



Santa  Farma

SANTA FARMA  
GLOBAL COMPACT 2019  
COMMUNICATION ON  
PROGRESS REPORT

DECEMBER 2019



This report covers the Communication on Progress in order to explain the performance of our company under the United Nations Global Compact. We welcome your opinions about the content.

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## MESSAGE OF PRESIDENT

Founded in 1944, Santa Farma celebrated its 75th anniversary in 2019.

Hence, we share the pride and glory of **"giving healthy service to health"** of our community with our stakeholders for 75 years. We sincerely hope to extend this pride to our future efforts. Our company undersigned the "Global Compact" on May 26, 2010. The Global Compact is "an invitation to all Employers in the World to adopt a shared culture of development."

Acceptance of the invitation is based on voluntariness. Once the invitation is accepted, however, the undersigning parties are required to comply with the principles and uphold the goals of this platform. The Global Compact is based on 4 pillars which are:

Human rights, labour, environment and anti-corruption. One of those pillars is environment. This crucial civil society initiative has also set 17 objectives 8 of which are directly or indirectly related to the protection of environment and nature. As a United Nations organization, this platform was launched in 2000 with a view to setting targets proactively based on the insights as to the current and future condition of the world and addressing employers to attract attention world to those pressing global matters.

And yet, it is quite apparent that the entire world is desperate in the face of this unprecedented Covid-19 pandemic. This pandemic is certainly unparalleled in terms of its scale and characteristics. The pandemic has affected and continues to affect the socio-economic dynamics of all communities in the world without any discrimination. It is also distinguished from former pandemics in terms of its contagiousness. The high mobility arising from the level of communication in global economies and lack of vaccination and treatment options have further exacerbated the already dramatic impact of the pandemic.

As a result of the grave impact of the pandemic on the socio-economic structures, all countries have had to embrace the new normal in terms of living and working conditions. While individuals have started to deal with the effects of solitude in their private lives, the business world has gone digital technologies in order to sustain its efforts through virtual media. This has led the countries to question the significance of globalization. The world is going through a global economic crisis. And no one knows how long this crisis will last although there is a consensus that it will have serious effects on the world.

That being the case, the strategic importance of pharmaceutical industry as a critical instrument of the healthcare industry is once more.

Santa Farma has upheld the principle of **"giving healthy service to health"** ever since it was incorporated. In that respect, it is determined to undertake its operations based on the same principle in the future. Our company is distinguished for the importance it gives to human rights and labour. Santa Farma has never engaged and will never engage in discrimination based on language, religion, race and gender.

In that respect, our company has proudly received its 9th award for "respect for human". 55.5% of the total headcount and 29% of the senior management consists of women in our company. This is far above the average ratio in Turkey and we hope and strive to increase the relevant ratio further. Our employees enjoy all of the legal rights along with extra benefits. In practice, our company fully complies with the labour legislation.

As for anti-corruption, we have not come across any charge throughout our history. Our company performs eco-friendly operations in its state-of-the-art MANUFACTURING and R&D plants commissioned in 2015. Eco-friendliness is our priority. Indeed, Covid-19 pandemic has demonstrated the importance of a good balance in nature once more. Santa Farma has demonstrated and will always demonstrate a proactive approach to this matter.

In short, we uphold the principles of the Global Compact and perform our commitments thereunder. At this point, we would like to underline that all manufacturing plants in the world should take especially environmental matters very seriously. This is because the World Health Organization declared in its announcement on May 2, 2020 that the virus is natural in origin. This implies that this virus might herald other viruses and pandemics which will follow. A microscopic enemy has caused and continues to cause destruction far beyond the world wars in extent. As a matter of fact, Covid-19 might be considered as the outcome of insensitivity of communities towards nature. Therefore, this pandemic might be taken as a meaningful message from nature to humanity. In that respect, we are all expected to comprehend this message well.

We remain convinced that pandemics may not be prevented through the efforts of governments and non-governmental organizations alone and that the humanity should have increased awareness about the importance of joining the efforts to save our planet.

I would like to express our gratitude and wish good health to all our stakeholders who have taken pains to stand by us in both happy and challenging times.

Sincerely yours  
Erol Kiresepi



## ABOUT THE REPORT

Santa Farma İlaç Sanayii A.Ş. adopted the UN Global Compact on May 26, 2010. Santa Farma undertakes to regularly communicate its performance in relation to the 10 principles of the Global Compact on an annual basis. This is the tenth progress report issued by the company.

Santa Farma 2019 Communication on Progress provides information about the progress on Human Rights, Labour, Environment, and Anti-Corruption in line with the requirements of the UNGC. The report covers all of the activities conducted by Santa Farma in relation to those specific matters.

**Although the reporting period is set as 1.1.2019 – 31.12.2019,** the report makes reference to the important previous data since this is the ninth report submitted by the company. The first part of the report provides an overview of Santa Farma along with the corporate and governance details, its economic value and communication with stakeholders. The second part, on the other hand, offers detailed information about the corporate actions taken in relation to the principles of the UNGC. This part is comprised of chapters dedicated to Human Resources, Labour, Environment, and Anti-Corruption.

This report has been prepared based on **G3 Sustainability Reporting Principles of Global Reporting Initiative** with a view to communicating the corporate performance transparently in line with the principles of accountability in addition to facilitating potential comparisons with the future communications on progress. Your opinions and suggestions about 2019 Communication on Progress Report will be highly appreciated.

Please feel free to contact Sema Yetkiner, Director of Human Resources, for all kinds of questions, opinions or suggestions via [syetkiner@santafarma.com.tr].



## ABOUT SANTA FARMA

## CORPORATE CULTURE

Our mission is to remain in constant search for better in order to offer favourable solutions for human health and quality of life. Our mission is at the root of our existence.

Our vision is to grow faster than the market average. Our vision is the manifestation of the future aspiration of our company.

Our values make us who we are and they are the linchpins of our corporate culture.

## RESPECT FOR THE INDIVIDUAL

- Recognize that the organization consists of a group of human beings above all
- Remember that human is the sole address for development and improvement
- Keep a balance between real business life and human values

## OPENNESS TO DEVELOPMENT

- Search for better
- Work for achieving better constantly
- Work on innovations for the future

## RATIONAL POWER

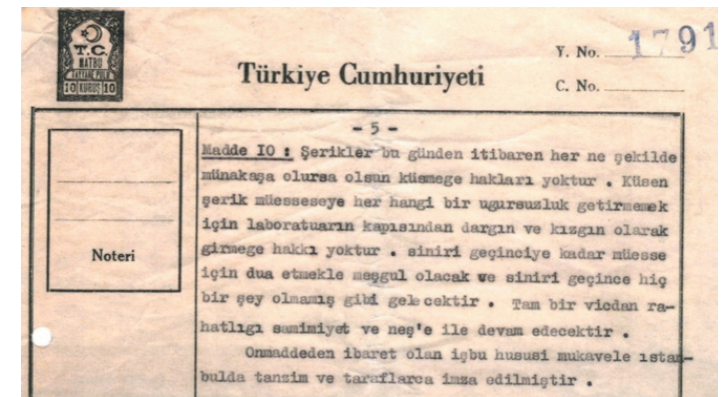
- Remain aware of the intrinsic power of the organization
- Focus on long-lasting and constructive results
- Take knowledge as the basis for all efforts

## RESPECT FOR THE WORK, WORKPLACE AND COMMUNITY

- Recognize employees, community and organization as pieces constituting the whole
- Form collaboration among employees, organization and community based on mutual respect
- Promote a peaceful and safe working atmosphere

## SPECIAL CLAUSE:

The following special clause in the articles of association of the company clearly reveals the company's values and respect for human beings as well as its solid founding principles.



### STORY OF OUR LOGO:

- The logo of Santa Farma rests on a pyramid which embodies its spirit. The pyramid symbol is portrayed in the form of a triangle in the logo.
- Pyramids are comprised of four triangles which rise from the base only to unite above.
- Each of those triangles symbolizes the four elements constituting the source of life. That is what makes pyramids so powerful. In that respect, pyramids have stood for “power, longevity and stability” throughout history.
- The four triangles constituting Santa Farma pyramid symbolize its values which rise on a solid base to become united above.

#### BLUE

Colour of stable union, loyalty and strong faith. Symbolizes eternity and farsightedness. This is a colour with high therapeutic, conciliatory and healing properties. Blue is used in the logo of Santa Farma because it is a colour that depicts the business field in the best manner, points out progressive development and improvement and symbolizes harmonious, stable and peaceful business relationships.

#### RED

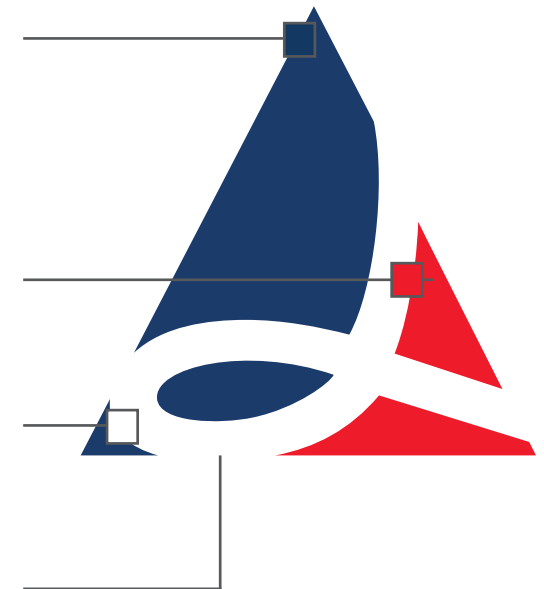
Colour of energy and power. Stands for agility, vigour, and determination and passion to continue till the end. The vision of Santa Farma is to “grow faster than the market average”. Red symbolizes the willpower required for this vision. Still, Santa Farma will always cling to its rational power while striving for growth and development. Therefore, red is embedded in the curves of the snake which symbolizes reason so that the vast energy stemming from the colour might be limited.

#### WHITE

Colour of cleanliness, purity, peace and stability. White is used in the logo of Santa Farma because it reflects our business culture and values.

#### SNAKE

Throughout the history, snake has symbolized good health and reason. In mythology, two intertwined snakes are used for symbolizing eternity of life. It is used for preparing drugs for ages. Hence, we use the curves of a snake in the middle of the triangle. Snake indicates that Santa Farma exists for serving human health and it will make use of rational power while providing this service.





## ABOUT SANTA FARMA

## HISTORY OF SANTA FARMA

Having been founded as Farma Laboratory in **1944**, Santa Farma took a leap forward by completing its merger with Santa Laboratory. Santa Farma İlaç Fabrikası Kollektif Şirketi was incorporated in **1954**, followed with the incorporation of **Santa Farma İlaç Sanayi A.Ş.** in **1973**.

In addition to its licensed products, Santa Farma has enriched and will continue to enrich its range of products by manufacturing several drugs licensed for leading multinational companies in Turkey.

Having been incorporated in 1944, the company has been able to create a reliable and good standing brand in the industry thanks to its motto of **"offering healthy services to healthcare"**. Our next objective is to support **"sustainable development"** with all our might by clinging to our value and corporate strategy in addition to contribute to a bright future.

## MILESTONES

- October 22, 1953 – The foundations of the plant in Edirnekapı were laid.
- May 7, 1954 – The first license manufacturing agreement was executed (Spalt tablet).
- Late 1954 – The company changed its title to "Santa Farma İlaç Fabrikası Kollektif Şirketi".
- 1964 – The first contract manufacturing agreement was executed with Organon Holland which paved the way for technological advance in Santa Farma.
- 1973 – The company changed its title to Santa Farma İlaç Sanayii A.Ş.
- 1982 – The company adopted Food Manufacturing Practices (GMP) Quality standard and completed the technological infrastructure of the plant.
- 1983 – The plant started the institutionalization process following the technological modernization.
- 1987 to 1989 – The Company made technological progress.
- 1989 – The company released the first biotechnological import product in Turkey (Eprex).
- 1994 – Santa Farma moved to its current head office building.
- 1997 – Reorganization of Marketing Department.
- 2008 – Reorganization of Human Resources Division.
- 2009 – The Company started "ERP" and "Corporate Identity" projects.
- 2010 – The company undersigned the United Nations Global Compact.
- 2010 – The new logo was launched and "ERP" project was finalized.
- 2011 – The corporate website was redesigned.
- 2012 – The foundations of the new Manufacturing Plant and R&D Centre were laid.
- 2015 – The foundations new Manufacturing Plant and R&D Centre were opened to service.
- 2016 – The Croatian Ministry of Health issued the EU-GMP Certificate.
- 2016 – The R&D Centre was accredited by the Ministry of Industry and Technology.
- 2017 – ISO 9001 Quality, ISO 14001 Environment and OHSAS 18001 Occupational Health and Safety certifications.
- 2018 – Beginning of FORA transformation project to enable the company to achieve its goals for 2024.
- 2018 – The Jordanian Ministry of Health issued a GMP Certificate as a result of the audits.
- 2019 – The Croatian Ministry of Health confirmed the extension of EU-GMP Certificate.
- 2019 – Santa Farma celebrated its 75th anniversary.

