

Corporate Governance DECLARATION

under Article 40 of the Accounting Act and article 100n, paragraph 8 of the Public Offering of Securities Act

SOPARMA GROUP

The undersigned Ognyan Ivanov Donev, in his capacity as CEO of Sopharma AD, declare the following:

I. Information regarding compliance where appropriate:

- a) the Corporate Governance Code approved by the deputy chairman of the Financial Supervision Commission, or**
- b) other Corporate Governance Code;**
- c) information on corporate governance practices that are applied by Sopharma AD (the Company) in addition to the code under letter "a" or "b".**

The public companies in Sopharma Group (the Group) have adopted and continue to respect the established in October 2007, with subsequent amendments in 2012 and 2016, National Corporate Governance Code / NCGC /, approved by the deputy chairman of the Financial Supervision Commission. The good corporate governance is a set of well-balanced relationships between management bodies of the public companies in the Group, their shareholders and all stakeholders - employees, business partners, creditors of the company, and potential future investors and the general public.

The Management of the public companies in the Group adhere to the Good Corporate Governance Program, which is consistent with the effective regulation, the internationally recognized standards of good corporate governance and the Bulgarian National Corporate Governance Code.

Along with the principles bearing recommendatory nature, Sopharma Group establishes a set of corporate governance requirements, compliance with which is mandatory for the management bodies of the public Companies, namely:

- Protecting the rights of shareholders;
- Ensuring fair treatment of all shareholders, regardless of the number of shares held by them;
- Recognition of the rights of interested parties and promote cooperation between the public company and stakeholders;
- Providing timely and accurate disclosure of information on all matters related to the public companies in the Group, including financial position, performance, ownership and the management;
- Supporting the strategic management of the companies control over the activities of the Management and their accountability to the public companies in the Group and shareholders.

The Corporate Governance Code applies the principle "**comply and explain**", which means that its recommendations are followed and whether there is a deviation from them or not, the management of the public companies in the Group periodically disclose information on corporate governance to the type and extent, provided in NCGC, namely:

The actions of the Management of the public companies in the Group are in the direction of strengthening the principles of good corporate governance, enhancing the confidence of shareholders, investors and those interested in the management and operations of the public companies in the Group.

The Management of the public companies in the Group complies with the Good corporate governance program, which is consistent with existing regulations, internationally recognized standards of good corporate governance and the National Corporate Governance Code.

The Management of the public companies in the Group approves Policy on disclosure of information in accordance with legal requirements and regulations.

Sopharma AD is involved in the formation of the Association "National Committee on Corporate Governance."

1. Parent Company management /SOPHARMA AD/- BOARD OF DIRECTORS

1.1. Functions and duties

The Board of Directors of Sopharma AD manages independently and responsibly the Company in accordance with the established vision, goals and strategies of the Company and shareholders' interests. The Members of the Board of Directors give guarantee for their management in the amount of their quarterly gross remuneration, determined by the General Meeting of Shareholders.

During its mandate the Board of Directors shall be guided in its activities by the generally accepted principles of integrity, management and professional competence. The Board of Directors observe the Code of Ethics of the Company adopted by a protocol of the Board of Directors of 26.03.2007.

The management of Sopharma AD, represented by Board of Directors also:

- monitors the results of the Parent Company's the Group activities and, if necessary, initiate changes in the management;
- treats equally all shareholders, acts in their own interest and with due diligence;
- provides and controls the integrated functioning of the accounting and financial reporting;
- is responsible for the establishment and proper functioning of the financial information system of the Parent Company and the companies in the Group.
- gives guidelines, approves and controls the implementation of the business plan of the Parent Company and the companies in the Group, material transactions and other activities set out in the statutes of the Company.
- reports on its activities to the General Meeting of Shareholders, by preparing an Annual report on its activities and submitting it for adoption by the General Meeting.

1.2. Appointment and dismissal of members of the Board of Directors

General Meeting of Shareholders elects and dismisses members of the Board of Directors of Sopharma AD, according to the law and the statutes of the Company, subject to the principles of continuity and sustainability of the work of the Board of Directors. All members meet the legal requirements for taking up their duties.

By proposals for election of new members of the Board of Directors, they shall comply with the principles of compliance competence of candidates to the character of the Parent Company's activities and companies in the Group activities.

Their duties and tasks, the criteria for their remuneration, their duties of loyalty to the Company and grounds for dismissal are determined in the contracts for management, concluded with the Board members. Management contracts with the Board of Directors or with the Executive Director comply with the Statute of the Parent Company and with the prepared by the Board of Directors Policy for the remuneration of the Board of Directors, which is approved by the General Meeting of Shareholders on June 21, 2013 .

1.3. Structure and competence

The number of members and the structure of the Board of Directors are set out in the Articles of Association. The Parent Company is managed and represented by a Board of Directors, which consists of five individuals, meeting the requirements of Article 234 of the Commercial Code and Article 116a, paragraph 2 of the Public Offering of Securities Act.

The members chosen by the General Assembly Board of Directors is structured in a way that ensures professionalism, impartiality and independence of decisions and actions of its members in the management of the Parent Company.

The Board ensures proper division of tasks and responsibilities among its members. The main function of independent directors is to control the actions of the executive management and to participate effectively in the work of the Company in accordance with the interests and rights of the shareholders. The main functions of the Board of Directors and the number of independent members enshrined in the Article of Association of the Company. At the Board of Directors of Sopharma AD there are two independent members.

The Members of the Board of Directors of Sopharma AD have appropriate knowledge and experience required for the position they take. After their election, the new members of the Board of Directors are introduced to fundamental legal and financial issues related to the Company. The company promotes training of members of the Board of Directors.

Members of the Board of Directors has sufficient time to perform their tasks and duties. The Parent Company's Article of Association determined the number of companies in which members of the Board of Directors can occupy managerial positions, because the activities of the Board members cannot be restricted.

The election of the Board of Directors of the Parent Company is through a transparent procedure which should ensure timely and sufficient information on the personal and professional qualities of the candidates. The number of consecutive mandates of the Board of Directors ensures efficient operation of the Parent Company and compliance with the legal requirements. According to the Articles of Association of the Parent Company, the members of the Board of Directors may be re-elected without limitation.

1.4. Remuneration of the Board of Directors

The Board of Directors of Sopharma AD has developed and implemented Policies for the formation of the remuneration of the Board of Directors, adopted by the General Meeting of Shareholders on June 21, 2013. The remuneration policy was developed in accordance with Decree № 48 of March 20, 2013 of the financial supervision Commission and with the Public offering of securities Act. The size and structure of remuneration are determined by the General Meeting of the Parent Company.

