, in the right measure of their own responsibilities. They further take the commitment of disseminating these rules to the latter, who should accept to comply with them insofar as appropriate.

Third parties are deemed to be: distributors, contracted companies, consultants, service renderers and business partners.

7. SUSTAINABILITY

Sindusfarma has keen awareness of the importance of social and environmental responsibility and motivates its employees and members to foster better practices in that sense.

It is the duty of all employees and members to practice and incentivize environmental preservation. Our objectives should always seek to be aligned with the interests of sustainable development.

Members should rigorously follow the legal requirements in the process of obtaining environmental licenses and registration and should additionally pursue in a permanent way to prevent and control the impact that results from their activities, minimizing any negative impact for society and the environment.

Sindusfarma and its members pledge to combat slave labor and child labor, as well as any other form of degrading exploitation of the human condition.

8. SPONSORSHIP AND THE ORGANIZATION OF EVENTS

8.1. It is allowed for members to organize and to sponsor symposiums, congresses, seminars and other events, carried out by medical association or other entities, with the scientific and education aim of contributing towards the constant technical enhancement of health area professionals.

8.2. The abovementioned sponsorships should be formalized through written contracts and cannot be conditioned to any sort of interference of the sponsoring member company in the organization of the event, such as the definition of the program, objectives, venue, choice of speakers or other aspects relating to the event.

8.3. All the sponsorships to professionals in the health area should have as their main objective to disseminate technical and scientific knowledge, and should not, under any circumstance, be conditioned to the prescription of medication or advertising and publicity of the latter.

8.4. The sponsoring member company should take all the necessary measures to ensure that before beginning to introduce the hired professional, this latter one will adequately declare to the audience of the event the existence of eventual ethical conflicts or conflicts of interest he/she may be subject to.

8.4.1. In the events organized by Sindusfarma, or sponsored by the entity, eventual conflicts of interest or ethical conflicts should be communicated immediately to the Executive Presidency or the Board of the Entity, as well as to the event organization to be duly resolved.

8.5. Members can sponsor or reimburse expenses with travel tickets, food and accommodations of the health area professionals in national and international events, during the period of the event, which can be extended to the days immediately prior to or after the official agenda, for logistics, locomotion and transportation purposes that will justify granting this sponsorship.

8.5.1 Sponsorships and reimbursements should observe the precepts contained in the Codes of Professional Ethics of those involved.

8.5.2 The Sindusfarma Ethics Council will use all the precepts contained in the professional Code of Ethics, especially that of the Federal Council of Medicine when having to analyze possible violations or in judgements, whichever the case may be.

8.6. The events held by Sindusfarma cannot have political, party, ideological or religious connections.

8.7. Sindusfarma can only sponsor events from other entities so long as these are connected to the education and cultural goals of the entity, and as long as they are non-profit.

9. PRESENTS

Employees and members cannot accept, offer, promise or distribute gifts or advantages, under any modality, to the prescribing professionals in the health field in exchange for prescriptions, use, promotion, indication or endorsement of medication, as well as to companies that are active in direct sales to the consumer and to the public at large.

10. GIFTS AND PROMOTIONAL MATERIALS

10.1. The companies that are connected to the Sindusfarma Code of Ethics and Behavior and their employees can offer and distribute gifts and Promotional Materials used in scientific and educational updates for health area professionals, as well as books, journals, articles and advertising, complying with the conditions set forth in the Professional Codes of Ethics and what is provided for in the regulations of the National Council for Self-Regulation in Publicity and Advertising – CONAR.

10.2 The gifts should have merely symbolic value.

11. DONATIONS AND CONTRIBUTIONS

11.1. Employees at Sindusfarma have the autonomy to make donations and contributions to non-governmental organizations, candidates, political parties and other organizations through their own resources, as well as participate in activities outside of their working hours, but are prohibited in making such payments and participating in such activities on behalf of Sindusfarma, with their resources and/or during working hours.