# Santa Farma

*Sağlığa sağlıklı hizmet yolunda* 75.yıl



## ABOUT SANTA FARMA

### 75TH ANNIVERSARY IN THE INDUSTRY

Founded in 1944, Santa Farma, one of the most well-established pharmaceutical companies in Turkey that operates under 9 therapeutic categories and with a total of 73 products across 50 markets under these categories is celebrating its 75th anniversary. The Company's primary objectives in 2019 include evaluating its existing product portfolio in line with its goal of maintaining both its local and global positions, making a difference with new products, expanding to new geographies and moving its local experience to a global scale. Positioning itself as a strategic partner in domestic production through its investments, Santa Farma enters into partnership with companies that make a difference in the pharmaceuticals manufacturing industry with its cutting-edge manufacturing premises and its team showing a meticulous approach to its work. The company's objective is to ensure that the world's leading pharmaceutical companies manufacture their products in Turkey through its new and modern premises. Increasing the number of its business partners which will be beneficial for opening up new markets for export, the company primarily aims to become one of the top three companies in terms of export in the industry by 2024 when the company will celebrate its 80th anniversary.

Another target is to achieve a turnover of TRY 1 billion. The third target is to become one of the most popular, attractive, inspiring and innovative pharmaceutical companies in Turkey.

The manufacturing premise of company that was commissioned at the end of 2015 with an investment of EUR 150 million boasts of the capacity to manufacture 150 million boxes in a single shift. Having acquired in June 2015 its production license and GMP (Good Manufacturing Practices) certificate from the Ministry of Health of Republic of Turkey, the company acquired in 2016 its EU-GMP certificate (European Union Compliance with Good Manufacturing Practices) and ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 certificates in July 2017.

56 full-time employees work at Santa Farma R&D Center, which operates in a four-storey building over an established area of approx. 3 thousand sqm. Santa Farma allocated approx. 2 percent of its turnover in 2019 to R&D activities and aims to develop strategic products that can meet the needs of the society and contribute to the national economy through its R&D activities.

Below are some of the international meetings attended by Mr Erol Kiresepi, Chairman of Board at Santa Farma, as the first Turkish President of the International Organization of Employers (IOE) in 2019:



On the occasion of the centenary of the International Labour Organization (ILO), a series of events was held on April 10th in the UN Headquarters in New York. Delivering the inaugural speech in the UN General Council, Mr Erol Kiresepi, the Chairman of Board at Santa Farma and the President of the International Organization of Employers, highlighted the strong and long-lasting co-operation with ILO and that they supported trilateral management, involving government, workers and employers.



Mr Erol Kiresepi, Chairman of Board of Directors of Santa Farma and President of IOE, took the stage at the Meeting of G20 Labour Ministers held in Japan on September 1-2 on behalf of international business world. Mr Kiresepi underlined that the rate of global progress with regards to 8th Sustainable Development Goals of the United Nations has been rather sluggish and has not kept pace with the ambitions of the 2030 Agenda so far before attracting attention to the key role assumed by the business world in that regard.



Mr Erol Kiresepi, President of International Organisation of Employers, Deputy President of KİPLAS and Chairman of Santa Farma, addressed the participants of Joint Exchange Forum organised by Turkish Confederation of Employer Associations (TISK), where he underlined the vital importance of social dialogue, an offspring of democracy and participation, as an indispensable part of economic stability and growth.



## ABOUT SANTA FARMA

## BUSINESS FIELD

“Santa Farma manufactures not only original drugs but also equivalent drugs in order to contribute to cost effective methods in health costs while making drugs accessible to more people.”

Santa Farma is engaged in manufacturing, import, export, marketing and sales of drugs in pharmaceutical industry. It is recognized as a deep-rooted and important company dealing with **“manufacturing of original and equivalent drugs”** in Turkish pharmaceutical market. The company invested EUR 150 million in its state-of-the-art manufacturing plant which was commissioned for the benefit of Turkish pharmaceutical industry with a closed space of 44 thousand sqm in Dilovası, Kocaeli in 2015.

The manufacturing plant which boasts of the capacity to manufacture annually 150 million boxes in a single shift based on EU-GMP, TR-GMP and Jordanian GMP certificates not only manufactures products for our country and countries of export but also provides localization support to global and domestic pharmaceutical companies which are engaged in importing pharmaceutical products.

An equivalent drug, or generic drug, contains the same amount of the same active ingredient with the reference (original) drugs and therefore, offers the same pharmaceutical effects. The effect of such drugs is confirmed through bio-equivalence studies. Equivalent drugs are released after the expiration of the patents and date concessions for reference drugs.

Use of equivalent drugs makes it easier to have access to treatment as it offers the same effects with reference drugs for more affordable prices.

Drugs which are scientifically proven to be bio-equivalent are also therapeutically equivalent at the same time. In that respect, Santa Farma complies with all the laws and regulations enforced by the Ministry of Health, which is in charge of registration procedures to be conducted for release of drugs. Furthermore, it abides by the principles of “Current Good Manufacturing Practices” (cGMP).

Currently, a great many of governments encourage manufacturing of equivalent drugs in order to reduce public healthcare costs. This makes it possible to allocate higher funds to other public concerns with a view to contributing to the welfare of the country in general. Manufacturing of equivalent drugs also increases the global competitive power of the relevant country as it provides the manufacturing companies with opportunities for export.

After manufacturing equivalent drugs by means of R&D activities, Santa Farma conducts bio-equivalence studies in order to confirm the therapeutic equivalence of those drugs to reference drugs. Following the completion of registration processes by the Ministry of Health, the products are released to the use of patients and healthcare professionals.

## ABOUT SANTA FARMA

## OFFICES AND PLANTS

Santa Farma is headquartered in Okmeydanı, Şişli-İstanbul while the manufacturing plant is located in Dilovası-Kocaeli. The company conducts the marketing and sales activities through **8 regional offices** all over the country.



R&amp;D Centre



Marketing



Head Office



Manufacturing Plant



## REGIONAL OFFICES



Santa Farma aims to provide people with the best means for health by manufacturing high quality products.

### MANUFACTURING ACTIVITIES

With an annual manufacturing capacity of **150 million boxes**, Santa Farma manufactures its licensed products in addition to several drugs licensed for leading multinational companies.

The manufacturing plant conducts its operations in full compliance with the Current Good Manufacturing Practices (cGMP) introduced by the EU-GMP and World Health Organization (WHO) and embraced by Turkish Ministry of Health in order to promote international standards in drug manufacturing activities.

Santa Farma aims to provide people with the best means for health by manufacturing high quality products.

Available pharmaceutical forms;

- Tablet, film coated tablet, pills, capsules, sachets, powder filling, effervescent
- Syrup, solution, suspension
- Mouthwash
- Oral, nasal spray and drop
- Pomade, ointment, gel, cream, and lotion.

### CONTRACT MANUFACTURING SERVICES

Santa Farma Gebkim Manufacturing Plant undertakes contract manufacturing services for and on behalf of MSD Turkey, Janssen, Angelini, Yenişehir Laboratuvarı, Bilim İlaç, Astellas, DNC Pharma and LIBA Laboratories.

### QUALITY MANAGEMENT SYSTEM

The Quality Management System is based on:

- Regulations of Turkish Ministry of Health (all of the applicable laws and regulations, GMP, GDP Guidelines)
- PIC/S,
- Eudralex Volume 4,
- ISO 9001 Quality Management System Standards,
- WHO Guidelines, and
- The International Council for Harmonisation (ICH) / Pharmaceutical Quality System (Q10).

### TR- GMP CERTIFICATE

Santa Farma Gebkim Manufacturing Plant and R&D Centre, which was awarded a GMP Certificate by Turkish Ministry of Health on 26.06.2015, became entitled to extension of the GMP certificate following satisfactory conclusion of the audit conducted on 05-06.05.2019.

### EU-GMP CERTIFICATE

Similarly, Santa Farma Gebkim Manufacturing Plant, which was awarded the EU-GMP Certificate by Croatian Health Agency HALMED on 11.11.2016, became entitled to extension of the certificate following satisfactory conclusion of the audit conducted on 02-06.09.2019.

### ISO CERTIFICATES

Santa Farma was awarded ISO 9001 Quality, ISO 14001 Environment and OHSAS 18001 Occupational Health and Safety certificates in 2017. Those certificates remained valid throughout 2019 during which necessary audits were performed.



## R&D

In general, Research and Development (R&D) activities focus on boosting innovation to offer new services to people and increase their quality of life. In pharmaceutical industry, R&D activities are even more important because they have a direct impact on human health.

The primary goal of Santa Farma R&D Centre is to conduct studies to formulate drugs with high added value in international standards in order to improve life quality of patients by presenting alternative means of treatment and contribute to national economy.

To that end, Santa Farma R&D Centre conducts:

- Patent studies,
- Active ingredient research and evaluation,
- Alternative active ingredient evaluation,
- Pharmaceutical technology development,
- Development of pharmaceutical analytics,
- Bio-equivalence and Clinical Studies,
- New product stability studies,
- CTD application file preparation activities based on Quality by Design (QbD) approach in line with the internationally recognized EMA, US-FDA and ICH guidelines.

The know-how derived from the studies conducted at R&D Centre is used for developing future products through information sharing based on human oriented principles with a view to improving new product reliability and effectiveness thanks to the increasing know-how of the company.

Situated on a land of 3.000 m<sup>2</sup> and comprised of 4 levels, the R&D Centre was accredited by the Ministry of Industry and Technology in recognition of the fulfilment of all requirements on 18.11.2016. This accreditation displays the high quality of the facility as well as the studies conducted in the "R&D Centre".



## The quality of Santa Farma R&D Center is widely accepted and has eligibility leading the world.

The R&D Centre is comprised of pharmaceutical analytic development laboratories (instrumental analysis and wet chemical laboratory), pharmaceutical technology laboratories, warehouses and offices. Our team of professionals with B.Sc., M.Sc. or Ph.D degrees on pharmaceutical chemistry, pharmaceutical technology, patent and clinical research perform studies to create innovative products with high added value with the use of high technology equipment. Santa Farma scientists keep up with the scientific and technological improvements and advances thanks to the internal and external training offered to them based on the human oriented approach of the company. This makes it possible for Santa Farma R&D staff to improve their scientific knowledge as necessary.

Lateral project groups monitor every single step of the new product development activities with great care and attention as the studies are conducted through alternative dosage forms meant to increase patient compliance and comfort in line with cGMP (Good Manufacturing Practices) and cGLP (Good Laboratory Practices) in addition to GCP (Good Clinical Practices) for clinical studies.

Santa Farma R&D Centre acts in collaboration with universities for projects sponsored by TUBITAK and TEYDEB based on the understanding that Public & Private partnership is a cornerstone of innovation. Hence, it not only contributes to development of science and technology in Turkey but also takes action to diversify the product range of the company.

Santa Farma R&D Centre aims to reinforce the position of Santa Farma in both domestic and global markets by continuously improving the quality of the products.

All departments get involved in those studies through a multi-disciplinary approach so as to meet the product needs of several countries throughout the world. In that respect, the ultimate goal is to contribute to national economy and help finance the current deficit by increasing the national export volume. Santa Farma R&D Centre is globally recognized for its high quality and leading innovation.

### WAREHOUSES

The Representative Pharmaceutical Warehouse available in the New Manufacturing Plant and R&D Centre was audited by the Ministry of Health on 31.12.2014. Following the audit, the Ministry of Health issued a license on 05.03.2015. The warehouse is used for storage and shipment of products since 01.08.2015.