In accordance with legal requirements and best practice of corporate governance, the size and structure of the remuneration account:

- responsibilities and contributions of each member of the Board of Directors on the activities and results of the Parent Company. Members of the Board of Directors receive a fixed remuneration as determined by the General Meeting of Shareholders amount paid under the terms and conditions of agreements concluded between them and the Company management contracts.

- The ability to select and retain qualified and loyal members of the Board of Directors of Sopharma AD. These requirements are implemented through policy formation of the remuneration of the Board of Directors adopted by the General Meeting of Shareholders on June 21, 2013

- The need for conformity to the interests of the members of the Board of Directors and long-term interests of the Parent Company. The remuneration of the members of the Board of Directors are formed based on the results of the Parent Company and are consistent with the business strategy, objectives, values and long-term interests of the Parent Company.

- The Executive member of the Board of Directors receives fixed remuneration as determined by the General Meeting of Shareholders, amount paid under the terms and conditions of, the signed between him and the Parent Company, management contract. According to the Statute of the Parent Company, when there is positive financial result /profit/ to the Parent Company and a decision of the General Assembly, the Executive Director is entitled to receive a one-time remuneration of up to one percent of the net profit of the Parent Company.

- Salaries and bonuses of the members of the Board of Directors and the Executive Director of the Parent Company must be approved by the General Meeting of Shareholders.

Until now, the Executive Board member have not been provided with shares or other financial instruments.

Members of the Board of Directors receive a fixed remuneration as determined by the General Meeting of Shareholders amount paid under the terms and conditions of agreements concluded between them and the Parent Company management contracts.

With the qualified majority, the Board of Directors may take a decision to determine the circle of employees, among which may be distributed as bonus cash amount to 2% of the profit of the Parent Company for each financial year. The same is possible only if there is a decision of the General Meeting of Shareholders to determine the specific amount of the bonus amount taken at a meeting, which approved the corresponding audited annual financial statements and there is a positive financial result / profit /.

The disclosure of the information about the remuneration of the Board of Directors is in accordance with legal regulations and the Statues of the Parent Company.

The remuneration of the members of the Board is presented in the financial statements, the Report on the implementation of the remuneration policy of the Board of Directors and published on the website.

1.5. Conflict of interests

Members of the Board of Directors shall endeavor to avoid and prevent real or potential conflict of interest.

Procedures for preventing and disclosing conflicts of interest are regulated by the Statute of Sopharma AD, the Code of Ethics of the Company, as well as instructions and explanations about the duties and responsibilities of insiders possessing inside information in Sopharma AD in connection with the requirements of the Law of enforcement measures against market abuse with financial instruments.

Members of the Board of Directors shall endeavor to disclose immediately conflicts of interest and provide shareholders access to information about transactions between the Company and members of the Board of Directors or related parties.

Any conflict of interests in the Parent Company shall be disclosed to the Board of Directors.

Potential conflict of interest exists when the Parent Company intends to carry out a transaction with a legal entity in which the member of the Board of Directors or related (interested) parties thereto have a financial interest.

1.6. Committees

The work of the Board of Directors is assisted by committees and The Board of Directors determines the need for setting up according to the specifics of the Parent Company.

In accordance with the requirements of applicable law, the Board of Directors proposes to the General Meeting of Shareholders to elect an audit committee that complies with the legal requirements and the particular needs of the Parent Company.

The Committees are created based on the written terms of reference, scope of tasks, operation and reporting procedures. The Audit Committee of Sopharma AD consists of three people with three-year mandate determined by the General Meeting of Shareholders. The members of the Audit Committee meet the requirements of Article 40, paragraph 3 and 4 of the Independent financial audit Act.

2. INDEPENDENT FINANCIAL AUDIT AND INTERNAL CONTROL

The Audit Committee of Sopharma AD and its members, in their capacity as persons charged with governance, oversee the internal audit activities and monitor the overall relationship with the external auditor, including the nature of the non-audit services provided by the Group Auditor.

The management of Sopharma AD, assisted by the Audit Committee, sets out their motives, in writing, to the General Assembly, for their proposal and choice of auditor, guided by the established professionalism requirements.

The Management of the companies in the Group ensures compliance with the applicable to the independent financial audit law.

By selecting and appointing an external auditor, a rotation principle applies. The auditors are elected by the General Meeting of Shareholders for each financial year.

The Group has established an internal control system that identifies risks associated with the operation of the Companies and supports their effective management. It ensures the effective functioning of the reporting and disclosure of information.

3. PROTECTION OF SHAREHOLDERS

The Management of the public companies in the Group, ensures equal treatment of all shareholders, including minority and foreign shareholders and protects their rights and facilitates them within the limits permitted by applicable law and in accordance with the Statutes of the public companies in the Group. The Managements provide information regarding their rights to all shareholders.

3.1. General Meeting of Shareholders

All shareholders are informed of the rules under which shall be convened and held General meetings of shareholders, including voting procedures. The Managements of the public companies in the Group provide sufficient and timely information concerning the date and venue of the meeting, as well as full information on the matters to be discussed and decided at the meeting.

During the General Assembly, the Managements of the public companies in the Group, provide the right of all shareholders to express their opinions and ask questions.

All shareholders are entitled to participate in the General Meeting of Shareholders and to express their views:

- Shareholders entitled to vote are eligible to exercise their right at the General Meeting of the public companies in person or by proxy, as well as by correspondence or by electronic means.

- The Managements of the public companies in the Group exercises effective control, establish the necessary organization to vote on the authorized persons in accordance with the instructions of the shareholder or authorized by the law.

- The Managements of the public companies in the Group organize and conduct regular and extraordinary General meetings of shareholders of the public companies in accordance with statutory procedures to ensure equal treatment of all shareholders and the right of each shareholder to express its views on the items on the agenda of the General Assembly.

- The Managements of the public companies in the Group organize the procedures and conditions for holding the General Meeting of Shareholders in a manner that does not impede or unnecessarily expensive vote.

- The Managements take action to encourage the participation of shareholders at the General Meeting of shareholders, incl. by providing opportunities for telepresence by technical means (incl. Internet) where this is possible and necessary, and does not contradict the NCGC.

All members of the managements are trying to attend the General Meetings of Shareholders.

