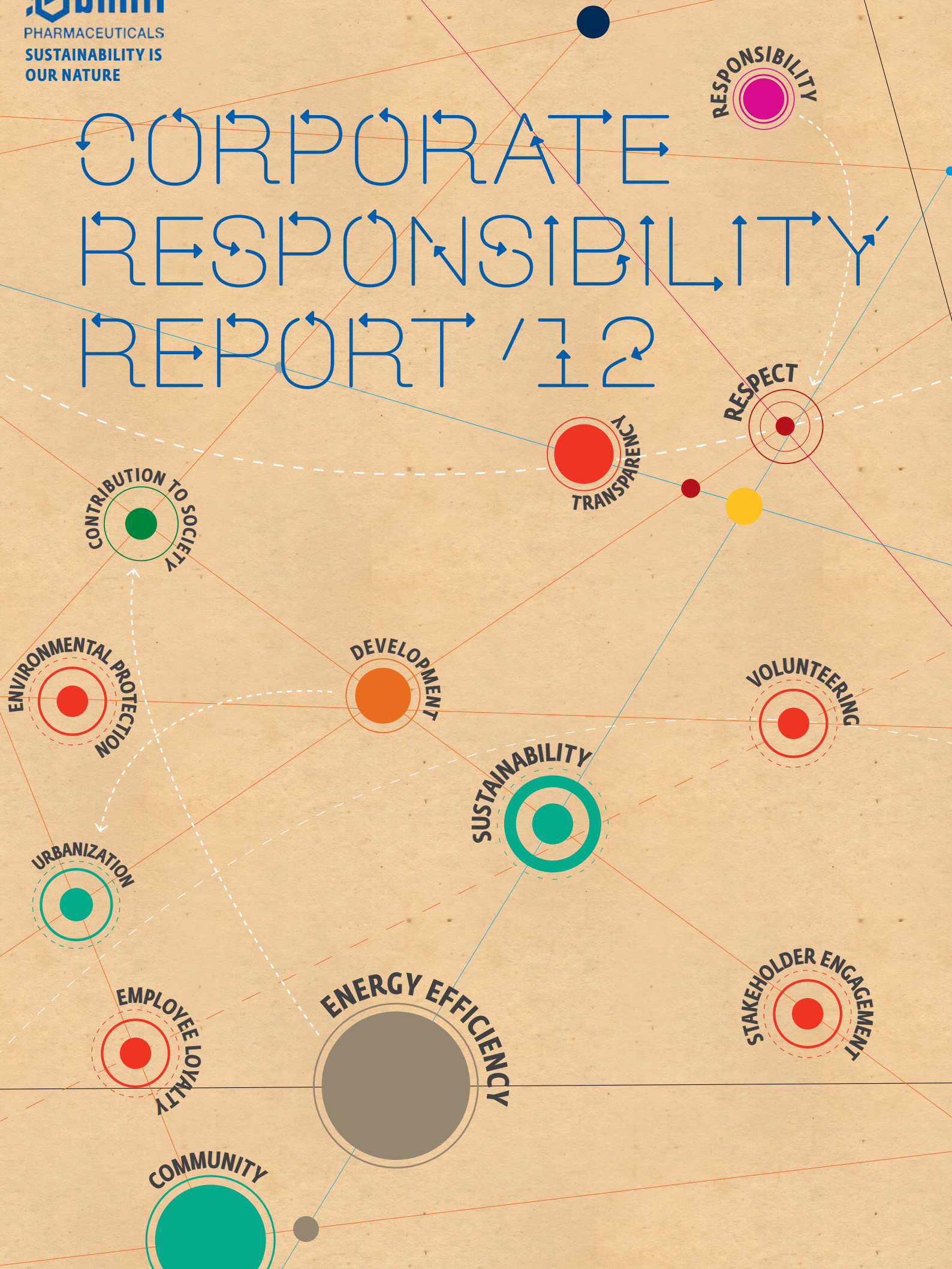


# CORPORATE RESPONSIBILITY REPORT '12



# CONTENTS

- 3 Message from the Chairman of the Board
- 5 Message from the CEO
- 7 Bilim Pharmaceuticals At a Glance
- 9 About the Report

## **10 CORPORATE PROFILE**

- 11 About Bilim Pharmaceuticals
- 13 Our Processing Facilities
- 19 Our Field of Work
- 22 Our Management Approach
- 24 Our Boards
- 26 Our Strategic Planning
- 26 Our Risk Management
- 27 Our Quality Management
- 28 Our Reputation Management
- 29 Our Sustainability Management
- 33 Our Ethical Management
- 34 Our Stakeholders
- 37 Our Memberships
- 38 Our Awards

## **39 OUR ECONOMIC ADDED VALUE**

- 40 Operational and Financial Information
- 41 Our Investments
- 45 Our Work on Research and Development
- 49 Government Grants Received
- 49 Intellectual Industrial and Commercial Copyrights
- 50 Compliance with Law and Fair Competition
- 51 Fighting with Bribery and Impropriety

## **52 THE VALUE**

### **WE ATTACH TO PEOPLE**

- 53 Our Principles on Employee Rights
- 54 Demographic Data of Our Employees
- 58 Our Recruitment Procedures
- 61 Evaluation of Competencies
- 62 Pay Management and Retirement Policy
- 63 Benefits, Rights and Support Practices
- 64 Our Contribution to the Development of Our Employees
- 89 Employee Participation and Representation
- 93 Occupational Health and Safety
- 98 Product Responsibility
- 106 Our Suppliers and Collaborations
- 110 Community Investment

## **121 OUR RESPONSIBILITY TO THE ECOLOGICAL ENVIRONMENT**

- 122 Environmental Management
- 123 Our Environment-Friendly Practices
- 125 Our Environmental Related Targets
- 125 Materials Used in Production
- 126 Energy Consumption
- 127 Water Consumption
- 128 Waste Management
- 134 Greenhouse Gas Emissions and Our Carbon Footprint
- 136 Biodiversity
- 136 Legal Compliance

## **137 GRI CHECK**

- 137 GRI Statement
- 138 GRI-GC Indicator Index
- 152 Deloitte's Statement

# MESSAGE FROM THE CHAIRMAN OF THE BOARD

## **We are now talking about a new order with a new sustainability-based business model**

*While balancing our needs and those of future generations; what we really need is to create "responsible world citizens" out of individuals and "good companies" out of corporations.*



MESSAGE FROM THE CHAIRMAN OF THE BOARD

Dear Stakeholders,

As you will all be closely aware, our world is currently undergoing a process of difficult change with a rapidly increasing world population, irreversible consumption of natural resources and climate change. We began to put natural resources at risk by consuming them in an unsustainable manner since the second half of the 20<sup>th</sup> century. Meanwhile, we neglected our humane duty to leave a more sustainable world to future generations. If we continue to consume in this manner, we imperil the future generations' right to live.

***Sustainability simply refers to meeting our daily needs without jeopardizing the needs of future generations...***

While balancing our needs and those of future generations; what we really need is to create **"responsible world citizens"** out of individuals and **"good companies"** out of corporations/organizations.

We have already left behind the era when we consumed resources extravagantly; the dynamics of the current century are very different. We are now talking about a new order with a new sustainability-based business model. As such, the business world in particular has to integrate all dimensions of sustainability into their corporate culture and accordingly, into all of their strategies and processes.

Our first Corporate Responsibility Report published in 2009 was also the first report in the Turkish pharmaceutical industry. Our 2010 and 2011 reports were the first Corporate Responsibility Reports in Turkey to receive level A and A+ approvals from the GRI. With these reports, we present the targets we have defined in line with our sustainability strategy, as well as all of our practices together with all of the results we have achieved, for our stakeholders' examination. We attach importance to ensuring the maximum participation of our stakeholders and in establishing effective communication with them for a sustainable future.

As a completely homegrown asset, our company, Bilim Pharmaceuticals, has played a key role in the progress of the Turkish pharmaceuticals industry from the past to the present and now into the future and we have adopted a mission of working to contribute to Turkey's reputation. As the sustainability leader of the Turkish pharmaceutical industry, we are aware of our responsibilities and demonstrate the efforts in this area.

I would like to end by taking this opportunity to invite all companies in the Turkish business world to prepare Corporate Responsibility Reports.