Located in the New Manufacturing Plant and R&D Centre, Santa Farma Representative Pharmaceutical Warehouse boasts of a capacity for 10,098 pallets. Finished products and raw materials / packaging materials are stored in the same warehouse but in different sections separated with wires. The warehouse has a storage section of 70 pallets for the raw materials which have to be stored in cool or warm temperatures. Also, there is a storage section of 30 pallets for cold chain finished products. BMS system is used for measuring and monitoring the temperature and humidity levels in the warehouse on 24/7 basis. Finished products are distributed through the shipping section in the same warehouse. Combustible/inflammable raw materials are stored in a different warehouse of 70 pallets.

## ABOUT SANTA FARMA

## NEW INVESTMENT



New Manufacturing Plant and R&amp;D Centre

The foundations of the New Manufacturing Plant and R&D Centre were laid in GEBKIM Organized Industrial Zone in 2012. The plant which is located on a land of around 80.000 m<sup>2</sup> boasts of a manufacturing capacity of annually 150 million boxes. With its 45.000 m<sup>2</sup> indoor spaces, the plant began to perform manufacturing operations after it was issued the GMP certificate of conformity on 26.06.2015 following the necessary audits. After the quality audits were conducted, the plant received 3 ISO certificates (ISO 9001 Quality, ISO 14001 Environment, OHSAS 18001 Occupational Health and Safety) in 2017. The company was able to achieve extension of the certificates as a result of the audits which were concluded satisfactorily in 2018 and 2019.

Thanks to its plant investment, Santa Farma was awarded Golden Vessel Drug and Pharmaceuticals Success Award for "Investment of the Year" by Pharmaceuticals Magazine during the third award ceremony held on November 05, 2012.

## CORPORATE SCALE

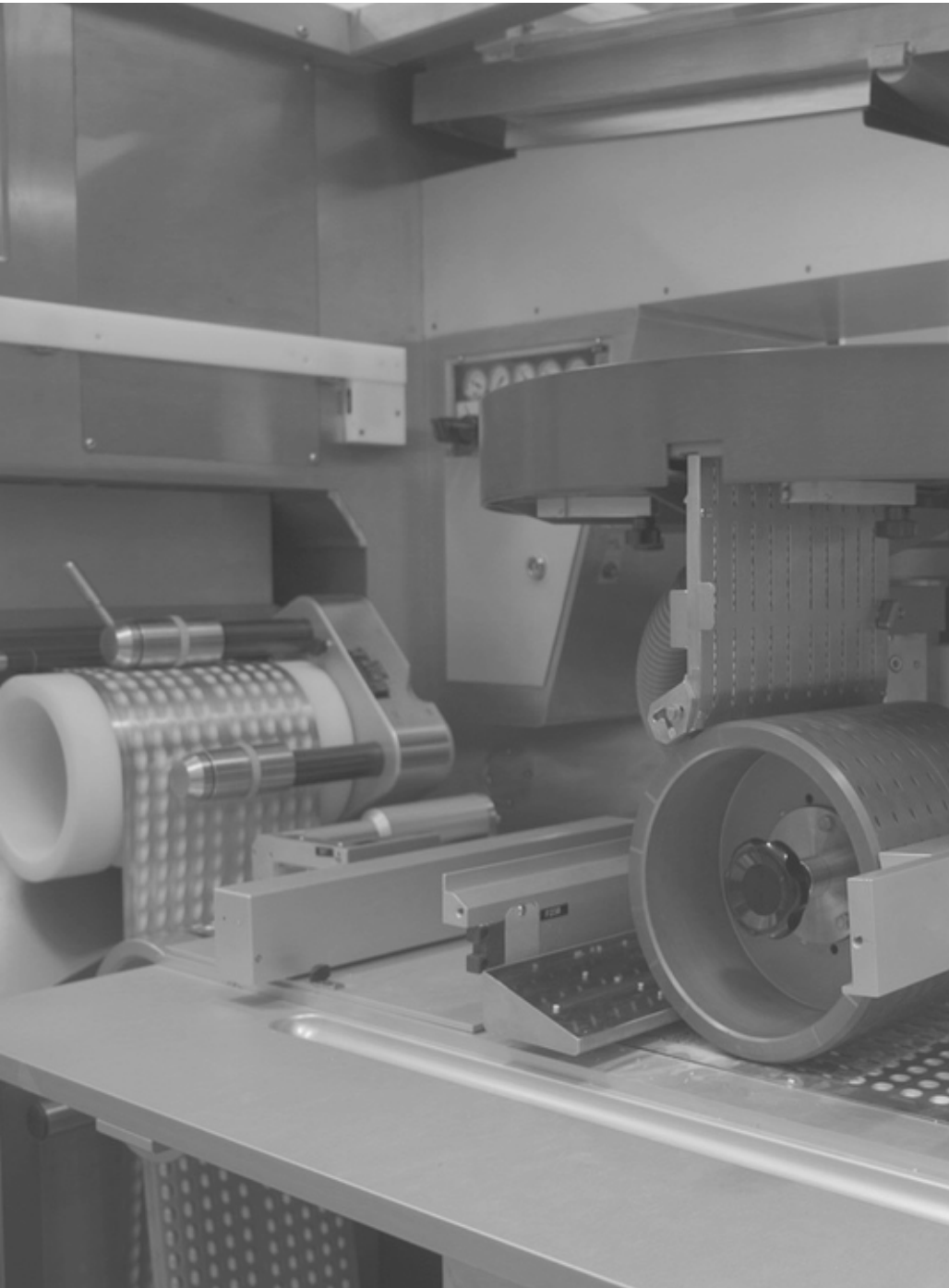
Santa Farma İlaç Sanayi is a joint stock company. The chart below summarizes its major shareholders, magnitude and sales-cost statement as of December 2019:

Headcount	1,071
Net Sales	TRY 677,474,940.62
Shareholders' Equity	TRY 249,966,392.48
Quantity of Product & Service Supply	83,199,779 boxes of drugs
Total Assets	TRY 726,288,078.09
Major Shareholder	Erol KİRESEPİ



Golden Vessel Award





## PRODUCTS

The company manufactures and imports drugs in several therapeutic categories digestive system and metabolism, musculo-skeletal system, respiratory system, gastroenterology and infection, dermatology, nervous system, haematology, cardiovascular system and immune system.

### DIGESTIVE SYSTEM AND METABOLISM

Apikobal Film Tablet	Manufacturing	Tribudat Forte Tablet	Manufacturing
Apikobal Plus Enteric Coated Tablet	Manufacturing	Tribudat Granule	Manufacturing
Juvelta Granule	Manufacturing	Tribudat Tablet	Manufacturing
Pinix Film Coated Tablet	Manufacturing	Ukra® HR Film Tablet	Manufacturing
Spanol Film Coated Tablet	Manufacturing		

### MUSCULO-SKELETAL SYSTEM

Acetudil Forte Capsule	Manufacturing	Paraflex Tablet	Manufacturing
Dicloflam Pill	Manufacturing	Parafon Tablet	Manufacturing
Elektra Ampule	Manufacturing	Quando Film Coated Tablet	Manufacturing
Elektra Film Tablet	Manufacturing	Sempriban Film Tablet	Sanofi Manufacturing
Elektra Fort Film Tablet	Manufacturing	Sempriban Ampule	Sanofi Manufacturing
Elektra Plus Gel	Manufacturing	Thermoflex Cream	Manufacturing
Flexo Ampule	Manufacturing	TioRelax Ointment	Manufacturing
Flexo Gel	Manufacturing	TioRelax Tablet	Manufacturing
Flexo Spray	Manufacturing		

### GASTROENTEROLOGY AND INFECTION

Evasif Film Tablet	Manufacturing	Zenticavir Film Tablet	Sanofi Manufacturing
Sidatria Film Coated Tablet	Sanofi Manufacturing		

**RESPIRATORY SYSTEM**

Allerset Film Tablet	Manufacturing	Flurend Oral Spray	Manufacturing
Allerset Oral Drop	Manufacturing	İliadin Merck Drop	Manufacturing
Allerset Syrup	Manufacturing	İliadin Merck Paediatric Spray	Manufacturing
Anthix Tablet	Manufacturing	İliadin Merck Dosage Spray	Manufacturing
Bronchorest Capsule	Manufacturing	Nazoster Nasal Spray	Manufacturing
Buğuseptil Vapour Solution	Manufacturing	Pulmistat Syrup	Manufacturing
Crebros Film Coated Tablet	Manufacturing	Pulmistat Fort Syrup	Manufacturing
Fluibron Paediatric Syrup	Manufacturing	Pulmorest Fort Syrup	Manufacturing
Fluibron Syrup	Manufacturing	Pulmorest Syrup	Manufacturing
Forflu Tablet	Manufacturing	Sulfarhin Nasal Pomade	Manufacturing
Flurend Mouthwash	Manufacturing	Usyex Spray	Manufacturing

**DERMATOLOGY**

Codermo Cream	Manufacturing	Magnis Cream	Manufacturing
Codermo Lotion	Manufacturing	Oly Cream	Manufacturing
Codermo Ointment	Manufacturing	Oly Plus Cream	Manufacturing
Dermacutan Gel	Manufacturing	Oly Spray	Manufacturing
Locoderm Cream	Manufacturing	Terbisil Tablet	Manufacturing
Locoderm Lipocream	Manufacturing	Terbisil Cream	Manufacturing
Locoderm Ointment	Manufacturing	Terbisil Spray	Manufacturing

**NERVOUS SYSTEM**

Cralium Tablet	Manufacturing	Lev-End Film Coated Tablet	Manufacturing
Cogito Oral Solution	Manufacturing	Lev-End Oral Solution	Manufacturing
Cogito Film Tablet	Manufacturing	Phocuss Tablet	Manufacturing
Cogito Treatment Initiation Pack	Manufacturing	Phocuss Treatment Initiation Pack	Manufacturing
Duloxx Capsule	Manufacturing	Sayfren Tablet	Manufacturing
Elepsi Film Tablet	Manufacturing	Sayfren Oral Solution	Manufacturing
Etkinia Tablet	Manufacturing	Secita Film Tablet	Manufacturing
Gyrex Film Tablet	Manufacturing	Zhedon Film Coated Tablet	Manufacturing

**HAEMATOLOGY**

Eporex Prefill	Import	Santafer Ampule	Manufacturing
Ferlos Tablet	Manufacturing	Santafer Fort Film Tablet	Manufacturing
Ferlos Oral Solution	Manufacturing	Santafer Oral Drop	Manufacturing
Feroven I.V. Ampule	Manufacturing	Santafer Syrup	Manufacturing
Oxfet Film Coated Tablet	Manufacturing		

**CARDIOVASCULAR SYSTEM**

Calbicor Tablet	Manufacturing	Modet Film Tablet	Manufacturing
Hirudoid Forte Gel	Manufacturing	Trentilin Retard Film Tablet	Manufacturing
Hirudoid Forte Cream	Manufacturing	Trentilin Ampule	Manufacturing
Modet Capsule	Manufacturing		

**UROGENITAL SYSTEM**

Eccury Film Tablet	Manufacturing	Longis Film Tablet	Manufacturing
Komox Capsule	Manufacturing		

## ABOUT SANTA FARMA

## OVERSEAS MARKETS AND PARTNERSHIPS

Santa Farma has proudly extended its successful domestic operations to overseas countries. The company is currently marketing its innovative equivalent products in overseas markets thanks to its long-term marketing experience as well as registration files updated in line with the international standards. In that sense, it steadily extends its operations in overseas markets every year. Santa Farma provides its business partners with training, product info, advanced marketing methods and strategies, management advice and guidance for preparation of registration application files.

Santa Farma will continue to focus on export operations as an indispensable part of its growth strategy in future years as well. As of 2019, the company is involved in business partnerships in the following countries:

- Afghanistan
- Albania
- Azerbaijan
- Western, Eastern and Central Africa countries
- Dominican Republic
- Philippines
- Georgia
- Hong Kong
- Iraq
- Kazakhstan
- Kyrgyzstan
- Colombia
- Kosovo
- Myanmar
- Uzbekistan
- Tajikistan
- Turkmenistan
- Pakistan
- Jordan
- Vietnam
- Yemen

The company aims to form new business partnerships in the following countries in 2020:

- China
- Ethiopia
- Kuwait
- Malaysia
- Mexico
- Mongolia
- Moldova
- Sri Lanka
- Chile
- Uganda
- Ukraine

Also, the company is likely to execute joint development and contract manufacturing agreements for 3 products with a European-based global company in 2020.