3.2. Materials of the General Meeting of Shareholders

Documentation and materials related to the agenda of the General Assembly are concrete and clear and do not mislead shareholders. Any suggestions on major corporate

events are presented as separate items on the agenda of the General Assembly, including proposal for profit distribution.

The public companies in Group maintain on their website a special section on the rights of shareholders and their participation in the General Meeting of Shareholders.

The Managements of the public companies in the Group assist shareholders, entitled under current law to include additional items and propose decisions on already included in the agenda of the General Assembly.

3.3. The Managements of the public companies in the Group guarantee the right of shareholders to be informed about the decisions of the General Meeting of Shareholders.

3.4. Uniform treatment of the shareholders of one class

All shareholders of the same class are treated equally.

All shares within a class give equal rights to the shareholders of the same class.

3.5. The Managements of the public companies in the Group ensure that sufficient information to investors about the rights attaching to the shares of each class prior to their acquisition.

3.6. Consultations on shareholders on major shareholder rights

Within the limits permitted by applicable law and in accordance with the Statutes of the companies in the Group, corporate governance does not preclude shareholders, including institutional ones, to consult each other on matters relating to their basic shareholder rights in a way that does not admit committing abuses.

3.7. Transactions of shareholders with control rights and transactions of abuse

The Managements of the public companies in the Group do not allow carrying out transactions with shareholders with control rights that violate the rights and / or legitimate interests of other shareholders, including the terms negotiated with itself.

4. DISCLOSURE OF INFORMATION

The Managements of the public companies in the Group approved Policy on disclosure of information in accordance with legal requirements and regulations.

In accordance with the adopted Policy of disclosure the Managements establish and maintain a system of disclosure.

The system of disclosure ensures equal access to information (shareholders, stakeholders, Investment Community) and prevents misuse of inside information.

The Managements of the public companies in the Group also:

- ensure that the system of disclosure provides complete, timely, accurate and understandable information that enables objective and informed decisions and assessments.
- timely disclose capital structure of the companies and the agreements that lead to scrutiny under its rules on disclosure of information

- in accordance with the current legislation and the Statutes of the Companies, ensure that the rules and procedures under which the acquisition of corporate control and extraordinary transactions such as mergers and sales of substantial portions of the assets are made, are clearly and timely disclosed.

- approve and monitor compliance with internal rules for the preparation of annual and interim reports and procedures for disclosure

- have adopted internal rules that provide timely disclosure of any significant periodic and occasional information about the public companies, their management, corporate manuals, operational activity, shareholding structure.

As part of the disclosure, Sopharma Group maintains a website of the company with established content, scope and frequency of information disclosed. The website of the Company is: www.sopharmagroup.com

The information disclosed by the company web site includes:

- basic identifying the Group's commercial and corporate information;
- up-to-date information on shareholding structure;
- Statutes of the Group and adopted policies related to the activities and functioning of the Group
 - information on the structure and composition of the management bodies of the companies in the Group, as well as basic information about their members, including information about committees;
 - financial statements for the last 10 years;
 - materials for the upcoming General Meetings of Shareholders, as well as additional ones received by law;
 - information on decisions of General meetings of shareholders at least the last three years incl. information on dividends distributed by the Group for that period;
 - information about the auditors;
 - information about upcoming events;
 - information on issued shares and other financial instruments;
 - important information related to the Group;
 - information about shareholder rights including sufficient information on the right of shareholders to request inclusion of items and propose decisions on already included in the Agenda of the General Assembly under article 223a of the Commercial Code.
- information contact about the Director of Investor Relations of Sopharma AD.

The Group maintains also an English version of the corporate website with similar content.

The Group periodically discloses information relating to Corporate governance. Disclosure of Corporate governance is carried out in accordance with the principle "comply and explain".

The Managements of the public companies in the Group provide disclosure of any significant periodic and occasional information about the Group, through channels that provides equal and timely access to relevant information by users.

5. STAKEHOLDERS

The Managements of the Companies in the Group provide effective interaction with stakeholders. This category includes certain groups of persons who directly affect the Companies in the Group and which in turn could affect their activities, including suppliers, customers, employees, creditors, civil society groups and others. The companies in the Group identify who are the stakeholders with respect to their activities based on their degree of influence, role and relationship to sustainable development.

In their Policy towards stakeholders, the Managements comply with legal requirements and principles of transparency, accountability and business ethics.

In accordance with this policy, the Managements of the Companies in the Group have developed specific rules for addressing stakeholder interests, that rules should ensure their involvement in solving specific issues, that require their input. These rules ensure balance between the development of the Group's economic, social and ecological environment in which it operates.

The managements maintain effective relationships with stakeholders. Periodically, in accordance with legal norms and international best practice for disclosure of non-financial information, the Group informs the stakeholders about the economic, social and environmental related issues, such as combating corruption; working with employees, suppliers and customers; corporate social responsibility; environmental Protection.

The Managements guarantee the right for timely access to relevant, sufficient and reliable information on the companies in the Group when stakeholders involved in corporate governance.

The Managements maintain effective relationships with stakeholders.

Disclosure

The Managements of the public companies in the Group approved Policy on disclosure of information in accordance with legal requirements and regulations. The system of disclosure ensures equal access to information (shareholders, stakeholders, Investment Community) and prevents dealing with inside information and market manipulation in financial instruments. Sopharma Group ensures that the system of disclosure provides complete, timely, accurate and understandable information that enables objective and informed decisions and assessments.

The Group maintains also an English version of the corporate website with similar content.

In 2016 the Managements of the public companies in the Group disclosed publicly regulated information through its provision of the Financial Supervision Commission and the public. Regulated information shall be disclosed to the public in a way that ensures it reaches the widest possible audience simultaneously and in a way that does not discriminate them.

Sopharma AD uses X3NEWS information system, based on the contract with Service Financial Markets Ltd., which can ensure effective dissemination of regulated information to the public in all Member States.

The Managements of the public companies in the Group prepare a Report on the Implementation of the remuneration policy of the members of the Board of Directors in 2016. The report reveals how the remuneration policy is being applied, paying special attention to avoid creating incentives for excessive risk taking, conflict of interest or other conduct leading

to adverse effects. The size and structure of remuneration are determined by the General Meeting of the public company.

General Meeting of Shareholders

The Managements of the public companies in the Group take action to encourage the participation of shareholders at the General Meeting of shareholders, incl. by providing opportunities for telepresence by technical means (incl. Internet) where this is possible and necessary, and does not make the voting more difficult or unnecessary expensive.