**Bülent Karaağaç**  
Chairman

## MESSAGE FROM THE CEO

**It is possible to become a successful company and create a better world at the same time...**

*What really matters to us is to become a responsible company that, invests not only in our future, but also in the future of our sector, our country and our world.*



MESSAGE FROM THE CEO

Dear Bilim Family and Esteemed Shareholders,

I am proud to share our 4<sup>th</sup> corporate responsibility report with you. Every year we provide you with information on our Company's efforts and where we currently stand with respect to our targets, while also sharing what we have learnt with you.

The consistency of our sustainability-related efforts along with our sincere belief in the concept of sustainability strengthen our company's values, while contributing to the development of the ecosystem that we have been managing with our shareholders.

We explain our sustainability-related efforts on a number of platforms. We believe that sharing, raising awareness of volunteering and cooperation are at the heart of sustainable development.

invests not only in our future, but also in the future of our sector, our country and our world. In this context, Bilim Pharmaceuticals – which has placed the sustainability approach at the heart of its business-making style - is considered as a model company.

Our primary targets for the coming period are to outperform our economic, social and environmental targets, to serve the cause of sustainable development by setting up joint projects with our internal and external stakeholders and to continue adding value to the community through our volunteering efforts. We pay attention to designing our corporate management approach and strategic plans with a particular focus on "sustainable growth", and not compromising from our approach, regardless of how the dynamics of our sector evolve.

***On the other hand, our regular reporting and sustainability-related efforts add value to our company's management approach.***

We view the innovative activities carried out under the management of our sustainability board as an opportunity to improve our capability and integrate the culture of innovation into our corporate culture.

Our GRI-approved level A+ report which covers our corporate management approach, as well as our corporate economic, social and environmental responsibilities sets out how we serve sustainable development while fulfilling these responsibilities.

Bilim Pharmaceuticals is a 100% Turkish capital owned company that has been steering the Turkish pharmaceutical industry for almost 60 years. As the fastest growing pharmaceutical company in recent years, we are responsible for responding to the community's needs and expectations and for contributing to its development. We do not position ourselves only as a profit-oriented company; what really matters to us is to become a responsible company that, in its sustainability efforts,

It is possible to become a successful company and create a better world at the same time... I think Bilim Pharmaceuticals is a good example of a company that can grow while investing in the community and the environment.

As the Bilim Family, we are constantly approaching our target of becoming a "perfect corporate citizen" by maintaining a high level of motivation at all times, and by never giving up learning and sharing. We would like to thank all of our shareholders, who actively stand by us and strengthen us. Your contribution is invaluable in the firm steps that Bilim Pharmaceuticals takes to establish a healthy and sustainable future...

**Dr. Erhan Baş**

Bilim Pharmaceuticals General Manager

# BILIM PHARMACEUTICALS AT A GLANCE

## 7 OF EVERY 100 PRESCRIPTIONS

In doctors' prescription preferences, Bilim Pharmaceuticals completed the year in **2<sup>nd</sup> place**, with its medicines accounting for **7.1 of every 100 prescriptions**.

The Company exports products to **52 countries**.

It has representative offices in **Moldova, Georgia, Bosnia Herzegovina and Albania**.

## THIRD IN MARKET

With a **4.9% market share**, Bilim Pharmaceuticals is ranked **3<sup>rd</sup> in the Turkish pharmaceutical market**, which reached a size of **14,449,935,392 TL in 2012**.

The Company has a total of **238 approved drugs** on the market.

In terms of the number of boxes sold to the market, Bilim Pharmaceuticals closed the year in **3<sup>rd</sup> position** with a total of **109,972,071 boxes sold**.

## 2008 TURNOVER IS DOUBLED IN FOREIGN MARKETS

The Company's turnover from foreign markets has **doubled** since 2008.

US\$ 19.4 million (2008)

US\$ 38.6 million (2012)

Its export share of pharmaceutical products:

**5.6%** (2011)

**6.2%** (2012)

### **50% OF EMPLOYEES ARE VOLUNTEERS**

**1,112** of its employees are Bilim Pharmaceuticals Community **Volunteers**.

Bilim Pharmaceuticals Community Volunteers have touched the lives of **45,985** children and young people through **31,281** hours of voluntary work within the scope of **305** activities in **12** different projects.

With a total production capacity of **250 million** boxes per year, Bilim Gebze accounts for a 17% share of the Turkish pharmaceutical industry.

### **NUMBER OF EMPLOYEES: 2,009**

Bilim Pharmaceuticals undertakes its marketing and sales activities in **11 different** locations throughout Turkey with **11** different teams.

### **LISTED IN BEST 500**

The Company ranked **125<sup>th</sup>** in the **ISO 500** in 2012.

The Company ranked **193<sup>rd</sup>** in the **Fortune Turkey 500** in 2012.

The Company ranked **246<sup>th</sup>** in the **Capital 500** in 2012.

Already ranking in **672<sup>nd</sup>** position among the "Top 1,000 Exporters" list in 2011, Bilim Pharmaceuticals has raised its ranking to **450<sup>th</sup>** in 2012.



# ABOUT THE REPORT

***As well as setting out Bilim Pharmaceuticals' corporate management approach, the report contains various content, covering each sphere of corporate responsibility in line with the Company's three dimensional sustainability approach.***

We prepared our fourth Corporate Responsibility Report, which is a summary of the sustainability-related efforts undertaken by our company in 2012, to share with all of our stakeholders. We published our three previous reports in June 2010, June 2011 and September 2012. These previous reports can be accessed from our website at [www.bilimilac.com.tr](http://www.bilimilac.com.tr).

In the report, the Company transparently shares information concerning its performance, economic added value, people-oriented values and ecological sensitivity, as well as related targets. Working in close interaction with all the boards, and gathering data on stakeholder expectations, the Sustainability Board observes and discusses the material topics covered in the report.

We worked to two internationally-recognized standards in preparing this report: the Global Compact Progress Statement standard and the GRI G3.1 standard.

We integrated indicators within a common index since both standards and their respective indicators are similar to each other. The indicator index is attached in the index at the back of the report.

Report data was collected through focus group meetings and revised in the final version under the supervision of the Sustainability Board. Mikado Sustainable Development Consulting ([www.mikadoconsulting.com](http://www.mikadoconsulting.com)), the sustainability-related consultant of Bilim Pharmaceuticals, was commissioned for the preparation of the report.

Report data was subject to external audit by Deloitte. Deloitte's statements are provided at the end of the report.

GRI has verified that the report is prepared according to the GRI Guidelines, at Application Level A+. We have included our unchanged policies in the report's online version in order to prevent repetitions, while these sections are referred to in the pdf version.

An online version of this report is included on our company's website at [www.bilimilac.com](http://www.bilimilac.com).

Readers may forward their feedback and suggestions concerning the report to our Sustainability Board. ([surdurulebilirlik@bilimilac.com](mailto:surdurulebilirlik@bilimilac.com))

# CORPORATE PROFILE



# ABOUT BILIM PHARMACEUTICALS

***Bilim Pharmaceuticals was ranked in 2<sup>nd</sup> place, with its medicines accounting for 7.1 out of every 100 prescriptions.***

Founded in 1953, Bilim Pharmaceuticals is a company with 100% Turkish capital, which conducts production and marketing activities in the strategically important pharmaceutical industry. Ranked 3<sup>rd</sup> among 300 corporations in the Turkish pharmaceutical industry, Bilim Pharmaceuticals continues to grow at a higher rate than the market. Bilim Pharmaceuticals prioritizes quality and adopts "respect for future generations" as a corporate value.

## **Steady and Consistent Growth**

Bilim Pharmaceuticals has demonstrated "steady and consistent growth" by being open to continuous development. With a 4.9% market share, Bilim Pharmaceuticals was ranked 3<sup>rd</sup> in the Turkish pharmaceutical market, which reached a size of TL 14.4 billion in 2012. In terms of the number of boxes sold to the market, Bilim Pharmaceuticals ended the year in 3<sup>rd</sup> place with a total of 109.9 million boxes sold. As far as doctors' prescription preferences are concerned, Bilim Pharmaceuticals was ranked in 2<sup>nd</sup> place, with its medicines accounting for 7.1 out of every 100 prescriptions. Bilim Pharmaceuticals, which is starting to become a strong player not only in the domestic market but also in foreign markets as well, currently exports its products to 52 countries. The Company has representative offices in Moldova, Georgia, Bosnia Herzegovina and Albania.