Pharmaceutical representative training in Azerbaijan  
October 17-18, 2019, Baku



## LICENSE AGREEMENTS

Santa Farma steadily renews and improves its product range by executing license agreements with leading global companies in order to serve the community and healthcare industry in the best manner possible. The chart below provides a list of the companies with whom the company has executed license agreements:

ALFASIGMA

astellas

Daiichi-Sankyo

MERCK

SANOFI

Santa Farma attended CPhI Worldwide 2019 in line with its goal of becoming a leading domestic exporter in Turkish Pharmaceutical Industry, a preferred contract manufacturer and a preferred business partner of global drug manufacturers in Turkish market.



## CORPORATE GOVERNANCE

Management of Santa Farma is entrusted to:

Board of Directors,  
Executive Committee, and  
Senior and Functional Managers at various levels.

**Board of Directors:** consists of one President and three directors.

The Board of Directors is responsible for making strategic decisions about the company, and finding and allocating resources related to those decisions.

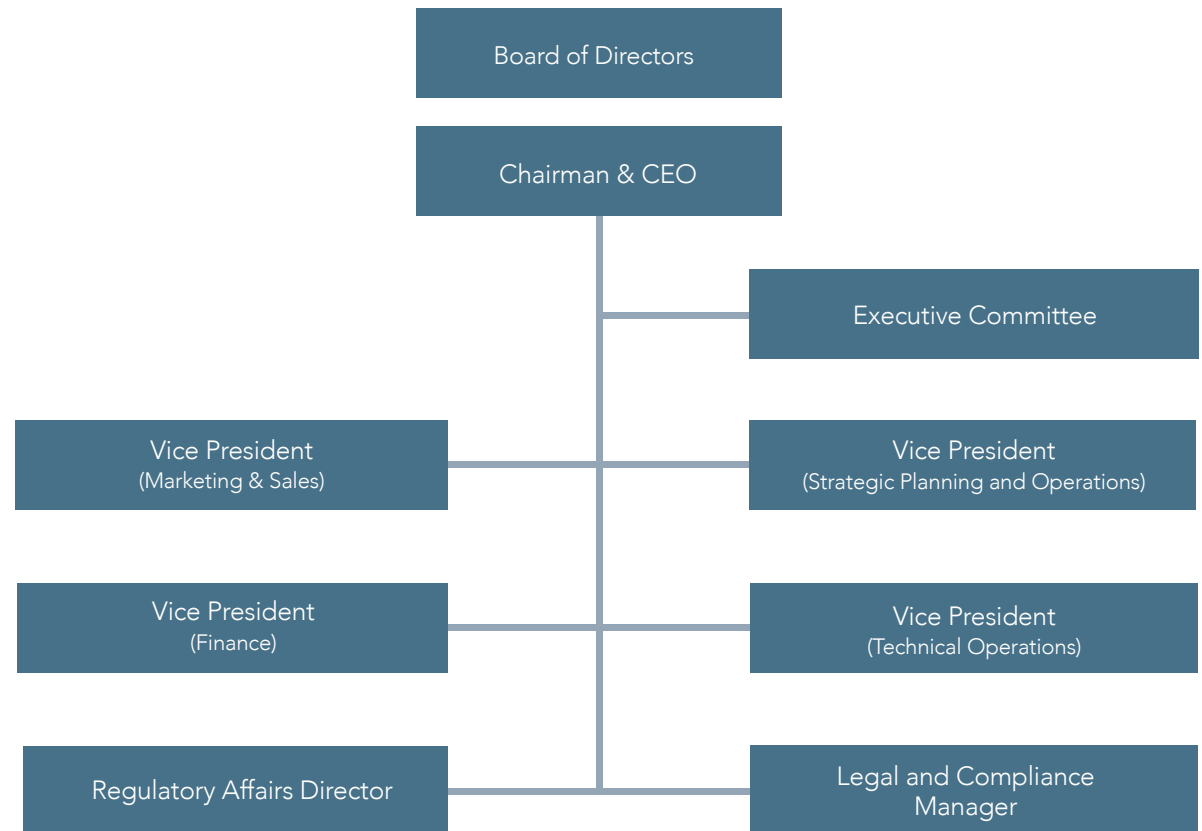
**Executive Committee:** consists of one Chairman and four Vice Presidents. Vice Presidents are senior managers of Marketing and Sales, Strategic Planning and Operations, Technical Operations and Finance divisions.

Executive Committee is responsible for setting corporate targets and organizing the required actions, making decisions about the management systems and business processes required for attaining corporate targets, analysing and evaluating business results and taking actions as necessary.

**Senior and functional managers** of various levels: consist of the functional managers reporting to the Chairman & CEO and Vice President.

They are responsible for administering the existing management systems in line with the strategies set for the corporate targets.

## SENIOR MANAGEMENT ORGANIZATION CHART AT SANTA FARMA







## CORPORATE GOVERNANCE

## ECONOMIC PERFORMANCE

Below is the economic value created by Santa Farma İlaç Sanayi A.Ş. in 2019:

Gross sales	TRY 879,188,259.50
Revenues	TRY 23,008,446.74
Wages due to Employees	TRY 115,327,052.42
Payments due to the Government	TRY 67,665,061.34
Payments due to the Funders and Banks	TRY 45,554,567.23

We were able to fulfil our mission to become a company growing faster than the market average by increasing our turnover by 45 per cent in 2019. Besides, we achieved our sales target for 2019 by 100 per cent.



## CORPORATE GOVERNANCE

## SANTA FARMA AND STAKEHOLDERS

Santa Farma considers all of the communal parties as its stakeholders to the extent such parties have any relationship with the company and affect the company with their actions or get affected from our actions. primary stakeholders are **our employees, shareholders, healthcare professionals, patients and relatives, journalists, suppliers, distributors and business partners, associations, community and non-governmental organizations.**

## COMMUNICATION WITH STAKEHOLDERS

## EMPLOYEES

We communicate with our employees by means of meetings and HR processes: Ekol communication platform, annual meetings, company picnic, orientation training, general training, technical training, video conference system, cctv system, teleconference meetings, several project studies, hiring interviews, performance assessment system, sporting events, volunteering projects, social club activities and similar processes and methods are used for communicating with employees.

## SHAREHOLDERS

The board of directors communicate with the shareholders through monthly/annual etc. meetings. They exchange information and make strategic decisions about the future of the company. Those meetings help us communicate with the shareholders on a regular basis.

## HEALTHCARE PROFESSIONALS

Physicians: Medical representatives pay regular visits to physicians. Treatment alternatives and molecules are evaluated through scientific meetings. Therapeutic websites are created to provide up-to-date information to physicians. We also attend the national congresses, symposia and meetings organized by relevant associations in Turkey. We hold satellite-based symposia in order to offer scientific support with the help of domestic and international lecturers. We organize training programmes on specific therapeutic fields in order to contribute to professional development of physicians. We provide unconditional support to several projects of associations in order to raise awareness regarding specific diseases.

Pharmacists: Medical representatives pay regular visits to pharmacists. We undertake one-to-one training sessions about diseases, treatment options and molecules in order to help them increase and update their professional knowledge.

We have launched special websites for pharmacists so as to provide them with refresher training on professional regulations. Pharmacists are offered web-based training about diseases, treatment options and molecules.

## PATIENTS AND RELATIVES

The company communicates with patients and their relatives indirectly through various awareness raising projects conducted in collaboration with specific associations.

## CORPORATE GOVERNANCE

## SANTA FARMA AND STAKEHOLDERS

<b>PRESS</b>	Journalists are regularly contacted through press releases, special reporting activities and press meetings.
<b>SUPPLIERS</b>	We perform audits at suppliers for improvement purposes in addition to paying visits to their plants.
<b>DISTRIBUTORS AND BUSINESS PARTNERS</b>	We communicate with distributors and business partners through agreements, training sessions and meetings.
<b>ASSOCIATIONS (TO WHICH THE COMPANY IS A MEMBER)</b>	<p>Pharmaceutical Industry Association of Turkey (TİSD)</p> <p>Istanbul Chamber of Industry (İSO)</p> <p>Istanbul Chamber of Commerce (İTO)</p> <p>Union of Chambers and Commodity Exchanges of Turkey (TOBB)</p> <p>Foreign Economic Relations Board of Turkey (DEİK)</p> <p>Swiss Chamber of Commerce in Turkey</p> <p>Italian Chamber of Commerce in Turkey</p> <p>Union of Chemical Petroleum Rubber and Plastic Industry Employers of Turkey (KİPLAS)</p> <p>Kocaeli Chamber of Industry</p> <p>United Nations Global Compact (UNGC)</p>
<b>COMMUNITY AND NON-GOVERNMENTAL ORGANIZATIONS</b>	Corporate social responsibility projects, corporate website and corporate social media accounts form the most important of our communication with the community. Besides, we collaborate with TEMA, ÇEVKO, AÇEV, KAÇUV, Tohum Autism Foundation, TOFD, Alzheimer Association of Turkey, GEA, İyimser Abla, KIZILAY and similar NGOs for several projects.

## CORPORATE GOVERNANCE

## SOCIAL RESPONSIBILITY



Santa Farma's marathon team attended the 40th Istanbul Marathon in order to collect donations for "Don't Forget Yourself" project conducted in collaboration with Turkish Alzheimer Association in 2018. With a team of 97 employees, Santa Farma was distinguished as the leading company in pharmaceutical industry. During the celebration held at the refurbished Day Care Centre, Turkish Alzheimer Association presented the certificates of appreciation and thank you letters written by relatives of patients to the marathon teams which were able to collect the highest sums of donation for the benefit of the association.



Santa Farma provided unconditional support to the Viral Hepatitis Control Association's awareness project "Leave a Yellow Note to Life", which intends to increase awareness about Hepatitis B and encourage more people to take tests and take measures. The project was awarded at Golden Spider and Felis Awards.

Under the project "Leave a Yellow Note to Life" which was extended to almost 4 million people in just four months, Santa Farma made a cooperation with the Yellow Microphone, which is Turkey's most watched street interviews channel. Street interviews were made by the famous actor Hayreddin. In the viral videos, people were asked "What does 'B' mean for 1.8 million people in Turkey?" and informed about Hepatitis B.



We removed the office bins and began to use the common space unit zones under the Zero Waste Project initiated at the Head Office and Gebkim office buildings. Thanks to efficient recycling actions, we were able to reduce our greenhouse gas effect by 41,4 tons while saving 1 million 134 thousand 303 kilowatt hours of power. Besides, the recycling activities made it possible to save 3,562 trees in addition to saving 44.1 kilograms of raw materials and around 733 barrels of oil.





## CORPORATE GOVERNANCE

## SOCIAL RESPONSIBILITY



Under a joint project with KAÇUV, children's drawings which characterize doctors as their super heroes were presented to the doctors. The donations made under this exclusive project were used for the benefit of children receiving cancer treatment and their families.



Another social responsibility project supported by Santa Farma employees is the "Kapak Olsun" campaign initiated by TOFD for donating wheelchairs to individuals with orthopaedic disability so that they can independently and freely go around, make shopping and discover the world around them. Accordingly, we collect plastic bottle caps in the collection units available in our head office, plant and other corporate offices and send them to TOFD at regular intervals.



We are convinced that economic, humanitarian and social development will not be possible without encouraging women who constitute half of the society to become involved in all aspects of life. Under the initiative taken in 2018, we provided support to women's cooperatives from all over Turkey on the occasion of 8th of March this year, as well. We presented the sets prepared by İyimserAbla, a non-governmental organization, to all male and female employees in order to underline our conviction that female labour is invaluable for the society.



## CORPORATE GOVERNANCE

## SOCIAL RESPONSIBILITY



Santa Farma is committed to the success of joint projects conducted with Turkish Red Crescent. The company has launched another project, stem cell donation, to the existing blood donation campaigns. Santa Farma employees at Dilovası Manufacturing and R&D Centre voluntarily donated stem cells under the project.



Santa Farma chooses a different NGO for the Corporate Picnic organization held every year. The company picked Laughter Heals Association for the Traditional Santa Farma Picnic in 2019. Laughter Heals Association was given the opportunity to explain its activities in order to raise awareness and collect funds by selling its specially designed products to the employees during the picnic.