Processes and procedures for holding General Meetings of Shareholders ensure equal treatment of all shareholders, including minority and foreign, and protect their interests.

Materials related to the General Meeting of Shareholders are available to the shareholders on the day of the announcement of the invitation for it at the Financial Supervision Commission, on the company's website and for Sopharma AD at: www.sopharmagroup.com at least 30 days before the date of holding the General Meeting and, upon request, provided free of charge to shareholders.

Shareholders entitled to vote, may exercise their right at the General Meeting of Shareholders in person or by proxy, as well as by correspondence or by electronic means. The order of participation of shareholders at the General Meeting is announced in the invitation.

The public companies in the Group submit the Protocol from the General Assembly in three days from holding of, to the Financial Supervision Commission, Bulgarian Stock Exchange-Sofia, the public and at the company's website and for Sopharma AD at: www.sopharmagroup.com.

In 2016 Sopharma AD held one General Meeting of Shareholders.

The Managements of the Companies in the Group believe that they have created prerequisites for sufficient transparency in relationships with investors, financial analysts, media and the capital market.

II. Explanation which parts of the Code of Corporate Governance under p. 1, letter "a" or "b" of art. 100 "H" par. 8 are not complied with and the reasons for it accordingly when the issuer has decided not to invoke any of the rules of Corporate governance code - warranted

The public companies in the Group comply with all parts of the corporate governance code under p. 1, letter "a"

III. Description of the main features of the internal control and risk management of the issuer in relation to the financial reporting process

The internal control system of financial reporting and accounting of the Companies in the Group was developed as a result of studies of good reporting and control practices in Bulgaria and major pharmaceutical groups, and subject to national legal requirements, incl. for listed companies on regulated markets and groups. It is in a constant process of monitoring by the Managements and further development and improvement.

The internal control systems of financial reporting and accounting of the Companies in the Group are a complex of behavioral and technical principles, rules, procedures and control activities, which are specially developed and adapted to the specifics of the Companies, their activities and reporting system. They are aimed at:

- providing ongoing monitoring and reporting activities targeted towards their goals and expectations of its various users and achieve the necessary efficiency and effectiveness, incl. the use of resources employed; and

- ensuring adequate and timely address the identified business risks that have an impact on the financial, managerial and operational reporting.

In particular, they are developed in a way that create comfort leadership that:

- The Companies comply with applicable legal requirements in accounting, reporting and other directly related fields, particularly the requirements of the Accounting Act and International Financial Reporting Standards;

- the Companies comply with the instructions and guidance to senior management regarding the reporting and documentation;

- there is the required effectiveness and efficiency of the financial accounting process, incl. consolidation and documentary justification;

- there is a high degree of security protection and maintenance of the company's assets, incl. and prevention of fraud and error; and

- there is provision of reliable, quality and timely financial and operational information for internal and external users.

The main components of the internal control system on financial reporting and accountability include:

a) acceptance and observance of ethical principles and rules of conduct, adopted in a Code of Ethics for the employees, and in terms of financial reporting and accounting and all related processes, procedures and actions of all personnel of the Companies in the Group;

b) developing and defining the optimal structure of the units involved in the processes related to financial reporting, with clearly defined responsibilities and delegation powers and duties, incl. by developing written internal documents;

c) developing policies for recruitment, training and development of personnel in the processes of accounting and financial reporting;

d) developing, implementing and maintaining control procedures and rules for each stage of the process relating to accounting, financial reporting and accountability priority gradual introduction of formalized written procedures;

e) developing procedures for identifying, monitoring and managing risks relating to accounting, financial reporting and accountability, incl. development of adequate measures and actions for their minimization; and

f) developing and maintaining adequate organization of information system incl. access controls, input, processing and retrieval of data, system changes, allocation of responsibilities of employees in her party, as well as storage and preservation of the integrity and authenticity of data in the system.

Control environment

Ethical principles and rules related to the processes of accounting, financial reporting and accountability

The Managements of different levels of the companies in Sopharma Group have implemented and continuously monitor compliance with ethical values such as integrity, independence and objectivity as foundations of professional conduct of all persons involved in

the processes related to accounting and financial reporting in the Companies. It is the framework against which the control environment was built, and which have influenced the effectiveness of the design model, administration and ongoing monitoring of other components of internal control in the field of accounting and financial reporting. Integrity and ethical behavior are the product of established common ethical and behavioral standards of the Companies in the Group. They are clearly communicated to the entire financial accounting and control staff and they constantly affirm in practice.

Ethical principles governing the professional conduct that should be observed by all persons involved directly or indirectly in accounting and business processes and related financial reporting are: objectivity; impartiality; independence; conservatism; transparency; methodological soundness; sequence and the use of independent experts. These principles apply to all stages of financial reporting in: accounting policy choice; closing of accounts; design and implementation of accounting estimates and develop public and government financial statements of other public reports and documents containing financial information.

Management bodies responsible for different components of the overall process of accounting and financial reporting

Management bodies which carry certain responsibilities and powers regarding the financial reporting process and respectively other related process are different in the different companies in the Group: For the whole Group they are: Board of Directors, Audit Committee, Chief Financial Officer, Chief Accountant, Head of "Reporting" and Head of "Internal Audit"- for the Parent Company.

Their functions and responsibilities can be summarized as follows:

- The Board of Directors accepts and affirms accounting policies and changes thereto for each reporting period, developing accounting estimates at the date of each reporting period, incl. methodologies; financial statements and reports and other public documents containing financial information; functions, organization and responsibilities of all departments and their leaders involved in processes and associated financial reporting; development, deployment and ongoing monitoring functioning of the various components of the internal control system, incl. activities of the department "Internal Audit";

- The Audit Committee independently monitors the implementation of the financial reporting processes, accounting policies and the effectiveness of the internal control system of the company, incl. risk management, as well as the implementation and results of the external and internal audit;

- The CFO is responsible for the overall organization, operation and monitoring of accounting and financial reporting. He directly manages the entire process takes all key decisions related to the financial statements and other public documents with financial information. He also approves the first level accounting policy, the main accounting methods and evaluates and approves the reports of independent experts (appraisers, actuaries, consultants and others) involved in the financial reporting process. He currently monitors, along with the chief accountant and head of the department "Reporting" effects and risks on the financial statements of the identified business risks for the Company;

- The chief accountant organizes and manages the accounting and reporting of the Company - controls and methodological manages current accounting, manages the preparation of financial and management reports; is responsible for development and implementation of accounting and reporting methods and techniques; is responsible for the process of closing of

accounts and preparation of all accounting estimates, offers and develops accounting policies and changes in them, monitors ongoing changes to IFRS. He is the direct contact with internal and external experts for financial reporting purposes;

- The department "Reporting" and its head carries overall organization, providing methodological and implementation process related to the preparation of the consolidated financial statements of the Company, incl. current control, instruction, monitoring and analysis of financial statements for purposes of consolidation of group companies Sopharma;

- "Internal audit" performs subsequent control over the operations and activities related to the preparation of the financial statements of the Company and compliance with the internal controls put in place by individual routine and non-routine processes.