## **Customer Orientation**

"Customer orientation" is a key element of Bilim Pharmaceuticals' strategy of manufacturing and offering economic products and its principle of "respecting the community". Carrying out

its marketing and sales activities in 11 different locations throughout Turkey with 11 different teams, Bilim Pharmaceuticals evaluates its own performance every two years through customer satisfaction surveys and implements plans aimed at raising customer satisfaction.

## **Importance Attached to Finding and Developing New Products**

Bilim Pharmaceuticals boasts the largest R&D Center in the Turkish pharmaceutical industry. The company also has the largest R&D center of the Turkish pharmaceutical industry which has a laboratory area of 4,500 m<sup>2</sup>. Striving to rank among the first the two companies in the Turkish pharmaceutical market and to have the highest exports of local drug manufacturers by the end of 2014, Bilim Pharmaceuticals allocates nearly 5% of its budget to R&D investment. Equipped with state-of-the-art technology, the R&D Center undertakes its efforts by deploying technologically advanced and sensitive laboratory devices as well as laboratory data automation and R&D pilot production facilities which meet FDA (\*) standards. A total

**Largest R&D Center  
in the Turkish  
pharmaceutical  
industry**

of 110 scientists are employed in the R&D center, established with a \$ 15 million investment, where equivalent versions of original drugs – whose patents have expired – are prepared and subsequently offered to the market. The center is equipped with 220 different items of high-tech equipment.

A total of 238 products developed by Bilim Pharmaceuticals are sold in the Turkish pharmaceutical market, with 90% of these products - which we hold a license for - developed through our activities in our R&D laboratories. Thanks to our license files, which comply with international regulations, as well the high standards of quality in our R&D plant and production, we are able to offer our drug portfolio to international markets as well as the domestic market. Our products are sold in 52 different countries from the Far East to Latin America, and from Africa to the Middle East, while Bilim Pharmaceuticals asserts its presence and quality in global markets by reaching 798 license files. We undertake our R&D activities with the target of producing 40 new products every year for the domestic market and to expand in international markets through new products.

## Sustainability Awareness

Being aware of its social, environmental and economic impacts, as well as its responsibilities towards its stakeholders, Bilim Pharmaceuticals deems serving sustainability with an ethical, transparent and accountable corporate management approach as an indispensable part of its business approach and corporate culture. Working to a strategy of protecting the environment and reducing the use of natural resources, **Bilim Pharmaceuticals was the first company in the Turkish pharmaceutical industry to measure its carbon footprint and has affected improvement plans accordingly since 2010. The Company published the Turkish pharmaceutical industry's first corporate responsibility report in 2010. Bilim Pharmaceuticals was also the first pharmaceutical company in Turkey to sign the Global Compact and also takes the honor of publishing the first Cor-**

**First in Turkey to receive an A+ rating by the GRI for its Corporate Responsibility Report in 2012.**

**porate Responsibility Report in Turkey with an A grade as approval by the GRI in 2011, and was the first in Turkey to receive an A+ rating by the GRI for its Corporate Responsibility Report in 2012. The Company was also deemed worthy of the first Sustainability Brand Award in Turkey.**

## Bilim Pharmaceuticals' Employees: A Part of the Solution

The Bilim Pharmaceuticals Community Volunteers platform was established with the support of Bilim Pharmaceuticals in 2005 by voluntary employees who share their individual competencies, intellectual knowledge, time, effort and experience with those in need "in order to be a part of the solution". **As of 2012, the platform, with a total of 1,112 active members, was operating in 11 cities in Turkey with 20 different teams.** Every year, volunteers prepare projects and those that are approved by the supreme board of team leaders are implemented with the voluntary support of the families of Bilim Pharmaceuticals employees, as well as that of stakeholders. Volunteers have succeeded in reaching more than 45,000 children and youngsters through various activities carried out within the scope of 12 different projects.

## A Pioneer in the Quality Journey

Acting upon the principle of conducting all of its operations by prioritizing “quality”, Bilim Pharmaceuticals has been performing its activities since 1998 within the framework of the EFQM Excellence Model, which is an institutionalization and management model aiming to make all stakeholders happy. By doing so, the Company aims to yield results that satisfy its shareholders, customers, employees and the community, as well as to be a “pioneer” in its journey to quality play its role of guiding the sector.

As the first national company to receive the “EFQM Competency Approval in Excellence” given by the European Quality Association in 2004, Bilim Pharmaceuticals also received “The National Quality Grand Prize” in 2006 and “Award of Continuity in Excellence” in 2010, which are given by TÜSİAD (Association of Turkish Industrialists’ and Businesses) and KalDer (Turkish Society for Quality). Having received the “Award of Continuity in Excellence” in 2010, which is deemed as the most prestigious award of the Excellence Model, Bilim Pharmaceuticals was deemed worthy of the “EFQM Excellence Award” – which no corporation in Europe received for the last three years – and the achievement award in 4 different categories in 2011.

## OUR PROCESSING FACILITIES

***Bilim Çerkezköy Processing Facility is one of Turkey’s most important penicillin production plants***

With its center in the Maslak Headquarters Building, Bilim Pharmaceuticals undertakes production at two different facilities- Bilim Gebze and Bilim Çerkezköy - which were designed to carry out production in compliance with CGMP (current Good Manufacturing Practices).

Approved by the German Ministry of Health, the Bilim Çerkezköy Processing Facility is one of Turkey’s most important penicillin production plants. Having received approval from the UK Department of Health, the Bilim Gebze Processing Facility is Turkey’s largest, newest and most environmentally friendly drug production plant.

### Bilim Pharmaceuticals’ Production Figures in 2012 (number of boxes)

Gebze Processing Facility	96,800,525
Çerkezköy Processing Facility	29,025,229
Contract Manufacturing	32,506,784

## ÇERKEZKÖY PROCESSING FACILITY

Located at the Çerkezköy Organized Industrial Zone, the Çerkezköy Processing Facility is built on an area of 22,000 m<sup>2</sup> with an indoor area of 9,250 m<sup>2</sup>. The facility became operational in 1998.

Penicillin Oral Solid (tablets, film covered tablets, capsules and dry powder suspension) and Penicillin Powder Injectable drugs are manufactured at Bilim Çerkezköy Processing Facility, which has a total production capacity of 44 million boxes per year.

Holding ISO 9001 Quality Management System, ISO 14001 Environmental Management System and OHSAS 18001 Occupational Health and Safety Management System certifications, the facility's compliance with cGMP regulations and integrated management system standards has been proven.

### Products Manufactured at the Bilim Pharmaceuticals Çerkezköy Production Plant and Their Amounts

Pharmaceutical Form	Annual Capacity *
Tablet	13 million boxes (182 million tablets)
Capsule	4.8 million boxes (48 million capsules)
Dry Powder Suspension	12 million boxes
Injectable	20 million boxes

(\*) Amounts of products that can be manufactured at the plant in one shift

### Environmentally Friendly Approaches and Practices

Bilim Pharmaceuticals' environmentally friendly approaches and practices are based on the protection of natural resources of today and the future. The Bilim Çerkezköy Processing Facility is equipped with environment-friendly infrastructural systems in compliance with legislations in order to ensure protection of natural resources. Bilim Çerkezköy Processing Facility is a processing facility, where the following environmentally friendly practices are conducted.

### Modern Automation Level

Planned in accordance with the legislation, the Bilim Çerkezköy Processing Facility, besides being equipped with suitable technologies with respect to energy saving, is equipped with computer systems during production processes.



Some of these technologies and systems are listed as follows:

- The Building Management System (BMS), which controls all areas 24 hours a day and 365 days a year
- Card pass system used for production areas and warehouses
- Automatic fire detection, alarm and extinguishing system
- Lighting automation

### **“Occupational Health and Safety” and “Social Facilities”**

Bilim Çerkezköy Processing Facility was designed with a “human-friendly” point of view so as to increase our employees’ living standards. Thus, Bilim Çerkezköy Processing Facility offers the following to its employees within the framework of “Occupational Health and Safety” and “Social Facilities”:

- OHSAS 18001 Occupational Health and Safety Management Systems and its respective practices,
- A workplace practitioner, resting room, psychological consultancy services, and a mothers’ room
- A cafeteria, resting rooms, library and internet rooms for employees,
- A gymnasium,
- Outer environment walking areas

## **GEBZE PROCESSING FACILITY**

Having entered operation in 2008, Bilim Gebze, which is the largest drug manufacturing plant in Turkey according to production forms, was planned in accordance with the standards of the American FDA (Food and Drug Administration), one of the world’s most prestigious healthcare authorities.