Santa Farma employees assigned at the head office and plant decided to give presents to children receiving cancer treatment instead of organizing a draw with their colleagues for celebrating the new year. Each employee picked a name from the Tree of Hope and bought a gift according to the age of the child. The gifts were given to children receiving cancer treatment with the help of KAÇUV.



Santa Farma made a donation to Haçiko Association in the name of all Santa Farma employees on April 4, World Stray Animals Day.

## HUMAN RIGHTS MANAGEMENT

### ACCESS TO MEDICATION

Equivalent drugs make it possible to offer effective treatment options with more affordable prices than reference drugs. Hence, Santa Farma facilitates access to medication and improves public health by manufacturing equivalent drugs.

Currently, a great many of governments encourage manufacturing of equivalent drugs in order to reduce public healthcare costs. This makes it possible to **allocate higher funds to other public concerns with a view to contributing to the welfare of the country in general.**

Santa Farma distributed around **61 million boxes of drugs directly** in domestic market in 2019. It ranks among **top 10 companies** in terms of distribution volume. Those activities conducted by Santa Farma conform to the **Human Rights Guidelines for Pharmaceutical Companies in relation to Access to Medicines** issued by the **United Nations**.

Santa Farma contributes to savings on healthcare costs and makes medication accessible to more people by manufacturing equivalent drugs.





## PATIENT RIGHTS

Santa Farma is responsible for manufacturing reliable products in order to promote the healthcare services extended to patients. In other words, it is dedicated to **"giving healthy service to health"**.

To that end, Santa Farma has set up a pharmacovigilance system which is meant to enable the company to perform its obligations regarding product safety and take suitable actions if necessary. This system is administered by pharmacists who are assigned as the "Pharmacovigilance Executive and Representative" in charge of the "Pharmacovigilance Unit" under Registration Department in Turkey. Having been selected from qualified candidates who are able to perform the duties arising from the pharmacovigilance system in line with the regulations and guidelines in force, the Pharmacovigilance Executive and Representative are responsible for product safety at Santa Farma and they remain available on 24/7 basis. Pharmacovigilance Executive and Representative attend the training programmes organized by Turkish Ministry of Health on pharmacovigilance.

Santa Farm performed a risk/benefit analysis with respect to adverse reactions (side effects) arising from Santa Farma products in 2019 reporting period. The outcome of this analysis was reported to both the Ministry of Health and licensor companies in line with the relevant regulations and guidelines.

Santa Farma Pharmacovigilance Unit:

a) Monitors product safety on a continual basis. To that end, it provides pharmacovigilance training to all employees. Through those training organizations, the unit provides up-to-date information about the applicable regulations and guidelines, explains the actions to be taken in case of any adverse reaction report, and raises awareness regarding pharmacovigilance.

b) Takes note of all suspicious and serious adverse reactions (side effects) which might be attributable to

consumers, healthcare professionals or the literature in Turkey and reports those cases to the Pharmacovigilance Centre of Turkey (TÜFAM) within fifteen days at the latest. Also, it monitors the progress in relation to those cases which have to be reported to TÜFAM within fifteen days.

c) Takes note of adverse reactions observed in other countries where the drugs are registered as well as all kinds of changes which might affect the benefit/risk assessment of the respective drug including the restrictions and prohibitions introduced by competent authorities, archives the relevant details and report them to TÜFAM if necessary. Hence, it keeps the drug information up-to-date in line with the existing scientific data.

d) Takes note of all minor adverse reactions observed in Turkey and other countries where the drugs are registered and arising from the literature and archives the relevant information to be included in the Periodical Benefit/Risk Assessment Report.

e) Prepares the "Periodical Benefit/Risk Assessment Report", which is a scientific form of evaluation report, immediately upon request or 18 months after registration and during renewal of registration (5th Year) for any drug registered in Turkey and submits the same to the Turkish Ministry of Health.

f) Minimizes the risk by evaluating the information derived in relation to pharmacovigilance activities and takes necessary measures.

g) Undertakes pharmacovigilance activities by means of a validated system in line with the requirements of the current regulations and guidelines.

## PROMOTION OF EMPLOYEES' RIGHTS

## RIGHTS OF SANTA FARMA EMPLOYEES

Santa Farma upholds article 23 of the Universal Declaration of Human Rights which provides that:

"Everyone, without any discrimination, has the right to equal pay for equal work. Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection."

Santa Farma has implemented an Employee Rights and Human Resources Policy since its incorporation. The company prioritizes employee rights and working environment. As we have already noted, Santa Farma endeavours to create a working environment where employees may voluntarily put their knowledge and skills to use and expects the management staff to uphold this principle.

The company does not make use of forced and child labour and does not encourage those two forms of labour in any organization. We execute an employment contract with each employee and respect the legal probation period. We treat all employees equally and support the principle of granting equal right of protection to everyone legally without discrimination.

"Santa Farma respects the employees' right to freedom of peaceful assembly and association."

Santa Farma uses a Job Assessment System to determine wages in line with the principle of "equal pay for equal work". We compare the wages applied in the company with the market wage reports annually and conduct the necessary analyses in order to make wage increases in line with the corporate policies as well as economic indicators.

In addition to monthly wages, we provide our employees with several benefits such as religious holiday allowance, fuel allowance and leave allowance. Also, the company funds a significant portion of the private healthcare insurance extended to the employees.

"Santa Farma respects the employees' right to rest and free time based on the understanding that this right covers a reasonable limitation of office hours and extension of the right to paid leave at specific intervals."

Santa Farma employees are entitled to benefit from paid leave period provided in the law applicable in our country. As a matter of fact, the leave period granted to the employees is well above the legal period. As it might be inferred from the following chart, our employees enjoy a leave period extending the legally required period.

 Duration of Employment	 Legal Leave Period	 Leave Period Applicable at Santa Farma
1-5 years	14 days	20 days
6-15 years	20 days	26 days
15+	26 days	30 days

## PROMOTION OF EMPLOYEES' RIGHTS

**WORKING ENVIRONMENT AT SANTA FARMA**

We endeavour to provide a favourable working environment to employees while also creating suitable social means and opportunities to improve social bonding between employees.



Launch of Ekol



Bowling Tournament

We recognize that creating a favourable working environment is crucial for employee's well-being and performance.

Hence, we took action to create modern working offices in our head office building in 2016. The head office is home to 13 meeting halls and a conference hall. Also, there are 7 meeting halls and a conference hall at the manufacturing plant and R&D Centre. As a company dedicated to creating a favourable social environment, we encourage our employees to engage in sporting activities at football-basketball and volleyball fields. We believe that such activities will also improve the personal relationship between employees.

We have installed CCTV system at the canteens in our head office and manufacturing plant in order to share up-to-date information about the company with our employees. The system is used for disclosing monthly sales figures, manufacturing information, training organizations, news, meetings, awards, sporting achievements, environmental activities, and social responsibility projects to our employees so that our internal stakeholders will remain knowledgeable about the corporate actions.

We effectively use a video conference system and Skype for Business between regional offices and head office in order to enhance our communication with our employees. Recognized for boosting our capacity for communications, the available systems ensure end-to-end encryption by means of WILDCARD SSL. This contributes to reducing travel costs

in addition to mitigating our impact on nature by reducing greenhouse gas emissions.

In 2019, we renewed and commissioned our Ekol Internal Communication Platform in the form of a corporate communication portal powered through Microsoft Sharepoint Online infrastructure. Ekol Social Microsoft Yammer, our internal social media platform, was launched for allowing all employees to interact through the same platforms. All Medical Sales Representatives are provided with mobile devices which enable them to have online access to all kinds of information about our human medicinal products. Hence, we have managed to eliminate the use of printed materials in order to minimize the number of trees cut for our operations in line with our environmental commitments. Also, we use Ekol in order to provide our employees with free online training and information in addition to enabling them to meet for achieving joint objectives by means of social clubs and events.

The Enterprise Resource Planning (SAP-ERP) Project which was launched in November 2011 aims to promote cost traceability, standardize business processes and control all of the processes from raw material supply to actual manufacturing phases. The fully validated processes enable the company to manage all operations in a well-integrated manner.



Table Tennis Tournament



Picnic



## PROMOTION OF EMPLOYEES' RIGHTS

WORKING ENVIRONMENT AT  
SANTA FARMA

Launch of Take Action



Back-to-school Conference

Also, the transition to Central Procurement organization, which was implemented in line with the goal of improving business processes, enabled us to adapt the Supplier Relations Management (SAP SRM) module as necessary.

The Digital Quality Management System QMex software which is used since 2014 makes it possible to promote data security and integrity by means of a validated system created for quality processes so as to conduct and monitor the process more rapidly with less human intervention.

In addition to SAP-ERP and QMex systems, the company makes effective use of support systems such as business acumen and several operational systems integrated with each other meant to increase effectiveness of business processes. Those systems are continually updated in order to keep pace with changing needs. In that respect, we developed B2B Order Integration infrastructure for our domestic customers in 2018.

The company organizes annual meetings at the end of each year in order to disclose corporate strategies to employees and improve the communications between employees. During those meetings, we evaluate the previous year, set the targets for the next year, offer trainings on several issues, launch our products and support teamwork by means of various activities. Also, we create a social environment where employees may relax and have fun together.

Respect for the individual, openness to development, rational power, and respect for the work, workplace and community remain at the core of our human resources policy. With this in mind, we are dedicated to undertake projects which will satisfy the needs of the new generation and increase satisfaction of employees. In that respect, we launched the "Take Action" project for our employees and their families in order to help them maintain a good balance between their business and private lives. The project covers a wide range of arts and culture activities to provide support to our employees and their families about various fields including nutrition, sports, stress management, parenting and child care support. Also, employees who have a child attending the kindergarten and first grade at primary school are given a half-day leave during the back-to-school and end-of-school days so that they can share the excitement and joy of their children.

As part of our 75th anniversary celebrations, Santa Farma employees created the image of a Turkish Flag of 62 square meters by holding pieces of cardboards. After that, they used the same cardboards to create the logo of Santa Farma while a music band played several songs and anthems. Those exclusive moments of visual feast were recorded with the help of a drone. Santa Farma employees enjoyed the celebrations of the 75th anniversary to the full thanks to this special project which was meant to turn the celebration into a real festival.



End-of-year Meeting



75th Anniversary Celebrations

## PROMOTION OF EMPLOYEES' RIGHTS

## EMPLOYMENT

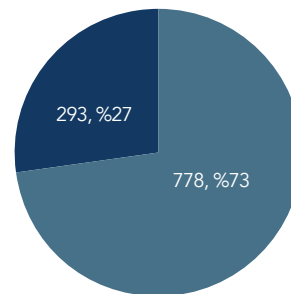
As of December 2019, Santa Farma employee profile is:

## TOTAL WORKFORCE UNDER EMPLOYMENT CONTRACTS

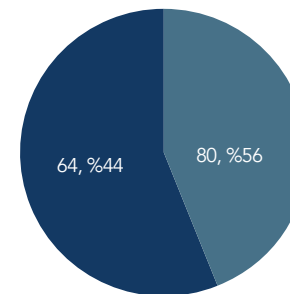
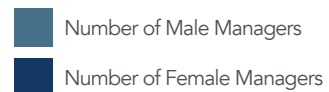
	Total
Number of Employees with Contracts of Definite Duration	2
Number of Employees with Contracts of Indefinite Duration	1069
Total Number of Employees	1071

## TOTAL WORKFORCE PER GENDER

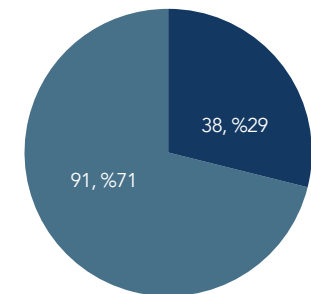
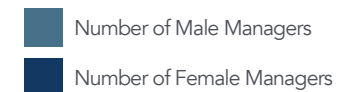
Company Total	Total	Head Office	Total	Manager Positions	Total
Number of Female Employees	293	Number of Female Employees	80	Number of Female Managers	38
Number of Male Employees	778	Number of Male Employees	64	Number of Male Managers	91
Total Number of Employees	1071	Total Number of Employees	144	Total Number of Employees	129



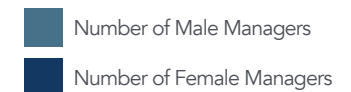
Company Total



Head Office



Manager Positions



## NUMBER OF TERMINATIONS IN THE REPORTING PERIOD

Number of Employees Subject to Termination	Female	Male
	65	86
Total	151	

We think of the company as a big family and each employee is a member of this family. Since our employees have worked at the company for a long time, they remain committed to the company with an outstanding sense of belonging.