Policies and practices related to human resources in financial and accounting departments

The Companies in the Group have established policies and rules relating to the Management of human resources in the financial reporting process and other processes associated with it. These include enforced and implemented policies and procedures for the selection and appointment of such staff aimed at education and work experience, computer literacy and possession of languages of candidates when selecting leading requirements set out in the job descriptions of individual positions.

To the policies for personnel management are included those related to continuous further professional training, upgrading and expansion of knowledge and skills of employed specialists. In case of changes in the regulations, IFRS, tax and other laws affecting their work directly, the employees must attend different kind of trainings. The purpose of this policy is to achieve an increase in their expertise and improve their skills to increase efficiency in the performance of their duties.

Procedure of the Group to assess the risk associated with financial reporting

The Board of Directors, Audit Committee, Finance Director and Chief Accountant of the Parent Company have a key role in permanently identify, monitor and control business risks, incl. to identify and control the effects of those that have a direct impact on individual processes and areas of accounting, financial reporting and accounting of the companies. They, together, provide overall monitoring of the process of risk management.

Risk factors related to reliable financial reporting include external and internal events, transactions or circumstances that may arise and reflect negatively on the entity's ability to create, maintain and process accounting and operational data in a way that ensures reliable financial reporting, records and reports. The Group has defined as essential following factors:

a) as external risks are determined: change in the business environment and market environment of the companies and their major products; the activities of competitors; changes in legal and regulatory framework; changes in key suppliers or customers; fraudulent or malicious actions by outsiders; rapid corporate growth and growth of the group; development of the companies in which they hold significant investments in the form of shares and / or loans.

b) to internal risks are assigned: change the technological base of the companies in the Group, the manner and intensity of use of their assets and resources; new products and activities; new accounting policies and IFRS; changes in the staff of the departments responsible for and / or financial reporting; changes in information systems; mistakes at work and / or insufficient knowledge or skills of staff rapidly expanding business abroad; administration of

multiple estimates - especially use of fair values and calculating the recoverable amount of certain non-current assets, with the participation of outside experts.

Risk factors that are repetitive and / or are related to the application of accounting policies and estimates, are currently monitored by the chief accountant of the Group, who offers solutions for the management and proper coverage of their effects in the financial statements. New risk factors are identified by the CFO of the Parent Company, and are evaluated and developed together with the chief accountant and head of the department "Reporting." If necessary, technical assistance of independent consultants is used, incl. and implementation of new IFRS. The general supervision of the process of managing the risks associated with financial reporting is carried out by the Audit Committee of the Companies in the Group.

Information system of the companies in the Group. Department "Accounting" - organization of the accounting function in the company and the financial reporting process
Information System

The information system of the companies in Sopharma Group includes infrastructure (physical and hardware components), software, people, procedures and data. In 2013 Sopharma AD has implemented ERP system Microsoft Dynamics AX. It covers all processes in sales, warehouse, mainly planning, production and accounting. The system was adapted and implemented not only taking into account the specifics of the company itself but also are borrowed best practices from the pharmaceutical sector and other manufacturing industries.

Besides the main information system, Sopharma AD uses the following systems: Hermes - a system of human resource management that covers the entire management cycle associated with the planning, evaluation, remuneration and human capital development in Sopharma AD. The relationship between them is that they enter data from Hermes into Microsoft Dynamics AX. The quality of information generated by the system Microsoft Dynamics AX and other products provide significant opportunities for management to take adequate, reasonable and timely decisions in managing and controlling activities on the preparation of various financial and management reports and other public documents with financial information.

The information system of Sopharma Trading AD includes infrastructure (physical and hardware components), software, people, procedures and data. The company started in 2014 the phased implementation of SAP ERP system. It covers all major transaction processes in the company. The system is adapted and implemented, taking into account the specifics of the company itself, but also good practices from the pharmaceutical sector and other production branches are borrowed.

In addition to the main information system, the following systems are also used in the company: FM + Transportation Planning and Management, Mobile Driving Management Application (on SAP Mobile Platform), KNAPP WMS and SAP WMS Warehouse Management, SAP Hybris - Online Sales Management, Hermes - HR management. The relationship between them is accomplished through interfaces. The quality of information generated by the SAP ERP system and other products provides significant opportunities for management to make adequate, timely and timely decisions in managing and controlling the preparation of various financial and management reports as well as other public documents with financial information.

Given the smaller scale of operations of the other companies in the Group, each of them uses software that is in line with its needs.

The information system, relevant to the purpose and process of the financial reporting, includes, methods and documentation, which:

- identifies and records all valid transactions;
- timely describes the transactions in sufficient detail to allow their appropriate classification for financial reporting purposes;
- evaluates transactions in a way that allows to reflect their appropriate value in the financial statements;
- determines the time period in which transactions arise, to enable their recording in the appropriate accounting period;
- present transactions and related disclosures appropriately in the financial statements in accordance with the accounting framework.

The "Information Technology" Department is responsible for the risk-free functioning of the information system in the Parent Company, and in Sopharma Trading AD - Business and Technological Development. In each of the companies in the Group in which the IT department is established, it is responsible for the smooth operation of different types of software.

"Accounting" Departments - Implementation of the accounting policy and a key role in financial reporting

The accounting department of the Parent company is directly subordinate to the Executive Director. It is headed by the Chief accountant. The following positions are subordinate to the Chief accountant: Deputy chief accountant and heads of sectors and operational accountants. Structurally, the Department consists of the following sectors: fixed assets, materials, expenses, implementation, foreign currency transactions, local currency transactions, salaries. According to their functional characteristics they cover and fully realize the accounting and reporting function in the company's internal accounting controls and the preparation of financial statements. The Department's responsibilities include the correct and consistent application of the developed accounting policies, the development and application of internal chart of accounts; reporting methodologies, current bookkeeping; current accounting analysis and control of accounting data and documentation; addition of and classification of accounting data for financial reporting purposes; preparation and / or processing of incoming data for approximate accounting estimates with the involved experts and reporting of identified deviations to the Financial Director; and compliance with regulatory requirements in the field of accounting, taxation and other related areas.