Established at the Gebze Organized Industrial Zone on an area of 60,000 m<sup>2</sup>, the facility has an indoor area of 51,500 m<sup>2</sup>.

With a manufacturing capacity of 250 million boxes per year, Bilim Gebze was planned to cover any needs for capacity increase. The plant is able to meet 17% of the Turkish Pharmaceutical industry’s need on its own. The Bilim Gebze Processing Facility holds ISO 9001 Quality Management Systems, ISO 14001 Environmental Management Systems and OHSAS 18001 Occupational Health and Safety Management Systems certificates.

### **Products Manufactured at the Bilim Pharmaceuticals Gebze Production Plant**

Gastrointestinal products, Analgesics-Anti-inflammatory products, Dermatological products, Antibiotics (non Beta-Lactam), Vitamins and Minerals, Respiratory System products, Antiparasitic products, Sweeteners, Central Nervous System products, Cardiovascular products, Iron preparations, Muscle relaxants and Flu products.



Pharmaceutical Form	Annual Capacity *
Tablet	72 million boxes (1.5 billion tablets)
Capsule	18 million boxes (0.5 billion capsules)
Syrup	18 million bottles
Sachet	5 million boxes
Dry Powder Suspension	7 million boxes
Cream/Pomade	5 million boxes

(\*) Amounts of products that can be manufactured at the plant in one single shift

### **Environmentally Friendly Approaches and Practices**

Bilim Pharmaceuticals' environmentally friendly approaches and practices are based on the protection of natural resources of both today and in the future. The Bilim Gebze Processing Facility is equipped with environmentally friendly infrastructural systems which comply with EU regulations in order to ensure protection of natural resources. The Bilim Gebze Processing Facility is the most environmentally friendly drug manufacturing plant thanks to the following environmentally friendly practices:

- Automatically controlled functions that reduce energy consumption have been established within the building automation system;
- No pollutants are allowed in the air through highly impermeable HEPA filters used in the ventilation exhaust systems;
- In powdered production processes, air extracted from each room is filtered through dust separators with an automatically controlled shaking system;

- Solid waste is collected in accordance with the solid waste management procedure, and then taken by carrier companies approved by the Ministry of Environment and finally annihilated at authorized incineration plants with no adverse impact on the environment;
- Heat loss is prevented through an insulation system that minimizes heat transfer; and
- In selecting cooling towers, necessary to cool all indoor areas, enclosed type towers were chosen which use the latest technologies and are more expensive than open towers.

### **Modern Automation Level**

Planned in accordance with FDA regulations, Bilim Gebze Processing Facility, besides being equipped with latest technologies with respect to safety and energy saving, carries out high quality production that is able to compete in international markets, thanks to the level of automation provided through computer systems in the production process, and fully





equipped building automation with smart building features. Systems, which allow Bilim Gebze Processing Facility to be defined as a smart factory, are as follows:

- The Building Management System (BMS), which controls all areas 24 hours a day and 365 days a year
- Energy Monitoring System (EMS)
- Employee recognition and safety through the card pass system used for all areas
- Automatic fire detection, alarm and extinguishing system
- Automatic data collection and reporting from the production field through the Manufacturing Execution System (MES)
- Lighting automation (LMS)
- Full-automatic unmanned warehouse management system (WMS)
- Chromatographic Data System / Scientific Data Management System (CDS/SDMS)

### **Full-Automatic Unmanned Warehouse Management System (WMS)**

Our full-automatic unmanned warehouse is 38 metres high and has a capacity of 11,400 pallets. It is the highest warehouse in Turkey to operate with this technology. All pallets are managed with robots, cranes and conveyors. Thanks to this system,

- An increase was realized in the efficiency and speed of warehousing and transportation activities;
- The risk of loss of goods was prevented;



- Occupational accidents, which are frequently encountered in conventional warehouses, were eliminated.



## “Occupational Health” and “Social Facilities”

The Bilim Gebze Processing Facility was designed with a “human-friendly” point of view so as to increase our employees' living standards. Thus, the Bilim Gebze Processing Facility offers the following to its employees within the framework of “Occupational Health and Safety” and “Social Facilities”:

- OHSAS 18001 Occupational Health and Safety Management Systems and its respective practices,
- Building security system operated with CCTV,
- Workplace practitioner, resting room, psychological consultancy services,
- Cafeteria, resting rooms, library and internet rooms for employees,
- Gymnasium,
- Outer environment walking areas



Hikmet Önder  
Pharmacist

Bilim Pharmaceuticals is a company that, on top of everything, attaches value to human health and focuses on the manufacture of high-quality drugs in light of ethical principles rather than making money. Bilim Pharmaceuticals has been able to reach its present thanks to the foresight of its founder, Mr. Adil Karaağaç. The Gebze Processing Facility recently established by the Company has once again demonstrated its quality-oriented sensitivity and environmental and awareness of its social responsibility.

I have witnessed that the material aspect is always secondary at Bilim Pharmaceuticals. The Company has always made us feel the concept of “people first”. I also witness that the Company adapts to changing times and technologies very rapidly, a fact proven by its facilities and the quality of its drugs. All products are manufactured in special hygienic rooms in compliance with current standards. One of the departments that impressed me the most was the quality control department. I believe this is the most important department in any drug facility.

With the awards it has received, Bilim Pharmaceuticals has again demonstrated that it attaches importance to human health and the environment and strives to work according to ethical principles. I believe Bilim Pharmaceuticals is a source of pride to Turkey. In my perspective, it is a leading company in every aspect.



# OUR FIELD OF WORK

There are two primary categories of drugs in the pharmaceutical industry: **"original"** and **"generic"/"equivalent"** drugs. An original drug refers to drugs that were proven to have positive impact on a specific disease as set forth by long research and clinical trials. Moreover, "original drug" is an international term used for new drugs, whose foundations are based on a patented molecule and for which no similar drugs exist.

Original drugs are protected for a specific time in many countries around the world under comprehensive patent laws and data protection rights. During this time period, no other drug company is allowed to manufacture a similar drug. Thus, original drug manufacturers are able to cover their R&D investments and create resources for new researches. As the legal protection period of an original drug expires, pharmaceutical companies may offer similar drugs to the market. These drugs are named as **"generic or equivalent drugs"**. Companies that produce equivalent drugs have to abide by some rules to offer these drugs to the market:

- An equivalent drug must contain the same amount of the same active substance as the original drug.
- An equivalent drug must have the similar formulation and pharmaceutical features.
- An equivalent drug's bioequivalence with the original drug must have been proven.

With these features, an equivalent drug has the same quality, effectiveness and reliability with the original drug. Since research expenditures are less, an equivalent drug is more economic than the original drug.

The pharmaceutical sector needs both original and equivalent drugs for economic contribution. There is no facility in Turkey which produces original drugs; only equivalent drugs are designed and produced. Our company's field of work is the production and marketing of equivalent drugs.

Licensing Requirements	Reference	Equivalent
General information on company	√	√
Product features (prospectus, labelling, package)	√	√
Expert report	√	√
Composition of the medicine	√	√
Good Manufacturing Practices (GMP)	√	√
Control of raw materials	√	√
Control of end-product	√	√
Stability tests (active substance and end-product)	√	√
Comparison of the equivalent drug with the reference drug	---	√
Preclinical study	√	---
Clinical study	√	---
Bioequivalence	√	√

All stages between the production and the sale of an equivalent drug are the same with reference products. The only difference is that clinical and preclinical studies, which were originally conducted by reference drug manufacturers on living creatures, are not repeated.

For equivalent drugs, all analysis and research deemed necessary by medical authorities is performed and their equivalence (i.e. whether they perform the same treatment with the reference product) is proven through scientific studies.