As of 2019, **the average service duration is 7 years**. We recognize our employees who have worked for more than 10 years by offering recognition plates and underlining their importance to the company at the annual meeting every year. The **employee transfer rate is 11.85%** in 2019.

#### AVERAGE SERVICE AND EMPLOYEE TRANSFER RATE

Average Service Duration (Years)	7
Employee Transfer Rate (%)	11.85%

#### EMPLOYEE TRANSFER RATE PER GENDER

Employee Transfer Rate (%)	Female	Male	Total
	4.84	7.01	11.85



## PROMOTION OF EMPLOYEES' RIGHTS

## EQUAL OPPORTUNITY

KARIYER.NET RESPECT  
FOR HUMAN AWARD  
2019

Santa Farma maintained its popularity with jobseekers by receiving 80,806 applications in 2019. Having responded to all of the applicants within 3 days on average and thereby achieving 100% response rate, the company was awarded the Respect for Human Award by Kariyer.net for the 9th year in 2019. As a company dedicated to upholding principles of equal opportunity, Santa Farma hired female employees for 38% of all vacancies and 76% of vacancies at the head office in 2019.



At Santa Farma, we uphold the principles of equal opportunity and respect for the individual in all Human Resources processes beginning from the hiring without making discrimination as to ethnic background, religion, language, race, political affiliation or gender.

We evaluate the professional experience and expertise of candidates objectively during hiring, promotion and similar processes in order to promote equal opportunity.

Hiring management system of Santa Farma aims to recruit qualified individuals who adhere to the corporate culture and values, meet the requirements of the position, and have the competences required to contribute to the organization and therefore, select the suitable candidate in line with the principle of equal opportunity.

Everyone who wants to work at Santa Farma may file an application for the vacancies or potential vacancies on our online and other platforms. The vacancies are announced at web portals and corporate web page of Santa Farma.

All applications are evaluated in line with the criteria specified in the vacancy announcements and suitable candidates are invited to an interview. The interview process is held for evaluating the candidates according to the objective criteria and competences required for the position and each candidate is given a score in order to hire the candidate with the most suitable qualifications. Also, we perform evaluations through case studies and simulations (e.g. foreign language tests, personality and behavioural tests) and similar methods. After that, we perform reference checks and extend our job offer to candidates who succeed in all of the abovementioned processes. We give negative feedback to candidates, when applicable, via internet portals and e-mail.

As a company dedicated to show respect for the individual, Santa Farma gives feedback to all candidates about the progress of the hiring process based on the criteria of objectivity and transparency.

Santa Farma admits interns to the plant and head office in cooperation with universities. Interns are provided with the opportunity of technical and professional development. Following the completion of the internship, they are recruited based on the employment needs of the

company. Santa Farma admitted 98 interns in total 78 of whom were assigned at the Plant divisions in 2019.

Total number of positions, number of applications, statistical data about the interviews, fulfilment of positions, candidate selection, evaluation and feedback processes are evaluated and reported on an annual basis. This makes it possible to define the points for development and set objectives for betterment and improvement of hiring processes.

Beginning from the announcement of job advertisement, all hiring processes from the initial interview of the Human Resources to the filling of the position are monitored based on the relevant objectives.

The company encourages hiring of local employees at the manufacturing plant as well as wide-scale site operations throughout Turkey. 72% of the new hires were from provinces outside Istanbul in 2019. Below is the breakdown of employees in different provinces.

## EMPLOYMENT IN PROVINCES

Provinces	Number of Employees in 2019	Provinces	Number of Employees in 2019
Adana	5	İçel	1
Aksaray	2	İstanbul	55
Ankara	11	İzmir	3
Antalya	5	Kahramanmaraş	2
Aydın	2	Kayseri	1
Balıkesir	1	Kocaeli	64
Burdur	1	Kırklareli	1
Bursa	5	Konya	7
Diyarbakır	1	Manisa	2
Elazığ	1	Muğla	1
Erzurum	3	Ordu	1
Eskişehir	2	Samsun	1
Gaziantep	5	Sivas	2
Hatay	1	Şanlıurfa	2
Isparta	2	Tekirdağ	1
		Zonguldak	2
		<b>Total</b>	<b>193</b>

## PROMOTION OF EMPLOYEES' RIGHTS

## EQUAL OPPORTUNITY



## Collaborative Protocols with Universities

The company signed a joint training collaboration protocol with the Faculty of Pharmacy at İstanbul University. The company offers theoretical and practical training and mentoring support under the "360 Degrees at Pharmaceutical Industry" project which is intended to promote the personal and professional development of students.



İstanbul  
Bilgi Üniversitesi



## Intern Programme

In 2019, the company admitted interns from undergraduate students at Boğaziçi University, Bahçeşehir University, Altınbaş University, İstanbul Bilgi University, Biruni University and Kocaeli University. The students were given the opportunity to serve their internship at different departments of the company. Following the completion of the internship, we offered career coaching sessions to the students.

## Career Days

In January 2019, Santa Farma attended the "Chemistry of My National Career" conference organized by Yıldız Teknik University in order to act as a career coach by making one-to-one interviews with students at the departments of Chemistry and Pharmacy. Interns and fresh graduates had the opportunity to apply to positions at the company by using the general application forms throughout this significant day.



Kocaeli Employment Expo and  
Career Days



Career Days at Altınbaş University



## PROMOTION OF EMPLOYEES' RIGHTS

## PROFESSIONAL TRAINING

As a company that values its employees, Santa Farma organizes social activities to improve sense of belonging and commitment of employees, offers personal and professional development training programmes to increase their motivation and creates suitable means for enabling the enterprise to keep up with the changing conditions along with the employees.

We organize Orienteam Orientation Programmes to facilitate the adaptation of new hires to the corporate culture and organization. In that respect, new hires are informed of the organizational structure, functions of divisions, and practices of Human Resources during those programmes.



Training programmes are scheduled in line with the organizational requirements, developmental plans and functional needs of the enterprise. Also, we offer OHS training in order to evaluate the risks in working environments and to raise awareness in employees in that regard.

We ask participants to give feedback about the training programmes in order to evaluate and report satisfaction of participants. The following chart summarizes the training provided to the Head Office, Central Marketing Office and Site employees by the Human Resources along with the training duration per employee in 2019.





## TRAINING PROGRAM IN 2019



Fire Fighting Training



First Aid Training

## AVERAGE TRAINING DURATION PER EMPLOYEE – HEAD OFFICE

2019

TRAINING	TOTAL NUMBER OF PARTICIPANTS	NUMBER OF PARTICIPANTS x TRAINING DURATION (HOURS)	TRAINING DURATION PER EMPLOYEE (HOURS)
Area Management/SYS Training	10	80	0,08
Safe Driving Techniques Training	55	110	0,11
HR Seminars	6	72	0,07
Time Management and Motivational Training	7	56	0,06
Conferences	220	550	0,54
EYS Information Training	9	60	0,06
Effective Communication Training	137	1888	1,86
Orientation Training	111	780	0,77
Awareness of First Aid	102	204	0,2
Leader in Managing People	15	240	0,24
OHS Training	114	1744	1,72
Take Leadership of Your Business	16	256	0,25
Self-Managing Leader	15	240	0,24
Mentor Training	47	292	0,29
Interviewing Techniques and Performance Management	10	80	0,08
Performance Assessment System	41	102,5	0,1
Performance and Feedback Training	52	416	0,41
Dream Team Coaching	11	176	0,17
Selling Techniques Training	10	80	0,08
Leader Steering Strategy	15	240	0,24
Presentation Skills Training	10	80	0,08
Basic First Aid Training	10	160	0,16
Story Telling for Product Launches	36	576	0,57
Fire Training	17	136	0,13
Competence Based Interviewing Techniques	1	16	0,02
Mental Journey to Management	10	80	0,08
AVERAGE OF SF EMPLOYEES: 1013	1.087	8.714	8,61

## TRAINING PROGRAM IN 2019



Story Telling For Product Launches



Effective Communication

## AVERAGE TRAINING DURATION PER EMPLOYEE / PLANT

2019

TRAINING	TOTAL NUMBER OF PARTICIPANTS	NUMBER OF PARTICIPANTS x TRAINING DURATION (HOURS)	TRAINING DURATION PER EMPLOYEE (HOURS)
Behavioural Rules	378	378	0,58
Equipment / Maintenance System / Qualification Training	170	234	0,61
Awareness Training	589	1.586	2,39
Entrance-Exit Authorization	20	600	0,93
GxP Training	528	409	1,07
Heliport Training	7	126	0,19
Firs Aid Certification Training	5	90	0,14
Occupational Health and Safety & Environmental Training	1.531	4.287	11,18
Personal Development Training	66	50	0,13
Professional Training	10.220	784	2,04
Orientation/Rotation Training	1.282	2.579	2,77
QMex Training	231	135	0,35
SAP Training	183	219	0,22
SOP Training	6.470	2.842	7,41
Fundamental Occupational Health Training	172	2.064	3,19
Product Safety Training	14	6	0,02
Time Management and Motivation	4	36	0,06
<b>TOTAL</b>	<b>21.870</b>	<b>16.423</b>	<b>33,27</b>

## Master's Degree Project

Santa Farma initiated a Master's Degree Project in collaboration with Bahçeşehir University under EKOL Academy in 2017. Since then, seven employees of Santa Farma have participated in the Master's Degree Project which is intended to support the personal development and academic improvement of employees with a promising potential for the future. Also, Bahçeşehir University offers special discounts for all employees of Santa Farma who choose to pursue a master's degree in business administration (MBA) and attend other master's degree programmes.



## Mentree

Mentree is a mentoring programme which was launched in 2018 with a view to contributing to the development of our employees while improving our corporate competencies at the same time. Our directors and managers who volunteer for acting as mentors take ownership of the development of the mentees through one-to-one meetings held for 6 months. This programme is highly popular with the employees since it allows them to work with the managers of different functions and learn to evaluate incidents through different points of view.



## PROMOTION OF EMPLOYEES' RIGHTS

### OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

In 2019, Santa Farma İlaç Gebkim OSB Plants underwent follow-up audits in relation to ISO 9001 Quality Management System, ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System while the Head Office was subject to audits concerning ISO 9001 Quality Management System.

Santa Farma performs a number of occupational health and safety activities in order to minimize or restrict the risks arising from its activities throughout all processes ranging from new product development to delivery to end-customers, improve the designated performance indicators steadily and meet requirements of GMP and Integrated Management System.

Santa Farma plants also take a number of occupational health and safety measures which are summarized below.

The senior management has adopted an OHS policy which is meant to reinforce, implement and uphold the OHS objectives and criteria. The OHS policy shall be revised under ISO 45001 Occupational Health and Safety Management System in 2020.

The OHS Policy of Santa Farma aims to determine the risks to be avoided for protecting employees against occupational accidents and diseases, take necessary measures and improve the performance continuously. Target based training and periodical reviews on occupational health and safety form the basis of Occupational Health and Safety agenda. Employees are given periodical training to raise awareness on relevant matters. The company undertakes to improve its occupational health and safety performance constantly and comply with the legal regulations on occupational health and safety as well as other requirements in force. The OHS policy is disclosed to employees through several channels including several monitors and panels inside the buildings, common areas, orientation and basic training programmes. Also, the policies are shared with the employees and relevant stakeholders on the corporate website.



### ASSIGNMENT OF OHS PROFESSIONALS

Santa Farma has assigned an Occupational Physician and Occupational Safety Specialist to work at the head office during the office hours designated in the “Regulation on Duties, Powers, Responsibilities and Training of Occupational Physicians and Other Paramedics” and “Regulation on Duties, Powers, Responsibilities and Training of Occupational Safety Specialists”. Santa Farma Gebkim OSB Plants, on the other hand, engage such professionals to work above the legal period by assigning a full-time Occupational Physician and Occupational Safety Specialists on site. Also, Santa Farma GEBKİM OSB Plants engage Other Paramedics and Occupational Safety Technicians although it is not legally required to assign those professionals.