The accounting department of Sopharma Trading AD is directly subordinated to the Financial Director. It is headed by a Chief Accountant and a Deputy Chief Accountant. Structurally, the accounting department consists of a Chief Accountant, Deputy Chief Accountant and 8 Operating Accountants.

In each of the companies in the Group there are corresponding structures that ensure the proper functioning of both- the company itself and the control of its financial and accounting activities.

The accounting policy of the Parent Company and the Group, respectively, for the purpose of preparing the consolidated financial reports is subject to annual approval at two levels by the Financial director and the Board of Directors of the Parent Company. The most important aspects necessary for a proper understanding of the financial statements must be disclosed.

Choosing the reporting framework is defined based on the requirements of the Accounting Act. The Company applies International Financial Reporting Standards (IFRS) as adopted by the European Union. The current control for the proper application of IFRS is performed by the chief accountant, finance director and audit committee. Further confirmation of the correctness of the application is received by the external auditors.

The preparation of financial statements of the Parent Company for public use is the result of a comprehensive process of closing an accounting period. This process is formalized through rules and instructions adopted by the management. They are linked to the performance of certain actions and procedures, respectively preparation of certain documents by persons from the "Accounting" Departments or other officials and those actions and procedures are directed to: carrying out inventories; analysis of accounts; sending confirmation letters; determining the best estimates as amortization, revaluations and impairment charges, which are based on reasonable assumptions and classification of accounting data; research and analysis of certain legal documents (contracts, litigation, opinions of legal advisors); research and evaluation reports of experts (appraisers, actuaries, internal auditors, other domestic experts and officials); preparing reports and financial packages for consolidation; preparation, analysis and discussion of draft financial statements.

The process of closure of accounts is managed directly by the Chief Accountants and the Head of Reporting department, while the Financial Director monitors and takes the final decisions on key issues related to the recognition, classification, evaluation, presentation and disclosure concerning certain objects, operations and events as well as overall performance financial statements- individual and consolidated financial statement of the Parent Company.

Control activities

Control activities in the developed and implemented internal control processes include: reviewing the implementation and results of operations; information processing; physical controls and segregation of duties and responsibilities.

General controls that relate to financial reporting can be categorized as procedures relating to current and periodic reviews and analysis of financial indicators and the input data used for their calculation represented in the financial to show the results of the companies in Sopharma Group.

Controls on the parent company's information systems encompass both application program controls and common IT controls, which are policies and procedures that help ensure the continuous functioning of information systems. Typical application controls that are set are: verification of mathematical accuracy of records, maintenance and review of accounts and workflows, automated controls such as input checks and sequencing checks, and non-automated tracking of exception reports. Common IT controls include: program change controls, controls that restrict access to programs or data, controls on the implementation of new editions of bundled software application programs, and system software controls that restrict access or ongoing monitoring of the use of system support functions could change financial data or records without leaving a trace of follow-up.

In Sopharma Trading AD, the general controls relevant to financial reporting can be categorized as procedures related to current and periodic reviews and analyzes of the financial indicators and their inputs, through which the performance and results of the company's activity are presented in the financial statements. In turn, they include such reviews and analyzes of factual reported results against budget, forecast, prior periods and industry

segments. Such financial analyzes are done through the SAP ERP and SAP BI. For the purposes of management, separate forms are approved and approved according to the monthly reports. The reports contain factual and budget figures, analysis of deviations. Comparison of current with previous period. Typically, they may also contain suggestions for optimizations or review of certain budgets.

The IT Department is responsible for the implementation of the control activities in each company in the Group where it exists.

Applied physical controls in the companies in the Group include:

a) measures for the physical security of assets - safe equipment and facilities, and special conditions of access to assets and documents;

b) a specific procedure for approval of access to computer programs and data files;

c) periodic inventories - procedures for organizing and holding inventory through physical counting / weighing of stocks / sending appropriate written confirmation and comparing the amounts reflected in inventory control and accounting records / registers. Procedures are also introduced to ensure the timely analysis of the results of the inventories and developing solutions for their accounting and respectively approval by the Executive Director.

Internal controls are provided for the developed and implemented management procedures, organization and execution of the main routine processes (supply and sales) as well as the processes of preparation and adoption of complex estimates (amortization, impairment, revaluation actuarial calculations and long-term provisions). They include: authorization of individual transactions and issuance of primary documents; review and verification of documents issued and involved in the operation assets; subsequent restatement and comparisons with other documents (contracts, orders, confirmations, price lists, etc.) and persons, as well as segregation of duties and responsibilities of participating officials on each step of the process to ensure checks and balances between them and to reduce the possibilities that any person is in a position both to make and to conceal errors or fraud in the normal course of performing his/her duties.

The companies in the Group are in constant expansion of formalized control procedures and activities.

Monitoring of controls

An important objective with high priority for the managements and particularly the Financial Directors is to establish and maintain continuous and effective internal controls. Monitoring of controls by the managements includes considering whether they are working as intended and whether they are modified appropriately to reflect changing conditions. The ongoing monitoring of controls may include activities such as a review by the management of the Company as to whether internal management reports are timely and whether key data are consistent with third party endorsement and assumptions by internal auditors of compliance with policies and the procedures for the implementation of the routine processes (sales and deliveries) by the personnel employed in them, incl. Internal controls, including when comparing contracts with counterparties, as well as oversight of ethics or business practice by the legal department of companies and the investor relations division of public companies. Ongoing monitoring is done to ensure that controls continue to operate effectively in time.

Internal auditors, as well as other personnel performing supervisory, monitoring or control functions, incl. The Company's accounting departments and the Reporting Division also

contribute to the ongoing monitoring of the entity's internal control over its processes through its assessments of individual controls or control groups. Normally, they periodically provide such information in the course of performing their duties and functions, and their judgments about the operation of certain internal controls, focusing significantly on the assessment of their effectiveness, communicate with the relevant persons the information on the strengths and weaknesses of internal controls and make recommendations for their improvement.

Activities include monitoring the use of information from external parties that indicate problems or identifying areas in need of improvement. Such parties are customers, suppliers and servicing banks. In addition, the regulatory authority in the face of the FSC can also communicate with management on matters affecting the functioning of the internal control, for example, exchange of information directly monitored by the Commission related to the implementation of specific activities or transactions of the companies or revisions by the FSC itself. Also when implementing the activities on current monitoring management always takes into account the communication with external auditors related to internal control and the weaknesses discovered by them and the recommendations made.