## **Our Mission, Vision and Values**

### **Our Mission**

Bilim Pharmaceuticals develops drugs that maintain human health and provide treatment. The company produces these drugs in its modern and high-tech facilities by international standards. By actualizing the publicity and marketing of its drugs in domestic and foreign markets with focus on the client, the company enables availability of medicines along with customer satisfaction at the highest level. It achieves fertile, profitable and sustainable growth through the experience it gained as a rooted corporation which has adopted the idea of quality of life as a life philosophy, and the value it places on people and human life, as well as its collaborations maintained through development and its dedication to change.

It ensures the highest possible level is attained in employee commitment and satisfaction through innovative human resources systems and an organizational structure open to learning with the awareness that competent employees will be a driving force in competition.

It protects natural resources and the environment with its awareness of social responsibility, places importance on ethical values, and contributes to the social and economic development of society.

### **Our Vision**

By the end of 2014,

- To be one of the top two companies in the Turkish pharmaceutical market and
- To achieve the highest level of exports of any domestic producer of medicines by the end of 2014.

### **Our Values**

In Bilim Pharmaceuticals' journey of success that began exactly 58 years ago, we have today achieved to be the fastest growing company of the last decade in our sector. The most important privilege that has made us successful in this journey is our "Values". Our values have been prioritized at all times by each of our employees since our foundation.

**Our value, backbone of our corporate reputation, cover our principle, "We have no more important business than managing our reputation". We get the inspiration that guides us, in managing our reputation from our values.**

**First step taken on any  
journey of success is  
passion**



### *Human happiness*

We know that quality of life is based on human happiness. We think that our employees' competencies are reflected in our customers' happiness. We believe that the concept 'respect for humanity' is the most important link of this chain.



### *Respect for the future generations*

We know that we are responsible for the world. We think that it is necessary to wisely utilize all global resources, especially water and energy. We believe in the importance of making economic, ecological and sociological contributions to the community.



### *Ethical management*

We know how important the triangle of justice, accountability and transparency is. We think that ethics is the spine of our decision making processes and that we have to abide by global laws and rules. We believe in the importance of sleeping with a peace of mind.



### *Change*

We know that the only thing that does not change is change itself. We think that change does not only mean 'being open to innovations', but also means differentiating and developing. We believe that we must continuously improve and develop our business within the framework of the principle of excellence.



### *Passion for success*

We know that the first step taken on any journey of success is passion. We think that having a solution-oriented positive character will make us reach the biggest achievements. We believe that each and every sunset is the messenger of a new success.

# OUR MANAGEMENT APPROACH

## Shareholding Structure

With a 97.19% share, Bilfar Holding AŞ is the largest shareholder of Bilim Pharmaceuticals.

Bilfar Holding A.Ş.	97.19%
Gülseren Karaağaç	0.75%
Adil Karaağaç	0.03%
Kemal Karaağaç	0.57%
Bülent Karaağaç	0.57%
Alp Karaağaç	0.56%
Klaudia Ergene	0.33%

## Board of Directors

As the holder of more than 97% of Bilim Pharmaceuticals, Bilfar Holding sets up the board of directors and distributes duties to the board members in line with corporate governance principles. The Board of Directors of Bilfar Holding has administrative power on its subsidiaries. 4 of the members of the Board of Directors of Bilfar Holding are independent.

Three of these four independent members are non-executive members. The chairman of the highest governance body has no executive duty in the holding. The holding is managed and directed by the CEO. Shareholders can make suggestions to the highest governance body, but they have no power to give instructions. Bilfar Holding – the largest shareholder of Bilim Pharmaceuticals – directly forwards its expectations and suggestions to the management of Bilim Pharmaceuticals at the Board of Directors meeting, where results are also evaluated. Methods and mechanisms, which are determined for how to obtain the expectations of shareholders and other stakeholders, are defined in detail in the company's "Strategic Plan (SP) and Annual Plan and Budget (APB) Approach".

Members of the Board of Directors are elected by the General Assembly and they meet at least once a month and if necessary according to the legislation on joint-stock companies. Board members are predominantly selected from such individuals, who have a high level of knowledge, experience and expertise in the areas of Marketing, Finance and the Pharmaceutical Industry. At the Board, the ratio of men and women is 80% to 20%.

Chaired by the CEO, the Directors Committee is comprised of the heads of all departments who directly report to the CEO. The committee convenes once a week. At the Committee, the ratio of men and women is 67% to 33%.

All performance indicators, which were defined at the time of our foundation, are monitored and evaluated in line with the "Evaluation, Review and Improvement Approach. The performance of the highest governance body is monitored and evaluated through the "Performance Indicator with Respect to the Rate of Realization of Strategies" and to which extent the primary business targets are reached. This way, the highest governance body is able to evaluate its own economic, environmental and social performance, since performance indicators of the primary business targets are a result of basic performance indicators of all primary processes (including the Sustainability Management process).

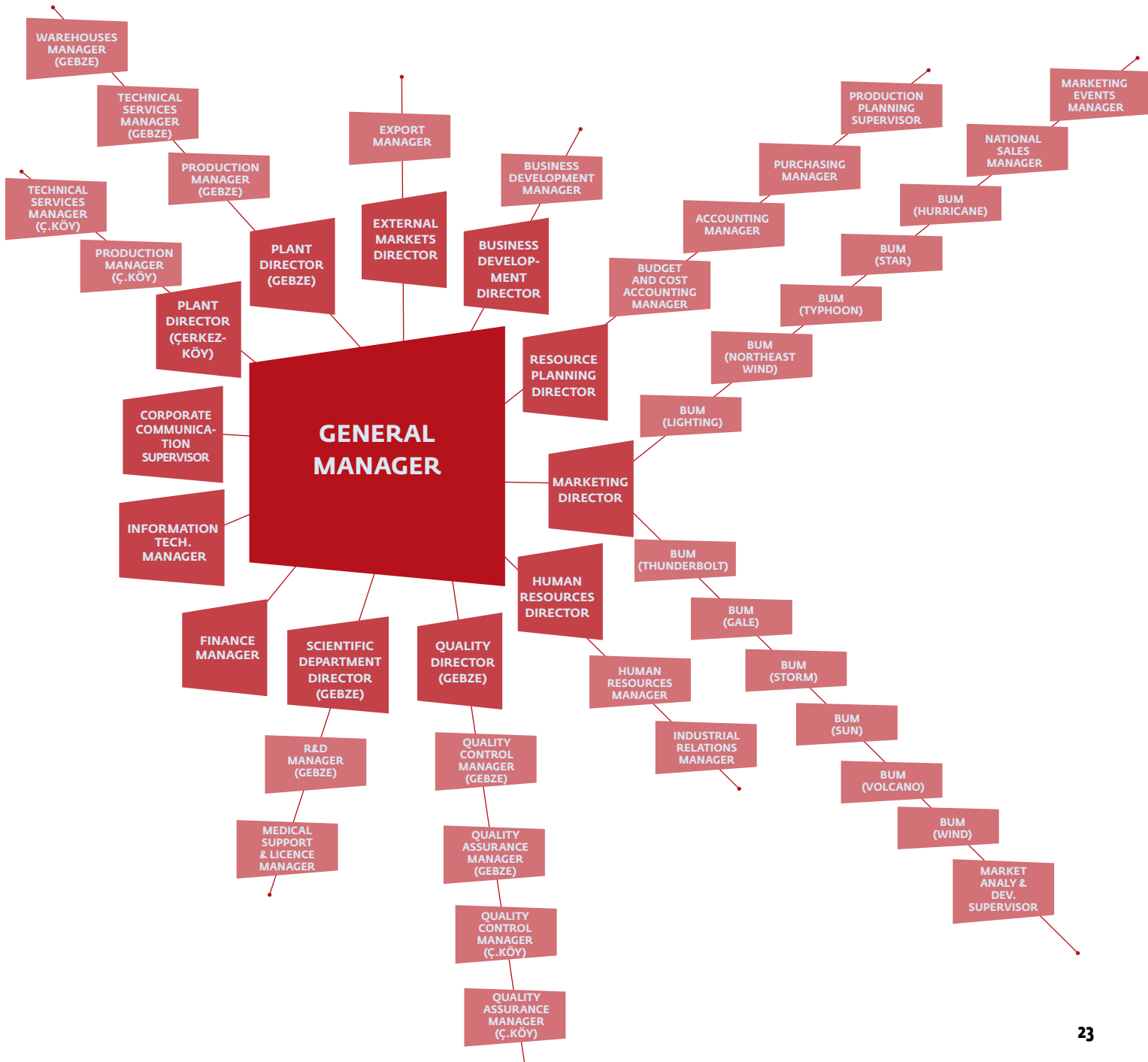
**Rate of realization of strategies:**

2007	100.52%
2008	99.55%
2009	99.10%
2010	102.07%
2011	100.73%
2012	96.21%

There are 20 Primary Business Target indicators that are defined under the topics Growth, Profitability and Efficiency. When Bilim Pharmaceuticals shows higher performance than some of these indicators, the overall rate of realization of strategies may exceed 100%.