### OCCUPATIONAL HEALTH AND SAFETY COMMITTEE

Formed in line with the “Regulation on Occupational Health and Safety Committees”, the occupational health and safety committee met and performed functions regularly in 2019. According to the Hazard Classification List, the workplace is classified as hazardous according to which it is required to hold Occupational Health and Safety Committee meetings regularly every 2 months. Managers of relevant departments are invited to those meetings in addition to the individuals indicated in the abovementioned regulation. Matters arising from the requirements of the regulations are discussed at the meetings. In that respect, the committee discusses and resolves such matters as improvement activities necessitated by the analysis of the current condition, Occupational Health and Safety activities required under the annual budget plans, corrective and preventive activities determined as a result of the evaluation of OHS risks, consideration and review of amendments to regulations of public authorities, feedback given by stakeholders, findings and suggestions of employee representatives and committee members, occupational accidents, diseases and near-misses, emergency plans, training activities etc.

### EVALUATION OF RISKS FOR OCCUPATIONAL HEALTH AND SAFETY

Santa Farma has formed an environmental impact/risk evaluation team which is in charge of defining the threats

and evaluating the risks related to occupational health and safety matters arising from any and all activities (routine and non-routine activities including those performed by sub-contractors and visitors). The team defines the relevant areas and processes and evaluates them according to the Environmental Impact / Occupational Health and Safety Risk Evaluation Procedure in order to decide on the corrective and preventive actions to be taken in that regard. The Occupational Health and Safety Committee may review the findings of that evaluation to the extent necessary. Risk and Environmental Impact Evaluation Team is comprised of the individuals nominated by the relevant process owners. The team holds a meeting every 2 months along with the members of the Occupational Health and Safety Committee in order to perform an annual review about the risks arising from the activities, review and extend the experience derived from the implementation of procedures and guidelines in line with the requirements of the current regulations, promote efficiency of implementation, design and conduct activities for improvement areas. The team may hold extra meetings if necessary.

### HEALTH SCREENING

Issued under the “Regulation on Duties, Powers, Responsibilities and Training of Occupational Physicians and Other Paramedics”, the Occupational Health and Screening Procedure requires the employees to undergo regular health checks and examinations in addition to the pre-employment checks conducted on new hires. Employees assigned at manufacturing sites and cafeterias also undergo periodical examinations for infectious diseases every 6 months.

### OCCUPATIONAL HEALTH AND SAFETY TRAINING

Employees and sub-contractors are provided with occupational health and safety orientation training before they are engaged on site. The training sessions to be organized for all employees are determined in the annual training plan pursuant to the “Regulation on the Principles and Procedures of Occupational Health and Safety Training for Employees”. The Fundamental Occupational Health and Safety Training programme is provided to inform employees about the following matters.

1. General
  - a) Information about employment regulation,
  - b) Legal rights and responsibilities of employees,
  - c) Workplace hygiene and order,
  - ç) Legal consequences of occupational accidents and diseases
2. Health
  - a) Reasons of occupational diseases,
  - b) Principles for protection against diseases and implementation of protection methods,
  - c) Biological and psychosocial risk factors,
  - ç) First aid,
  - d) Harmful effects of tobacco products and passive smoking
3. Technical
  - a) Chemical, physical and ergonomic risk factors,
  - b) Handling and transportation,
  - c) Protecting against combustion, explosion and fire,
  - ç) Sage use of work equipment,
  - d) Working with digital equipment,
  - e) Electricity and threats, risks and measures,
  - f) Reasons of occupational accidents and implementation of protection principles and methods,
  - g) Safety and health signs,
  - ğ) Use of personal protective equipment,
  - h) General rules about occupational health and safety in addition to safety culture,
  - ı) Eviction and rescue
4. Other (specific training provided about the tasks of employees)

In addition to fundamental occupational health and safety training, work-related training and certified training programmes are offered to employees. Also, professional training/qualification certification programmes are conducted based on the amendments to the regulations. Refreshing training is provided to employees on Occupational Health and Safety either directly or through online platforms in line with the “Regulation on the Principles and Procedures of Occupational Health and Safety Training for Employees”.

### OCCUPATIONAL ACCIDENTS AND NEAR-MISSES

In case of occupational accidents, hazardous conditions and near-misses, OHS requirements are evaluated in cooperation with the relevant units in line with the Accident and Incident Procedure. The actions determined as a result of the evaluation are conducted with due regard for the Procedure on Corrective and Preventive Activities for Environmental and Occupational Health/Safety.

Following the investigation of the accidents or incidents through teamwork, OHS committee meets to discuss the findings of the investigation and determine the corrective actions required to be taken. Trend analyses of the accident and incident investigations are monitored and evaluated every 3 months.

The modifications required for the corrective and preventive actions are performed in line with OHS Change Control Procedure.

Employees who wish to report any hazardous condition and near-miss incident may use the Hazardous Condition/ Near-Miss Reporting Boxes available at the common spaces. The incidents reported by employees are evaluated before the necessary actions, responsible parties and deadlines are planned.

### EVALUATION OF WORK HYGIENE

The company analyses the environment, personal exposure and thermal comfort levels in order to determine the threats arising from the working environment and take measures as necessary. Those analyses are performed periodically every year. The results are evaluated by the Occupational Health and Safety Committee so that corrective and preventive actions may be planned if necessary.

### PERIODICAL CONTROLS

All periodical controls are performed under the Guideline on Monitoring, Measurement and Evaluation of Conformity Regarding Environment & OHS in line with the "Regulation on Health and Safety Conditions for the Use of Work Equipment".

The work equipment at the plant undergoes periodical controls conducted by accredited institutions. Also, grounding works, lightning rods, racks, ventilation, electrical

internal assemblies and elevators are also periodically controlled by technicians of the contracted organization.

### INTERNAL AUDITS

The company plans and implements annual internal audits on occupational health and safety for all units and processes in line with the Internal Audit Procedure. The incongruities detected at the internal audits are reviewed in order to plan the required Corrective and Preventive Actions. The results of the prior audit are taken into account in order to discover the significant OHS risks. Internal audit results are duly evaluated and reported to the senior management.

### EMERGENCIES

The Emergency Procedure defines the actions to be taken in emergencies in line with the applicable regulations. Emergency planning process is conducted by the Emergency Management Team.

Emergency team staff is required to attend practical emergency training at regular intervals. In that respect, search and rescue, fire response, first aid and basic disaster awareness training programmes are conducted.

Emergency drills are planned and performed every year. The observations and consequences of emergency drills are reported to the Emergency Management Team so as to be evaluated by the Occupational Health and Safety Committee.

### RULES FOR VISITORS AND SUB-CONTRACTORS

Visitors and sub-contractor employees are admitted to the plant by the security staff. Those people will be subject to visitor procedures. In that respect, they will be informed about the workplace rules by means of leaflets summarizing those rules. Visitors and sub-contractor employees will not be allowed to act independently inside the plant in that they will be escorted by the relevant Santa Farma employees. Sub-contractor companies need to receive training required for being allowed to work on site in line with the Procedure on Work Permission for Occupational Health and Safety Purposes.

### AWARDS FOR GOOD PRACTICES ON OCCUPATIONAL HEALTH AND SAFETY

Santa Farma İlaç Sanayii A.Ş. Gebkim Plant was awarded the grand prize for its Closed Raw Materials and Transfer System Project at the Occupational Health and Safety Best Practices Awards organized by KİPLAS (Union of Chemical Petroleum Rubber and Plastic Industry Employers of Turkey).



### OCCUPATIONAL HEALTH AND SAFETY EVENTS

Santa Farma İlaç Sanayii A.Ş. held an Occupational Health and Safety Forum Theatre Event at its Gebkim Plant in 2019.



## ENVIRONMENTAL MANAGEMENT

It is our duty to entrust nature to future generations in the same manner as we received it from prior generations at the very least. We prioritize environmental health as much as human health. In that respect, we undertake manufacturing processes with the use of eco-friendly technologies in our state-of-the-art manufacturing plant.

Santa Farma monitors exploitation of natural sources in line with the principle of sustainability under the environmental policy which is meant to protect environment during the business operations.

The company undertakes to use suitable technologies in order to protect environment, raise awareness in employees regarding the protection of environment, conform to the applicable laws, prevent pollution with due regard for the needs and expectations of the stakeholders, and steadily improve its environmental performance.

To that end, the company:

- Offers training to its employees and sub-contractors in order to raise awareness about the protection of environment,
- Uses eco-friendly technologies in order to control and minimize its environmental impact, and
- Acts in full compliance with all legal regulations and ensures fulfilment of customer requirements.

Equipment lines with high production capacity are used for manufacturing higher volume of products in order to reduce the amount of wastewater and energy consumption arising from manufacturing processes.

Solid manufacturing sites are equipped with special impermeable dust collection systems. Those systems are checked online through BMS (Building Management System).





## ENVIRONMENTAL MANAGEMENT

**ENVIRONMENTAL MANAGEMENT SYSTEM**

Santa Farma aims to minimize or restrict the risks arising from its activities throughout all processes ranging from new product development to delivery to end-customers, improve the designated performance indicators steadily and meet requirements of cGMP and Environmental Management System.

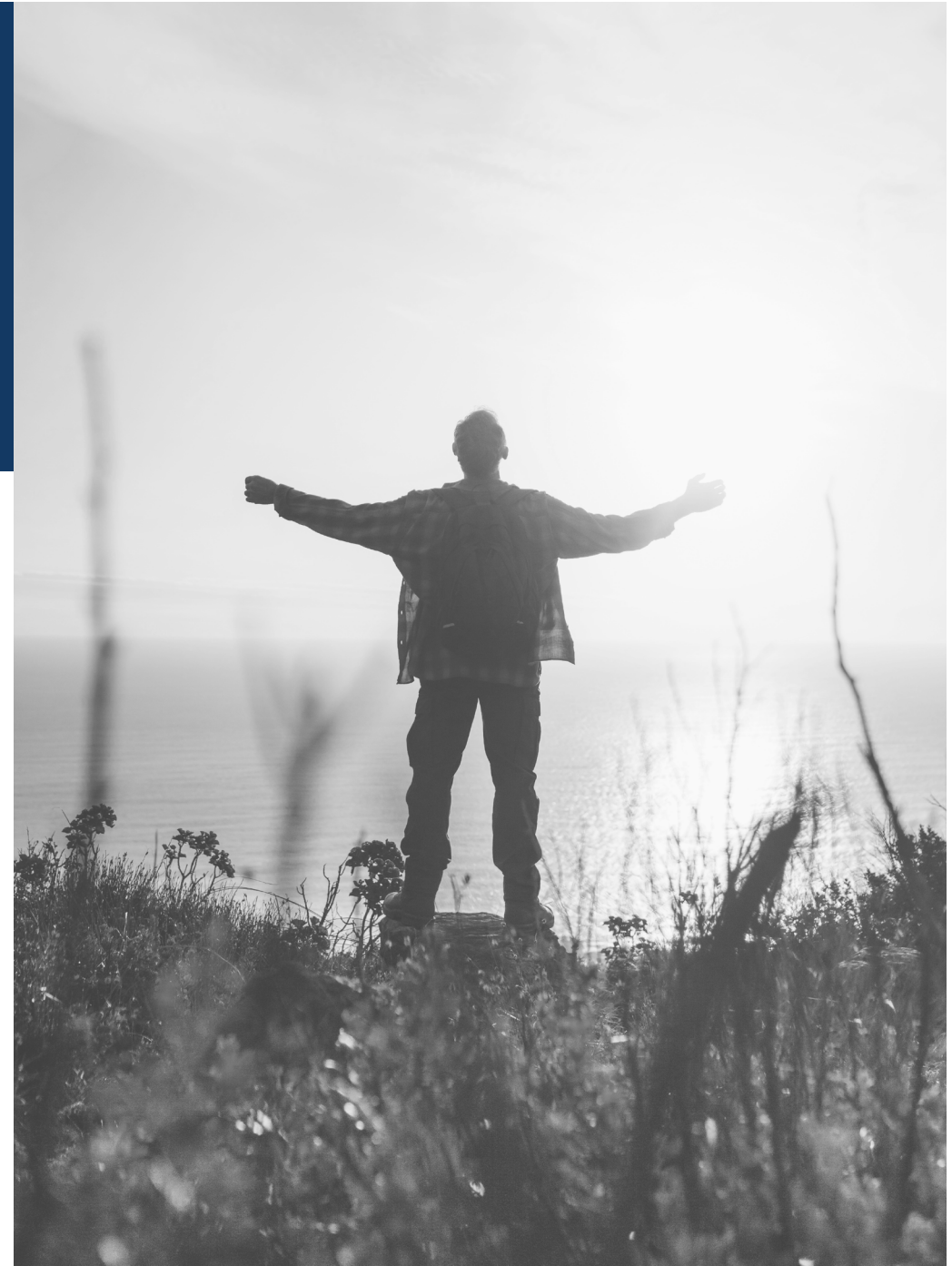
Achieving a sustainable environment requires an effective management which is coordinated with all other processes. Environmental management issues are determined at the Management Review meetings. In addition, Risk and Environmental Impact Assessment Team assumes an active role in performance of the relevant activities on a wide scale basis. All employees are encouraged to actively participate and contribute to the management in order to ensure effective performance of the process in coordination with the other processes.