IV. Information in accordance with Article 10, paragraph 1, letter "c", "d", "e", "h" and "i" of Directive 2004/25 /EC of the European Parliament and of the Council as of 21 April 2004 on proposals for takeover;

1. Significant direct or indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC;

There is no reaching, exceeding or falling below one of the thresholds of 10%, 20%, 1/3, 50% and 2/3 of the share capital of Sopharma AD during the year.

2. Holders of all securities with special control rights and description of these rights;

For the Parent Company, there are no securities with special rights issued. According to the Articles of Incorporation of Sopharma, all shares issued by the Companies in the Group are of the same class, registered, common and indivisible. Each share entitles to one vote at the General Meeting of Shareholders, to dividends and liquidation part, in proportion to the nominal value of the share.

3. All restrictions on the voting rights, such as restrictions on the voting rights of holders of a given percentage or number of votes, deadlines for exercising the voting rights or systems through which through cooperation with the company the financial rights attached to the securities are separated from the holding of the securities;

There are no restrictions on the voting rights.

4. The rules which regulate the appointment and replacement of Board members and amendments to its Articles of Incorporation.

The Board of Directors proposes to the General Meeting amendments and / or supplements to the Articles of Incorporation, changes in the constitution of the Board of Directors release and election of new Board Members.

Members of the Board of Directors may be physical or legal persons meeting the requirements of Article 234 of the Commercial Code and Article 116a, paragraph 2 of the Public Offering of Securities.

When a member of the Board of Directors is a legal entity, it shall designate a representative / and / for the performance of duties in the Board. The legal entity is jointly and unlimitedly liable with the other members of the Council for the obligations arising from the actions of his representative.

Natural persons who are legal persons - members of the Board of Directors must meet the requirements of Art. 234, paragraph 2 of the CA.

They can not be members of the Board of Directors of persons who were members of management or supervisory body of a company terminated due to bankruptcy in the last two years preceding the date of the declaration of insolvency, if unsatisfied creditors.

You can not be a member of the Board a person who has been governor, member of the management or supervisory body of the company, which was established by an effective penalty decree defaulting on creation and preservation of its defined levels of stocks under the stocks of oil and oil products.

At least one third of members of the Board of Directors must be independent entities. The independent member of the Board can not be:

- employee of the public company;
- shareholder who owns directly or through related parties, at least 25 percent of the votes in the General Assembly or related company;
- a person who is in permanent trade relations with the public company;
- member of the management or supervisory body, procurator or employee of a company or other entity.
- a person connected with another member of management or supervisory body of a public company.

Members of the Board of Directors can be reelected without limitation.

With changes in legislation, the next General Meeting of Shareholders shall decide on amending the Constitution in order to align its provisions with those of existing regulations. By making this decision, the affected versions of the Charter shall be interpreted in accordance with the Constitution and laws of the country.

The Articles of Association shall be amended by the General Meeting of Shareholders with a majority of 2/3 / two thirds / of the represented at the General Meeting capital. The current Constitution was entered in the Commercial Register under number № 20,150,226,134,200.

5. The powers of board members, and in particular the right to issue or buy back shares.

The powers of the Board of Directors are regulated in the Articles of Incorporation. A decision to issue bonds can be taken by the Board of Directors with a qualified majority of two thirds of its members.

The Board of Directors is authorized to buy back shares under certain conditions, according to the decisions of the General Meeting held on 23.06.2010, EGM of 30.11.2011 on the EGM of 01.11.2012 and EGM of 28.02.2013.

V. Composition and functioning of the administrative, management and supervisory bodies and their committees

1. Composition of the Board of Directors:

Sopharma AD is managed and represented by a Board of Directors, which consists of five physical persons meeting the requirements of Article 234 of the Commercial Code and Article 116a, paragraph 2 of the Public Offering of Securities. The composition of the Board of Directors can be changed by the General Meeting at any time.

The composition of the Board of Directors is described in section I. Overview of Sopharma in the Management report.

According to Article 116 Paragraph 2 of the Law on Public Offering of Securities at least one third of the members of the Board of Directors must be independent. In this case, these are:

- Andrei Lyudmilov Breshkov
- Alexander Viktorov Tchaoushev

Members of the Board of Directors are aware of their rights and duties associated with the position they take.

2. Rules of the Board of Directors

Sopharma AD has developed Rules of the Board of Directors that match and are an addition to the principles enshrined in the Good Corporate Governance Program. The Articles of Incorporation are prepared in accordance with the requirements of POSA and include provisions on the right of shareholders to timely notification on various issues.

The Board of Directors shall hold regular meetings at least once a month.

3. Minutes of meetings

All members present at a Board meeting signs minutes of meeting with the Protocol.

Minutes of meetings are kept by the Investor Relations Director of the Company;

The minutes of meetings are trade secret. Facts and circumstances that are included therein can be published, disclosed or brought to the attention of third parties only by a decision of the Board of Directors or when it is required by law.

4. Responsibility

Members of the Board of Directors must give a guarantee for their management in an amount determined by the General Meeting, but not less than three times their monthly gross salary.

Members of the Board of Directors are jointly liable for the damages caused to the Company.

Each member of the Board of Directors may be released from liability if it is established that they have no fault for a damage. The General Meeting can discharge the Board of Directors on the Annual General Meeting in the presence of audited annual financial statements for the previous year and interim financial statements for the period from the beginning of the current year to the date of the general meeting.

The Board of Directors reports for its activities to the General Meeting of Shareholders.

5. Role of the Board of Directors to implement the principles of good corporate governance

The Board of Directors decides on all matters relating to the Parent Company, except those under current law and the Statute of the Company are of the exclusive competence of the General Assembly. According to the structure and composition of the management bodies of each of the Group's companies, their functions are allocated to the departments that exist in them. The functioning of the management and supervisory bodies is aimed at bringing the management of each company in line with the strategic objectives of both- those of the company itself and those of the Group.

Assigns its decisions and functions under the operational management of the Company to one of its members /CEO/. The Executive Director may be changed at any time.

Members of the Board of Directors shall submit a declaration to the Financial Supervision Commission / FSC / to BSE - Sofia and the company itself in case of their participation as members of management and supervisory bodies of other companies, as well as information on legal entities, who they hold directly or indirectly more than 25% of the capital or which they control, as well as a present or future transactions which consider that they can be recognized as stakeholders. This circumstance is declared and updated within seven days of its occurrence.