There has not been any structural changes in our company within the reporting period.

**Organizational Structure**



## OUR BOARDS

***In our company, we have set up a number of boards, which are the starting point of many important applications, in line with our strategy of increasing participation***

Through these boards, it is possible that our employees become a part of administrative decisions, a situation which also supports teamwork.

As defined in the Board Handbook, our boards hold meetings once a year, where the effectiveness of the company's approaches are evaluated and reviewed. Details of which board will evaluate and review, as well as which approach will be evaluated and reviewed, are defined in the DGG (Evaluation & Review) Plan. Boards evaluate and review performance indicators, benchmarks and information required to evaluate the effectiveness of the current approach in terms of the EFQM Excellence Model, and monitor its application throughout the organization. Boards also evaluate and review the effectiveness of such criteria through the GBR (Feedback Report) if provided. Suggestions for revision are dealt with at the Directors Committee with MDAs (Current Case Analysis) providing output for the Annual Plan and Budget

(APB). Our boards, where mid- and long-term expectations and creative and innovative thoughts of our employees are discussed, are evaluated by board presidents at Quality Execution Board meetings every quarter. Each board has a sponsor, who is commissioned by the senior management.

Strategic decisions made by the boards are put on the agenda of the Directors Committee through sponsors.

The number of team members is increased and changes are made in team memberships every year so as to encourage, support and stimulate participation of our employees.

As of 2012, there were a total of 32 boards in our company.



## Board Structure



# OUR STRATEGIC PLANNING

***Our Strategic Plan covers our mid-term (4-year) targets and the steps that must be taken in order to reach these targets.***

At Bilim Pharmaceuticals we have been determining, generalizing, applying and reviewing our strategies in line with the EFQM (European Foundation for Quality Management) Excellence Model since 1998. We have been undertaking Strategic Planning since 2001 and carry out all of our activities within the framework of the Strategic Plan and the Annual Plan & Budget.

Our Strategic Plan covers our mid-term (4-year) targets and the steps that must be taken in order to reach these targets. These include activities that require a budget; new approaches, significant organizational changes and investments, transformation and innovation projects, and new applications and improvements which will enable the Company to leap forward. Our tactical improvement activities are not included in our Strategic Plan. The Strategic Plan allows us, over a period of time, to extend the use of substantial and human resources that are required by our Company to reach its vision and realize its mission.

Our current Strategic Plan covers the 2011-2014 period. We review the plan and effect the necessary updates during our efforts for the preparation of the Annual Plan & Budget.

# OUR RISK MANAGEMENT

***At Bilim Pharmaceuticals, risk management is shaped as a part of company's culture and strategy.***

At Bilim Pharmaceuticals, risk management practices are conducted after risks are predicted and evaluated or after it is determined what solutions can be provided in the event of unpredicted risks. The risk management approach was designed in a way that it supports the existing and potential growth, ensures the company's further progress and protects such progress under possible risks. A great importance is attached to the following two factors when setting up the Risk Management System:

1. Penetration of risk management into the company's culture and strategy
2. Implementation of risk management practices by all employees and respective stakeholders as a body of rules within recognized systems

Acting upon the fact that a risk management approach which does not have a strategic or tactical place within all principles and policies of the company would fail, Bilim Pharmaceuticals has shaped Risk Management as a part of its corporate culture. All processes, projects and systems are implemented after the risks that they imposed or would impose are evalu-

ated and measured. In the event of unpredicted risks, it is ensured that crisis management procedures and processes that are applied separately take effect. This situation gives the company the ability to act fast in order to eliminate the arising risks in times of crisis. Thus, the company set up its systems to perform crisis management with a higher authority in this and similar situations and applied it when required.

Another important feature of the risk management model applied at Bilim Pharmaceuticals is that it is implemented as a process that is known, applied and improved by employees and stakeholders. This way, all related personnel act consciously and within defined systematics when applying such practices that prevent or eliminate risks, while taking into account the risk factors during their strategic activities and operations.

The primary reason why risk management plays a major role on the company's policies is not only to practice envisaged plans and to minimize the damage in the event of possible risks, but also risk management is very important in terms of ensuring sustainability by turning risks into opportunities. Because of this, the company evaluates not only economic risks or the risks related to its primary field of activity, but all risks from a very wide perspective and manages them within the systems it has built.

Reviewing risk evaluations frequently in companies particularly in emerging economies like Turkey and updating the risk ratings in line with the changing conjuncture is of great importance. Risk evaluations made during the preparation of annual plans constitute only a part of risk management procedures and practices, while review, evaluation and update of these risks are carried out, continuously.

## OUR QUALITY MANAGEMENT

At Bilim Pharmaceuticals, we consider 'the human, the quality and the future' as crucial factors. We place importance on the following points when considering the drugs we make available to clients and make sure to take all precautions to assure that:

- The drugs are compliant with the identified quality standard.
- The drugs are used safely.
- The drugs are proven to be effective.

Our management and all of our employees help us reach these targets with an awareness and responsibility of providing competent services in view of human health.

The quality system applied in our corporation is based on international standards and has been established on current regulations and guidelines (Good Manufacturing Practices (GMP), Good Laboratory Practices (GLP), Good Clinical Practices (GCP), etc) as well as current Quality Management Systems (ISO 9001).

The main constituents of our Quality Management Systems have been explained in the 'Quality Policies' document published by our company. Moreover, due to the importance our corporation places on the environment, health and continuous development as a result of its approach towards contemporary quality standards and customer-oriented, it undertakes the following actions:

- The adoption of the principles of Total Quality under the EFQM (European Foundation for Quality Management) Excellence Model since 1998.

- Compliance with ISO 9001 Quality Management Systems standards since 2004.
- Compliance with ISO 14001 Environmental Management Systems standards since 2004.
- OHSAS 18001 Occupational Health and Safety at Work Management Systems standards since 2004.

All Quality and Management Systems applied in our corporation are audited and reviewed regularly, which allows for competency, suitability and effectiveness of the systems to be continuously assessed and improved.

As Bilim Pharmaceuticals, we work to exceed all our clients' expectations with the high-quality products we produce under the warranty of "Quality Systems".



Our Quality Policy is available in our web report.



## OUR REPUTATION MANAGEMENT

Corporate Reputation isn't just an important issue for Bilim Pharmaceuticals but also a general issue for the entire pharmaceutical industry. The stakeholder research conducted also supports this fact. As Bilim Pharmaceuticals, we manage corporate reputation effectively among all sectors not only in the pharmaceutical industry and give place to the goal of being pointed out as a "benchmark" company in our business model.

Bilim Pharmaceuticals has been applying the corporate reputation management model since late 2006.

Reputation Ambassadors, which we have established to raise awareness on corporate reputation within the company, constitute a platform comparable with that in place in all companies. A Reputation Ambassador is a person with the duty of raising the reputation of the corporation they work for in their work and social environment, and who is also sensitive to their own reputation. The reputation ambassador is also a stakeholder representative acting on behalf of the company, and of all the ethical values recognized by society and the stakeholders of the corporation. The reputation ambassador is the voice of the corporation who is able to represent the company he or she works for and their colleagues, in line with the company principles and goals, and who can contribute to all the improvements and restructuring undertakings with their knowledge and experience. Reputation Ambassadors became specialists throughout the years (with training programs, workshops, source documents, etc). The Reputation Ambassadors Platform was comprised of 60 people as of the end of 2012.

# OUR SUSTAINABILITY MANAGEMENT

***Transparency and accountability lies at the heart of our sustainability strategy.***

As a responsible company positioned not solely as a profit-oriented organization, Bilim Pharmaceuticals works to the principle of investing in its future as well as the sector, our country and the future of our world. Having set out a target of leading the sector and the Turkish business world through its sustainability-related efforts, Bilim Pharmaceuticals began to be recognized as a “responsible company” and the “sustainability leader” in its sector.

