



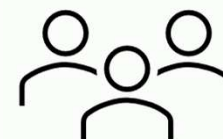
Partnering with Integrity

Compliance Program and Training for Third-Party Distributors

Distributor Compliance Training

Audience

- This course is intended for all employees of Third-Party Distributors who interact or conduct business on behalf of Bharat Serum & Vaccines (BSV) with Health Care Professionals and/or Government Officials



Objective

- Gain a comprehensive understanding of the compliance obligations of BSV and Third-Party Distributors



Key Compliance Considerations

BSV is a subsidiary of Mankind Pharma Limited and has wholly owned subsidiaries in Philippines, Malaysia, Germany and US.

Regulatory Focus

- BSV requires compliance with country-specific anti-bribery and anti-corruption laws, including those governing medico-marketing activities

Zero Tolerance

- Strict prohibition on offering, giving, or promising bribes or anything of value in any business or government relationships
- This includes actions intended to further a corrupt payment

Value of Benefits

- Includes cash, reimbursements, gifts, hosted travel or any other benefit offered to influence decision making

HCP Interactions



Performance of services must be **recorded** before payments are made

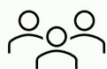


Services should be documented in a **written agreement**, detailing compensation at **fair market value**



Travel, lodging, and meals for HCPs must be **reasonable** and not include non-service-related individuals or side trips

No entertainment or recreation is allowed for HCPs



Meeting locations should be **modest**, and it must be **suitable** for **business or scientific** exchange

ABAC: Practical Code of Conduct

Acceptable Practices

- ✓ Provide verified service invoices backed by full, clear supporting documentation of the work done for enabling proper auditing
- ✓ Brand Reminders may be provided to the HCPs. These must be:
 - ✓ Educational or scientific in value
 - ✓ Beneficial to patients and relevant to HCPs practice

Unacceptable practices

- ✗ Government Officials are prohibited from soliciting or accepting gifts
- ✗ No gifts in any kind should be provided for the personal benefit of any healthcare professional OR their immediate or extended family members, either directly or indirectly

Tender & Procurement Guidelines

Distributors must:

- ✓ Inform BSV about participation in tender
- ✓ Follow local tender regulations
- ✓ Share only officially approved information (including tender award)
- ✓ Maintain confidentiality while ensuring transparency

Unacceptable practices

- ✗ Collusion or manipulation in public procurement
- ✗ Offering unapproved products/services or providing unofficial materials

Important Undertakings

- **Change in Entity information** Changes in any legal status, control, constitution, or authorized signatories must be informed with supporting documents
- **Prior Written Approval Required** No rights or benefits can be transferred without prior written consent from BSV
- **Right to Audit** BSV's employees/representatives may verify stock levels, inspect temperature control equipment, conduct quality audits, and check the validity of licenses
- **Flow-Down Legal Clauses** Compliance with all laws & local regulations (including obtaining requisite Licenses) and BSV mandated storage requirements (e.g. temperature maintenance at distribution facilities) is essential.
- **Insurance** Products must always be insured

Sub-Distribution Controls

BSV expects its Distributors to inform BSV of any use, or planned use, of sub-distributors or similar third-party contractors, providing their details and explaining how the Distributor intends to utilize these sub-distributors or third-party contractors for distribution and marketing purposes

Acceptable Practices

- ✓ Inform BSV about sub-contracting or appointing sub-distributors
- ✓ Conduct thorough vetting of your partners
- ✓ Ensure all agreements with sub- distributors include compliance and audit clauses
- ✓ Confirm that sub- distributors adhere to the same compliance standards and obligations as outlined in your agreement with BSV

Unacceptable practices

- ✗ Do not engage sub-distributors or third-party contractors who have a vested interest with public officials to gain undue favors
- ✗ Avoid hiring sub-distributors solely based on recommendations from customer
- ✗ Do not overlook potential risks or red flags with such parties
- ✗ Do not permit sub-distributors or third-party contractors to act unethically or breach the BSV Code of Conduct

Fair Competition: Dos or Don'ts

Avoid all types of anti-competitive activity in your business including: price fixing, bid rigging, sharing markets or customers; sharing commercially sensitive information

Acceptable Practices

- ✓ Collaborate with customers, such as sub-distributors, at arm's length
- ✓ You may provide sub-distributors with a non-binding price recommendation, as long as no pressure or incentives are used to enforce the price
- ✓ Make independent decisions regarding tender participation and avoid sharing these decisions with sub-distributors or competitors

Unacceptable practices

- ✗ Do not engage in agreements with competitors, customers, or suppliers that could be considered anti-competitive
- ✗ Do not share commercially sensitive information with competitors
- ✗ Avoid exercising control or influence over sub-distributors' business activities, including imposing resale price maintenance, exclusive purchasing/supply obligations, territorial or customer restrictions, export bans, or online sales restrictions
- ✗ Do not abuse any dominant market position through exclusivity clauses, loyalty rebates, or discriminatory practices

Key Takeaways



**Strict compliance with BSV
agreements**



**Adherence to the local country
ABAC laws**



**Ensure clear documentation and
transparency in all transactions**



Thank you