In carrying out its activities the Board of Directors comply with the accepted principles of Corporate governance of the Company;

The Board of Directors shall make best efforts to ensure easy and timely access to public information for an informed exercise of shareholders' rights, respectively making an informed investment decision of investors.

6. Due diligence. Avoiding conflict of interest

Members of the Board of Directors are required to:

- carry out their duties with due diligence, to be loyal to the Company and act in the best interest of its shareholders;
- perform their duties with the inherent professional skill, diligence and responsibility in a way that they reasonably believe is in the interest of all shareholders of the Company, by using only information that they reasonably believe to be reliable, complete and timely;
- to the interest of the Company and the investors in the Company before their own interest and not used for the benefit of themselves or others at the expense of the Company and shareholders facts and circumstances that are learned in the course of their professional duties;
- avoid direct or indirect conflicts between their interests and the interests of the Company, and if such conflicts arise - to disclose promptly and fully and do not participate and do not affect the other members of the council in making decisions in such cases;
- not to disclose information about the deliberations and decisions of the meetings of the Board of Directors, as well as other non-public information about the Company, even after they cease to be members of the Board of Directors until the public disclosure of the circumstances of the Company;
- provide and disclose information to shareholders and investors in accordance with regulations and internal acts of the Company.

The Board of Directors assisted by an Audit Committee, which under the Independent Financial Audit and International Standards on Auditing, performs the following functions:

- monitors the financial reporting processes in the Company;
- monitors the effectiveness of the internal control;
- monitors the effectiveness of risk management in the Company;
- monitors the independent financial audit in the enterprise;
- reviews the independence of the auditor of the Company in accordance with the law and the Code of Ethics for Professional Accountants, including monitoring the provision of ancillary services by the auditor to the audited entity.

At an extraordinary General Meeting of Shareholders of Sopharma AD held on 20.11.2008 was elected an Audit Committee composed of three people: Tsvetanka Zlateva Vasil Piralkov and Vasil Naydenov , elected for a 3-year mandate, which has been re-elected two consecutive times.

VI. Description of the diversity policy, applied to administrative, management and supervisory bodies of the issuer in relation to aspects such as age, sex or education and professional experience, the objectives of this policy of diversity, the manner of its implementation and results during the reporting period.

Sopharma Group is making every effort to ensure equal opportunities in recruitment and compliance in form and substance of the whole range of laws pertaining to fair employment practices and prevent discrimination.

Discrimination, whether based on race, sex, or expression of gender, color, creed, religion, national origin, nationality, citizenship, age, disability, genetic information, marital status (including domestic partnerships and civil unions as defined and recognized by applicable law), sexual orientation, culture, ancestry, veteran's status, socioeconomic status or other legally protected personal characteristic, are unacceptable and completely not consistent with the traditions of the Company Group, for providing a respectful, professional and dignified workplace. Retaliation against individuals for raising claims of discrimination or harassment is also prohibited.

The main objectives that the Company Group set itself in the implementation of diversity policies are:

- Attracting, hiring and holding on of people with a wide range of professional skills. The diverse capabilities of management and staff open new opportunities for innovative and creative solutions increase creativity and innovation. This in turn would lead to more efficient adaptation to the impact of globalization and technological change. A diverse workforce can increase companies effectiveness to achieve its objectives. It can lift morale, giving access to new market segments and increase productivity.
- Fostering a working environment that accepts ethno-cultural diversity and in which individual differences are valued and respected
- Solve one of the most important issues for the employer - that of labor shortages and problems relating to the recruitment and retention of highly skilled workers.
- Improving the reputation and overall performance of the companies in the group to external stakeholders and society
- Creating opportunities for disadvantaged groups and building the unity of society.

Sopharma Group strives to achieve targets as approved and put into practice important for company types manifolds. By adopting best practices from other companies and institutions, the managements of the companies in the Group want to make diversity management a functioning part of the company. Sopharma endeavor employees, consumers, customers and investors to be informed about the importance of diversity to them and their work, aiming to build their confidence and willingness to support.

Diversity policy provides a variety of board members, ensuring reliable system management and control, and good corporate governance is an essential element of safe and stable operation of Sopharma Group. They meet the highest standards applied by the Company in order to realize its objectives and strategies.

The composition of the Management of the companies in the Group and the number of people involved in it, is consistent with the size, complexity and scope of the operations of the companies and ensure sufficient level of general expertise.

Members of the Board of the Management of the companies in the Group have extensive experience as a theoretical gained through education, training and qualifications and practical acquired during previous positions occupied. They are persons of good repute and managerial capabilities, with high professional and moral qualities.

Compliance with the principle of gender equality, as witnessed by the many women occupying senior positions in the companies in the Group

Diversity policy with respect to the management authorities do not allow a limitation of age composition.

In the companies in the Group there are representatives from various minority ethnic groups- ethnicities. The companies in Sopharma Group employ people from disadvantaged backgrounds. The aim is to provide young people with opportunities for professional and personal development.

Male to female ratio is in favor of women and required by the nature of the production process.

The policy of diversity in terms of personnel (directors of departments, heads of departments, employees) does not allow restriction of age composition.

As Sopharma Group companies have no discrimination on any grounds.

Section V of the Rules of Internal labor order of Sopharma AD regulates the rights and protection of employees when it comes to any discriminatory action by the employer.

On the basis of Ordinance on labor readjustment / SG, issue 7/1987, issue 7/1987, amended. and supplemented. Issue 111 of 28.12.2001, amend. Issue 78 of 30.09.2005 which entered into force on 01.10.2005 /, Ordinance № 8 for determination of jobs suitable for labor readjustment of disabled performance / SG issue 52 / 1987. SG issue 47 / 1990 / Ordinance amending and supplementing Ordinance № 8 for determination of jobs suitable for labor

readjustment of persons with disabilities / SG. 44/1993. / and according to Art. 27 of the integration of people with disabilities, each year a special Committee on labor readjustment meets in Sopharma AD. It develops a list of suitable locations and positions for labor readjustment of disabled workers with permanent disabilities in accordance with the percentage allocated to the sector in accordance with Art. 315 of the Labor Code and of pregnant workers and workers who are breastfeeding. Commission shall examine specific cases for labor readjustment and indicates appropriate places according to the approved list.

Ognian Donev, PhD
Executive Director



27.04.2017