Bilim Pharmaceuticals goes to great lengths “to become a company that respects future generations” at every level of its organization and implements social investment projects on the foundation of one of its corporate values: “respect for future generations”.

As a company with a comprehensive and long-term sustainability strategy, we laid down the foundations of our sustainability-related efforts in 1998. We established a more corporate structure through the EFQM (European Foundation for Quality Management) Excellence Model that we launched in 1998. This continuously developing process and performance management systematics allows us to focus on all of our operations in our company and to create a more efficient management model. Through such efforts, we continuously measure our economic, environmental and social impacts and prepare improvement plans in our bid to reach perfection.



**As Bilim Pharmaceuticals, we aim at being recognized as a “model company” on sustainability, not only in the pharmaceuticals industry, but in all sectors.**

Transparency and accountability lies at the heart of our sustainability strategy. Before we determine areas open to improvement and effect improvement plans, we identify the underlying factor and question it. In order for improvement plans to be permanent and contribute to change, they must first be applicable. We believe that setting targets and working continuously on improvements to reach these targets will bring us closer to our sustainability mission.

Our most important target is to integrate the sustainability approach into the corporate culture and, accordingly, ensure the participation and development of all of our stakeholders,

especially our employees, customers and suppliers.

As Bilim Pharmaceuticals, we pursue the target of effectively managing our corporate reputation not only in the pharmaceuticals industry, but in all sectors, and being recognized as a “model company” in this area. Bilim Pharmaceuticals, which has adopted business strategies based on sustainable development, attaches strategic importance to “sustainable development”. The company management complies with the principles of corporate governance and the Ethics Board, which has been structured in accordance with the Company’s business ethics and principles. This is an important factor contributing to the effective management of the company’s corporate reputation. Underlying these efforts is the fact that we have built our company’s corporate values together with our employees and integrated all of our values into our processes within the scope of the BI’L Leadership Model applied by our Company. We have also ensured that all of our employees share these values.

Supported by the CEO, the Sustainability Board comprises of people who hold the authority to undertake decisions on behalf of all departments of the company. In order to integrate the sustainability approach into all business strategies, our sustainability board drafts strategic plans, determines targets and monitors and evaluates practices.

**We have been providing sustainability-related training to all of our employees since 2011.**



**Dr. Yilmaz Argüden**  
ARGE Consulting, Chairman of the Board of Directors  
Global Compact Turkey, Chairman of the Board of Directors  
Corporate Volunteer Association, Vice Chairman of the Board of Directors

I have enjoyed working with Bilim Pharmaceuticals first as a representative of ARGE Consulting, and then by serving on the Company’s board as an independent member. So, as a person who is closely acquainted with the Company, I would like to offer my heartfelt congratulations to Bilim Pharmaceuticals for its approach and achievements that are taken as a model by other corporations in Turkey.

- Bilim, a member of the Global Compact, has become one of the three largest companies in the Turkish pharmaceutical industry in the last decade.
- As one of the first implementers of sustainability in Turkey, Bilim sets an example to other corporations in Turkey by applying this concept to all economic, environmental and social areas. Moreover, it is particularly praiseworthy that the Company carries out these practices in the highly competitive generic drug sector. By transparently disclosing details of its activities in its 2011 Corporate Social Responsibility Report, it became the first Turkish company to receive an A+ rating by the GRI for its report.
- The journey to excellence launched by Bilim together with us in 1998, allowed the Company to adopt corporate governance. It has taken swifter steps in its journey to sustainability with the driving force created by corporate governance. The Company has focused on rendering its operations efficient on one hand, while going to great lengths to raise the awareness of its employees and everyone in its value chain on the other. Its achievements, and the steps it has taken, were crowned with the receipt of the EFQM Excellence Model Award in Europe in 2011 with the highest ever level of achievement.
- The Company encourages its employees to allocate 2 hours of their working hours every week to carry out voluntary work in the area of social responsibility and supports its employees in using this time effectively. Thanks to its disciplined approach and the importance it attaches to employee volunteering and stakeholder participation, Bilim received the ‘Most Successful Volunteer Program Award’ handed out by the Corporate Volunteer Association, setting an example in this area as well.

Aware that we are still adopting the principle of sustainability, we aim to raise the awareness of each and every one of our employees on sustainability and help them become defenders of sustainability. Based on this perspective, we have been providing sustainability-related training to all of our employees since 2011. While we work to raise our employees' knowledge of sustainability, we, as Bilim Pharmaceuticals, also explain to employees the steps we take on this issue and listen to their views. We also call on our employees' voluntary efforts during these training sessions, encouraging our employees to play an active role in the civil community.

We observe that our sustainability-related efforts – which we perform in line with our philosophy of leaving a sustainable world to future generations – yield positive contributions to our business results. First of all, as a company that adds value to both our internal and external stakeholders, we think such efforts strengthen our reputation. Moreover, we observe that our corporate responsibility efforts enhance customer loyalty. Our employees feel happy and proud to work in a responsible company that contributes both to their community the world at large.

Being a responsible company forces us to work more effectively in our business, strengthening our relationships with our stakeholders, raising the satisfaction and loyalty of our employees and achieving significant savings, consequently

### Our top priority issues in sustainability:

- **Human Happiness**
- **Social Development**
- **Environmental Protection**

strengthening our reputation in the community. The sustainability-related efforts trigger corporate learning, improving our capacity and spreading the culture of innovation.

For us, the top priority issues in sustainability are human happiness, social development and environmental protection. We shape our social investment projects, accordingly.

We handle all of our processes with their environmental impacts in mind and carry out our operations in a manner which protects the environment and natural resources. Based on our perspective of "taking responsibility for a sustainable future", we arrange our processing facilities and carry out our manufacturing activities through our 'green company' practices. As Bilim Pharmaceuticals, we continuously apply and develop environmental standards not only in our corporate responsibility efforts, but also in our field of activity.



## Bilim Pharmaceuticals Receives Turkey's First "Sustainable Brand Award"

At the Sustainable Brands Conference held by the Sustainability Academy in Istanbul on May 31<sup>st</sup>, 2012, Bilim Pharmaceuticals was one of the two companies deemed worthy of the Sustainable Brand Award in honor of its successful efforts in the area of sustainability. The award was presented for the first time, in order to encourage Turkish brands to become sustainable brands.



In this context, we select organized industrial zones – whose infrastructure is in accordance with environmental standards – as production locations. Our Çerkezköy Processing Facility was deemed worthy of the Environment Award by the Çerkezköy Chamber of Industry and Trade. Having received the Environment Award handed out by the Kocaeli Chamber of Industry in the category of large enterprises, the Bilim Gebze Processing Facility was built in accordance the ISO 14001 Environmental Management System and the 'green building' concept.

We have transparently disclosed our economic, social and environmental impacts, and our social responsibility projects through three corporate responsibility reports; the first report, published in 2010, was the first corporate responsibility report in the Turkish pharmaceutical industry. Our second report received a level A approval (a first in Turkey) by the GRI in 2011. The third report received a level A+ approval (also a first in Turkey) by the GRI in 2012.



## Our Strategic Sustainability Targets

- Integrating the sustainability approach into the corporate culture
- Instilling sustainability conscience by strengthening stakeholder dialogue
- Improvement activities
- Leadership in sustainability
- Continuous monitoring-evaluation



Our Sustainability Policy is set out in our web report.



**Serdar Dinler**  
Chairman of the Corporate Social  
Responsibility Association of Turkey

As the number of stakeholders seeking information regarding companies' transparency and sustainability performance has increased in recent years, Corporate Social Responsibility (CSR) reports have gradually gained importance and the number of companies measuring their performance grows with each passing day. Despite an increase in the number of CSR reports in Turkey every year, it remains short of the desired level. Bilim Pharmaceuticals remains a model company in the Turkish pharmaceutical industry and business world as it has adopted the CSR concept and CSR practices as a significant element of its corporate culture. In addition, one of the Company's most significant contributions to the CSR field could be considered its measurement and reporting of the results of its CSR practices since 2009. With the importance that it attaches to reporting, Bilim Pharmaceuticals provides significant contributions to the CSR field by setting CSR-related targets for itself every year, performing improvement plans and expanding its sphere of influence in terms of sustainability. Stakeholders are not only interested in financial sustainability and the level of profit the companies generate, but also the details of these companies in CSR reports. Stakeholders also attach importance on knowing the impacts of companies on human life, the community and the world, and how the company's character and spirit are described in the report. Bilim Pharmaceuticals reflects its spirit beautifully and sincerely in its report. Also, in the CSR report – which, as expected in the CSR field, features stakeholder participation – Bilim Pharmaceuticals discloses details of its practices that lead to change in the CSR field in the pharmaceutical industry, as well as the opinions of its stakeholders, who move hand in hand together with the Company in its journey forward, along with the content of its innovative CSR practices with other related stakeholders.