11.2. Sindusfarma does not make donations and political contributions of any form or nature and does not allow for the free or remunerated assignment from headquarters to any political-party entity.

11.3. Members are not authorized to make donations and contributions to candidates and to political parties through the accounts of Sindusfarma and/or using the name of the entity as a donor.

11.4. Donations and other forms of contributions carried out by the members of Sindusfarma should comply with legitimate interests and always be geared towards fulfilling the real needs of the community or society assisted.

11.5. Donations and contributions destined to institutions, organisms, associations and companies in the health area will be made only to formally constituted legal entities with the purpose of fostering educational actions of acknowledged importance for the well-being of the Community or the Society assisted, and cannot be used as support to hold parties, celebrations or other entertainment events stripped of a scientific and/or educational nature.

11.6. The members cannot make use of financial contributions as a tool or instrument for strategic commercial action or for marketing to disseminate their products.

11.7. In the donation of medication, members should comply with the legislation and sanitary and fiscal regulations in effect, including the prior demands for prescription, whichever the case may be.

12. RELATIONSHIPS WITH PUBLIC AGENTS

A Public Agent is any person that exercises, albeit temporarily and without remuneration, through an election, nomination, designation, hiring or any other form of connection or investiture a mandate, position, employment or public function or role.

12.1. All the employees and members of Sindusfarma should have an ethical, transparent and independent relationship with public agents.

12.2. It is forbidden to promise, offer, receive or make payments and financial contributions to public agents, public or governmental organisms and their representatives and third parties related to them, under any pretext or grounds.

13. RELATIONSHIP WITH PATIENT ASSOCIATIONS

Members are allowed to support patient associations that as a goal have the aim of creating awareness in the population of health-related issues and/or the dissemination of adequate information on prevention, diagnosis and treatment of diseases, observing the following:

13.1. This support should be institutional and should be carried out through written contracts, that cannot be conditioned to any sort of interference of the sponsoring member company, with the inclusion of an exclusivity clause in the abovementioned contracts being strictly forbidden.

13.2. The relationship with the patient associations should be clear and transparent, in the sense of fulfilling and complying with the provisions of this Sindusfarma Code of Ethics and Behavior.

14. CONFLICTS OF INTEREST

Employees and members of Sindusfarma should not become involved in any type of relationship or business that may cause a conflict of interest to the entity, member companies and the pharmaceutical segment.

14.1. Conflicts of interest occur when a decision is influenced by the interests of only one of the parties involved, hampering all others.

14.2. Conflicts of interest exist based on a diversity of situations. When they do occur, their dissemination should be full and appropriate, through the employee or the member interested, and should be done to the entity managers, through written communication specifying the details of the fact, its links and potential impacts.

14.3. In this context, all the employees and members are accountable for reporting any conflict of interest, including those that involve the employee him/herself, family members, members or third parties.

14.4. All the employees and members should consult in writing the Sindusfarma Code of Ethics in situations of doubt regarding this issue. Not carrying out this consultation will subject the person responsible to the applicable measures.

15. PAYMENTS FOR ROUTINE ACTS

It is forbidden to carry out payments of any amount to facilitate or speed up a procedure in public administration, as well as offer, promise, give or distribute gifts and presents. These acts are known as acts of corruption.

16. SINDUSFARMA PLEDGE

The pledge of the employees and members of Sindusfarma is to always act in accordance to the values and responsibilities, adopting transparent and ethical attitudes, dealing with in-house information with discretion and professionalism, aimed at a constant enhancement and growth of the pharmaceutical segment in Brazil.

The Sindusfarma Board preaches a constructive and respectful stance in the relationship with employees, members and health area professionals and third parties.

No employee or member should use their position, role or their hierarchical or position of influence with the aim of obtaining any personal favors or for third parties.