Under the Environmental Management System, Environmental Impact Assessment as well as risks and opportunities are determined regarding activities, products and services with due regard for the life cycle of any such activity, product or service.

Life cycle covers the consecutive phases related to a product or service beginning from raw material supply or production with natural resources to the disposal thereof. Life cycle actually spans the phases of raw material supply, design, production, shipment/delivery, consumption, end-of-life processes and final disposal of products.

It should be noted that the risks and opportunities are determined for each process. Also, Risk and Opportunities are also considered under the Environmental Management System.

Determination of Risks and Opportunities makes it possible to guarantee the outcome/outcomes expected from the Management System, develop the intended effects, prevent or reduce undesired effects and ensure continuous improvement of the system.



## ENVIRONMENTAL MANAGEMENT

## WASTE MANAGEMENT

Under the "Waste Management Procedure", wastes are segregated as hazardous waste, industrial waste, recyclable and recoverable waste after which they are disposed in cooperation with the companies accredited by Turkish Ministry of Environment and Urbanization without damaging environment provided that recoverable wastes will be given priority for that purpose. The wastes are continually recorded according to their classification and monitored in terms of monthly trends. Significant indicators such as amount of hazardous waste per box should be monitored as an indicator of the waste management performance.



We provide up-to-date information to our employees, suppliers, business partners and visitors in order to increase efficiency of waste management system.

Below is a breakdown of the waste materials disposed by Santa Farma plants in the last 3 years according to the waste type and disposal method.

## VARIETIES OF WASTE MATERIALS AND DISPOSAL METHODS

Waste	Disposal Method	2017	2018	2019
Pharmaceutical Waste	Incineration	37,094 kg	62,357 kg	45,920 kg
Contaminated Waste	Incineration	33,940 kg	39,549 kg	28,520 kg
Fluorescent Lamp Waste	Special Treatment	126	162	109
Waste Oil	Incineration	-	50 kg	20 kg
Lab. Chemical Waste	Incineration	32,582 kg	42,309 kg	58,067 kg
Contaminated Package	Recovery	38,687 kg	32,153 kg	34,954 kg
Electronic Waste	Recovery and Disposal	-	-	-

## WASTE RECOVERY

The company recollects a certain amount of the packaging wastes released to the market in order to recover those wastes in line with the Regulation on Packaging Wastes enacted under the Environment Act. The company collaborates with accredited institutions such as ÇEVKO for recovery purposes. The recoverable wastes resulting from manufacturing operations are segregated in line with the Waste Management Procedure before they are recovered in collaboration with institutions licensed by Turkish Ministry of Environment and Urbanization.

ÇEVKO endeavours to collect and recover the packaging wastes by means of a sustainable system in collaboration with local governments, enterprises and consumers. Santa Farma has legally authorized ÇEVKO, an accredited institution, to recollect and recover the packages released to the market.

Below is a breakdown of the packaging wastes released by Santa Farma in the last 3 years according to the waste type, amount and recovery percentage:

## PACKAGING WASTE

Waste	Volume Released to the Market (kg)			Recovery Percentage			Recovery (kg)		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Plastics	5,549	25,641	28,000	54%	54%	55%	2,997	13,847	15,401
Paper -Cardboard	843,479	850,355	823,083	54%	54%	60%	455,479	459,192	493,850

## ENVIRONMENT AND OHS INVESTMENTS

Santa Farma allocated TRY 1,307,455.00 in its budget Environment and Occupational Health & Safety in 2019.

Santa Farma made a profit of TRY 148,388.15 as a result of the recovery of the wastes at the plant.

## ENVIRONMENTAL IMPACT AND RISK ASSESSMENT

The Risk and Environmental Impact Assessment Team consists of the managers and qualified employees designated by the relevant process owners in line with the Environment and OHS Management systems.

The team meets once a week or more, if necessary, in order to perform an annual review about the risks arising from the activities, review and extend the experience derived from the implementation of procedures and guidelines in line with the requirements of the current regulations, promote efficiency of implementation, promote waste management practices, consider environmental reports, design and conduct activities for improvement areas.

As a team conducting activities for protecting environment and reducing the use of natural resources, it aims to increase energy efficiency in addition to promoting the use of renewable energy sources.

## MONTHLY ACTIVITY REPORT and INTERNAL AUDITS

The company issues Monthly Activity Reports which include assessments about the Environmental Management actions taken throughout the plant.

In that respect, internal environmental audits are planned and implemented in line with the Internal Audit Procedure every year. The incongruities detected at the internal audits are reviewed in order to plan the required Corrective Actions. The results of the prior audit are taken into account in order to discover the significant environmental risks.

## ENVIRONMENTAL TRAINING

Employees and sub-contractors are provided with general environmental awareness orientation training before they are engaged on site. Based on the annual training plan, all employees are trained about Environmental Awareness, Life Cycle, Waste Management, and Actions Required for Chemical Spillage in addition to the matters required under the Regulation on Transportation of Hazardous Chemicals on Road and ISO 14001 Environmental Management Standard.

## BIODIVERSITY

The enterprise is located in the Organized Industrial Zone (OSB). The enterprise underwent an environmental impact assessment (EIA) before commencing its operations so that potential negative impacts of the operations could be duly ascertained. The reports held that the enterprise would not inflict any negative impact on flora and fauna. Emissions and discharges are constantly monitored by professional institutions accredited by the Turkish Ministry of Environment and Urbanization in order to make sure that the emission and discharge levels are kept below the legal limitations.

## UTILITY CONSUMPTION

The following chart indicates the consumption levels of electricity, water and natural gas in 2019.

Electricity	15,410,701 kW
Water	104,088 m3
Natural Gas	1,838,011 Sm3

## GREENHOUSE GAS EMISSION-CARBON FOOTPRINT

According to the calculations, operations conducted by Santa Farma resulted in the following greenhouse gas emission values in 2019.

Total carbon footprint of Santa Farma equalled to **13875,65 of CO2** in 2019.

**Scope 1 Direct Emissions:** consumption of natural gas used in heating and production line, consumption of LPG, inner burning sources, generator fuel, forklift fuel and cooling gas leakage.

**Scope 2 Indirect Emissions:** consumption of electricity and heat or steam purchased by the company.

**Scope 3 Other Indirect Emissions:** business travels (land-air), commuting, car leases, shipment and waste transportation.



## ANTI-CORRUPTION

### COMPLIANCE, ETHICAL PROMOTION AND MARKETING

Santa Farma has remained dedicated to performing its operations objectively in line with the ethical principles since it was incorporated.

We aim to remain a transparent company which is accountable to all.

As a pharmaceutical company working for offering drugs to patients, Santa Farma is aware of the negative consequences which might arise from corruption and bribery involved in commercial activities. Therefore, it does its best to fight corruption and bribery.

The Legal and Compliance Department which directly reports to the President of the Board of Directors takes a leading role in implementation of ethical rules.

The Legal and Compliance Department creates internal procedures and guidelines in line with the applicable regulations and updates them to the extent necessary. The company aims to publish those procedures and guidelines in order to form the cornerstone of ethical rules in 2020.

We comply with all anti-bribery and anti-corruption rules in our relationships with our domestic and international customers and business partners in addition to our internal stakeholders. We undertake to observe the anti-bribery and anti-corruption rules as well as codes of ethics in our agreements with customers and require our employees and suppliers to act accordingly.

We undertake marketing activities in the same manner in line with the rules introduced by the Ministry of Health in addition to the principles of Anti-Corruption Regulation, UN Global Compact, Association of Research Based Pharmaceutical Companies (AİFD), Pharmaceutical Manufacturers Association of Turkey (İEİS) and Pharmaceutical Industry Association of Turkey (TİSD). Both the Legal and Compliance Department and Marketing and Promotion Department take diligent actions in order to comply with the regulatory requirements.

Santa Farma remains dedicated to observing ethical principles and anti-bribery and anti-corruption rules in an uncompromising manner.



## SANTA FARMA'S PROGRESS TARGETS

### Employees' Rights

Revision of Career Management System  
Revision of Leadership Development Programme

### Environment

Launching Ekomod 1 and Ekomod 2 Projects  
Qualifying for Zero Waste certification

### Occupational Health and Safety

Fulfilling requirements for ISO 45001 Occupational Health and Safety Management System certification in 2020  
Implementing exemplary practices in order to be nominated to National and International OHS Awards

### Anti-Corruption

Ensuring that the internal procedures and guidelines which have been already updated and revised in line with the legal requirements by the Legal and Compliance Department are published in order to form the cornerstone of ethical rules in 2020

### Corporate Social Responsibility

Further extending the "Leave a Yellow Note to Life for Hepatitis B", a corporate social responsibility project started in collaboration with VHSD (Viral Hepatitis Control Association) in 2018 in order to improve the satisfactory results achieved in 2019  
Further extending the "Don't Forget Yourself", a project launched in collaboration with Turkish Alzheimer Association in 2018.



## UNITED NATIONS GLOBAL COMPACT

### (UNGC) 10th Progress Report

Having undersigned the United Nations Global Compact (UNGC) in 2010, Santa Farma confirms its commitment to the principles hereunder. This Communication on Progress Report 2019 is the 10th progress report issued by Santa Farma under the United Nations Global Compact. The company's performance for each of the 10 principles is summarized in the following chart which includes references to the relevant sections.

### GLOBAL COMPACT

#### HUMAN RIGHTS

Principle 1: Businesses should support and respect the declared human rights.

Principle 2: Businesses should not be complicit in human rights abuses.

#### İLGİLİ SAYFALAR

Corporate Culture

Human Rights Management

About Santa Farma

Human Rights Management

#### LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should eliminate all forms of forced and compulsory labour.

Principle 5: Businesses should ensure effective abolition of child labour.

Principle 6: Businesses should eliminate discrimination in respect of employment and hiring processes.

About Santa Farma

Human Rights Management

Human Rights Management

Human Rights Management

Human Rights Management

#### ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should support initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Environmental Management

Social Responsibility

Environmental Management

Social Responsibility

Environmental Management

Working Environment at Santa Farma

#### ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Anti-Corruption



## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



**No Poverty**  
>> Corporate Governance



**Zero Hunger**  
>> Corporate Governance



**Good Health and Well-Being**  
>> Human Rights Management  
>> Social Responsibility



**Quality Education**  
>> Human Rights Management



**Gender Equality**  
>> Human Rights Management



**Clean Water and Sanitation**  
>> Environmental Management



**Affordable and Clean Energy**  
>> Environmental Management



**Decent Work and Economic Growth**  
>> About Santa Farma



**Industry, Innovation and Infrastructure**  
>> About Santa Farma



**Reduced Inequalities**  
>> Human Rights Management  
>> Social Responsibility



**Sustainable Cities and Communities**  
>> About Santa Farma  
>> Social Responsibility



**Responsible Consumption and Production**  
>> Environmental Management  
>> Social Responsibility



**Climate Action**  
>> Environmental Management



**Life Below Water**  
>> Environmental Management



**Life on Land**  
>> Environmental Management



**Peace, Justice and Strong Institutions**  
>> Corporate Governance  
>> Human Rights Management  
>> Social Responsibility



**Partnerships for the Goals**  
>> Santa Farma and Stakeholders  
>> Social Responsibility  
>> Overseas Markets and Partnerships

**CONTACT US**

Should you have any questions, opinions or suggestions about Santa Farma Communication on Progress Report for 2019, please feel free to contact Sema Yetkiner, Human Resources Director in charge of preparation of this report via [syetkiner@santafarma.com.tr].

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**Legal Disclaimer**

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