We repudiate any action, whether isolated or jointly, that has as its aim to affect or aimed at affecting the price settling mechanisms, a division with clients and markets and the formation of a cartel. We build values excelling for the transparency of relationships in industry, health area professionals, third parties and public entities involved in the value chain.

17. COMMUNICATION AND DIFFUSION

It is the duty of the directors and managers at Sindusfarma to communicate and disseminate this Sindusfarma Code of Ethics and Behavior to all the employees and members, through a face-to-face mechanism and/or electronic mechanism.

The monitoring of the compliance of the Sindusfarma Code of Ethics and Behavior is the responsibility of the Executive Board of Sindusfarma.

The Executive Board will periodically carry out tests to assess adherence and compliance with the guidelines contained in this document.

18. CONSEQUENCES OF INAPPROPRIATE BEHAVIORS

Failure in complying with the legislation and with the guidelines of this Sindusfarma Code of Ethics and Behavior can result in serious penalties for Sindusfarma, its members, its employees and/or representatives, including criminal liability for the individual person involved.

Managers should adopt measures to ensure that the employees under their responsibility comply with the rules and guidelines comprised in this Sindusfarma Code of Ethics and Behavior.

19. DISCIPLINARY MEASURES

Non-compliance of the guidelines of this Sindusfarma Code of Ethics and Behavior, as well as any internal policy or procedure are liable of penalties. Recurrences are subject to intensified disciplinary actions.

19.1. Cases of transgression on the part of members will be evaluated and deliberated upon by the Sindusfarma Ethics Council, observing the concrete case and the provisions of the Sindusfarma By-Laws.

19.2. Employees that do not comply with the standards of this Sindusfarma Code of Ethics and Behavior or those foreseen in the CLT – Consolidation of Labor Laws will be subject to the following penalties, weighing the seriousness of the violation committed, through a deliberation of the Sindusfarma Ethics Council:

§ Verbal warning;

§ Written warning;

§ Suspension;

§ Dismissal without just cause; or

§ Dismissal for just cause.

19.3. The enforcement of the penalty should be done immediately after the violation has been committed and under the penalty of characterizing tacit forgiveness, except when the breach or error demands a prior investigation or analysis of the facts.

19.4. The sanctions applied should be just and proportional to the fault or error incurred upon. The penalty cannot consist on a demotion, reduction in remuneration, a fine or transfer to another location with the evident purpose of hampering employees in the performance of their positions and in their daily displacements.

19.5. Additionally, and whenever necessary, the penalties foreseen in the Sindusfarma By-Laws will also be enforced.

20. CHANNEL TO DENOUNCE FAULTS

20.1. An employee, member or third party who has doubts on any of the principles or guidelines of the Sindusfarma Code of Ethics and Behavior or who understands and/or suspects that the latter is being breached or may come to be breached, should make use of the Channel through the telephone +55 11 3031-0611; e-mail denuncias.sindusfarma@integritybr.com.br; and through a letter to the Sindusfarma Ethics Council, at the address Rua Alvorada, 1280, Vila Olímpia – SP, CEP 04550-004.

20.2. All are responsible for the development and the maintenance of a culture of compliance, of ethics in business and long lasting professional relationships.

20.3. These reports will be analyzed in a confidential manner and can be done anonymously, which in this case will be easier to analyze.

20.4. The cases reported will be analyzed individually by the Sindusfarma Ethics Council, that will decide upon the measures that should be taken, respecting the labor and penal legislation, as well as other standards applicable to the case.

20.5. In the case the fault denounced refers to one of the members of the Ethics Council, the latter should become aware of this, and will be prevented from voting. Ensuing this, the Council will convene a substitute member, extraordinarily, that should be the first to cast his/her vote.

21. ON THE ETHICS COUNCIL

21.1. Composition

The Sindusfarma Ethics Council, that administratively will be aided by a Sindusfarma employee designated for that purpose, will have the following composition:

§ Executive President

§ Chairman of the Board

§ Three Vice-Presidents

21.2. Attributions

The attributions of the Sindusfarma Ethics Council are:

- I. Deliberate on the cases of violations of the Sindusfarma Code of Ethics and Behavior;
- II. Respond to the consultations on doubts regarding the interpretation of the text of the Code;
- III. Communicate situations of behaviors that by chance may not have been included in the present version of the Code; and
- IV. The procedures, terms and functioning of the Sindusfarma Code of Ethics should be defined by the Board in up to 60 days after the publication of this Sindusfarma Code of Ethics and Behavior.

21.3. Convening meetings

The meeting that should be convened for the Sindusfarma Ethics Council will be defined by the Board, whenever there exists a need for them.

21.4. On the roles of the secretary of the ethics council

The “Compliance Officer” will perform the activities of the secretary of the Ethics Council, becoming responsible for convening the meetings as well as managing deliberations.

21.5. Procedures to verify the occurrences communicated

All the communications and denouncements sent through the competent channel will be submitted to appreciation and deliberation by the Sindusfarma Ethics Council.

The Sindusfarma Ethics Council will adopt the necessary measures to investigate the veracity and the consistency of the denouncements formalized, in accordance to how urgent and critical they are and their urgency.

If deemed necessary, the Sindusfarma Ethics Council may request the production of the evidence admitted according to the legislation in effect, including the technical or expert evidence.

21.6. Deliberations

The deliberations and decisions imparted are confidential and will be recorded in the minutes, which will contain the day, hour, venue, a brief report of the decision reached, qualification of the parties, the basis of the decision and the votes of the members of the Sindusfarma Ethics Council, the penalties applied, if this is the case and the term for the execution of the penalty.

21.7. Penalties

Employees that breach the standards of the Sindusfarma Code of Ethics and Behavior or those foreseen in the CLT – Consolidation of the Labor Laws will be subject to the following penalties, weighing the seriousness or gravity of the violation incurred upon, through the deliberation of the Sindusfarma Ethics Council:

- § Verbal warning;
- § Written warning;
- § Suspension;
- § Dismissal without just cause; or
- § Dismissal with just cause.

In the case of breaches committed by any of the members:

- § Communication (on the alleged facts and containing a request for clarification and the adoption of measures);
- § Warning (after the response or absence of the latter or in the case of a recurrence);
- § In the cases deemed to be more serious, based on the criteria of the Sindusfarma Ethics Council, the decision to refer the problem will fall upon the Sindusfarma Board, through a majority vote, that will deliberate on what should be done;
- § When dealing with breaches that relate to the promotion and propaganda of products manufactured by the member companies, these will be remitted for appreciation to the National Council on Self-Regulation in Advertising and Publicity – CONAR.

21.8. Request for revision

It will be possible to issue a request of revision to the Sindusfarma Ethics Council, in a term of 10 (ten) days, counted as of the date in which the decision was made known.

The request will be decided on in up to 30 (thirty) days.

21.9. Final provisions

The decisions of the Sindusfarma Ethics Council will be motivated and sovereign/independent and will not allow for appeals.

The Sindusfarma Ethics Council should inform the competent authorities, if the case appears, for the due analysis of potential illicit civil, penal infractions or administrative misconduct.

At the end of every year there will be an analysis and evaluation of the activities carried out by the Sindusfarma Ethics Council.

ATTACHMENT
TERM OF ADHERENCE AND COMMITMENT
SINDUSFARMA CODE OF ETHICS AND BEHAVIOR

I, _____,
enrolled in the CPF (taxpayer's number) under n° _____, DECLARE
that on this date I have received a copy of the SINDUSFARMA CODE OF ETHICS
AND BEHAVIOR, on which I have been trained and am aware of its full content,
pledging to accept and practice the guidelines and other applicable policies included
therein.

Furthermore, I am aware than non-observance of its terms may lead to disciplinary
sanctions.

Location, _____, _____, 20____.


Signature of Employee/Member




SINDUSFARMA

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