I would like to extend my gratitude to all members of the Bilim Pharmaceuticals family for their valuable efforts in the CSR field.



# OUR ETHICAL MANAGEMENT

***In 2012, 86 % of all employees had participated in trainings programs on Ethical Management.***

It is our values which are the fundamental resource that asserts our business making style at Bilim Pharmaceuticals; and Ethical Management is one of our most important values (please refer to the section, "Our Values").

Our Ethical Management approach is based on our corporate values and business principles which have been guiding our activities successfully for many years. Our Work Ethics Principles do not only protect our corporation and employees but also serve as a guide that helps us see the way in light of all our decisions and activities beyond laws, regulations and procedures.

Our Work Ethics Principles consists of 2 parts, Work Ethics Guidelines and Principles. These rules play an important role in protecting and strengthening the trust relationship between our corporation and the stakeholders and the third parties it works with.

Our understanding of Ethical Management includes all members of management and all employees as well as members of the Board of Directors. All members of management are responsible for ensuring suitable work ethic guidelines and principles. The Ethics Board is organized in order to ensure the healthy application of work ethics by the Chairman of the Board. Problems faced by employees regarding ethical guidelines in day to day business, as well as all information and complaints delivered by employees, suppliers and clients on ethical issues are shared with the Ethics Board. The Ethics Board reports all its decisions after considering Work Ethics Guidelines and Principles, laws, societal values and corporate values, to the Chairman of the Board. The decisions are then applied after the Chairman of the Board has approved them. In 2011, no complaint was submitted to the Ethics Board with respect to any violation of Human Rights in the regions of our presence.

In 2012, no complaint was submitted to the Ethics Board with respect to any violation of human rights in the regions of our presence.

In 2010 and 2011, we conducted training programs on Ethical Management aimed at ensuring participation of all employees. In 2012, we continued to organize these training programs for all employees, including newly hired personnel and those employees who could not participate in previous programs.

As of the end of 2012, the **86 %\*** of all employees had participated in trainings programs on Ethical Management.

## Percentage of Employees Trained on Ethical Management

2011	82.2%
2012	86%

**A total of**

**2,850.44 hours**  
**of ethical training was delivered to employees during the 2011-2012 period.**



The primary topics of our Business Ethics and Business Ethics Policy are provided in our web report.

\* The group of employees who did not participate in the ethical trainings includes newly hired personnel or those employees who had a valid excuse for non-participation.

# OUR STAKEHOLDERS

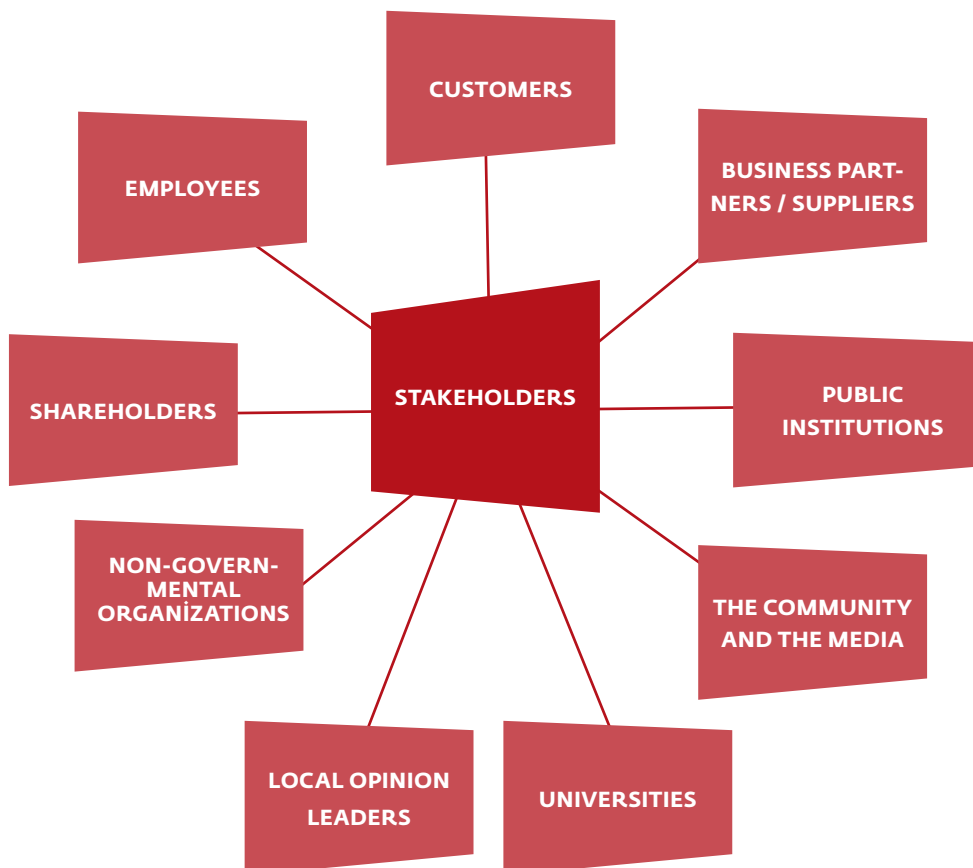
Stakeholders are those people, groups and/or corporations which are directly or indirectly affected by our activities or which directly or indirectly affect our activities. Our stakeholders are our employees, customers, business partners/suppliers, shareholders, public institutions, local opinion leaders, non-governmental organizations, universities, the community and the media. Our primary stakeholders are our employees, customers, business partners, shareholders and the community.

## Encouraging Stakeholder Participation

We believe that it is important to ensure participation of our stakeholders and to set up effective communication with them for a sustainable future.

We try to understand our stakeholders' expectations, reflect them to our business strategies and shape our activities to provide mutual benefits. In order to understand the expectations of our stakeholders, we collaborate with independent agencies to carry out satisfaction surveys on a regular basis. Especially, the Employee Satisfaction, Customer Satisfaction and Supplier Satisfaction surveys are performed every year. On the community scale, we get the Research on Perception done every two years.

We set up clear, transparent and reliable relationships with all our stakeholders in line with our values, "ethical management" and "respect for future generations".



The following table shows all our stakeholders, the effective communication channels that we establish with them and the methods of participation in these processes.

Stakeholders	Communication Channels	Objective
Employees	<ul style="list-style-type: none"> <li>• Notice Boards (continuous),</li> <li>• Bilim Portal (continuous),</li> <li>• Electronic Communication (continuous),</li> <li>• Quality Day (among directors in case of necessity),</li> <li>• CEO Information Meetings (twice a year),</li> <li>• Marketing End Period Meetings (once a year),</li> <li>• Open Door Meetings (monthly),</li> <li>• Acquaintance Cocktails (where necessary),</li> <li>• "Welcome to the Club!" Dinner (where necessary),</li> <li>• Meetings with a Special Agenda (where necessary),</li> <li>• Social-Sports Events (in the framework of the communications plan),</li> <li>• Bilim Family Activities (in the framework of the communications plan),</li> <li>• Period Meetings (every three months),</li> <li>• HR Regional Visits (where necessary),</li> <li>• Employee Satisfaction Surveys (every two years),</li> <li>• Communication Surveys (annual),</li> <li>• Subject-Based Surveys (annual),</li> <li>• Focus Group Negotiations (annual),</li> <li>• Competence Evaluation System (where necessary),</li> <li>• Performance Negotiations (annual),</li> <li>• Individual Suggestion System (continuous),</li> <li>• Boards (every three months),</li> <li>• Guest of the Month (in the framework of the communications plan),</li> <li>• Department Meetings (where necessary),</li> <li>• Bilim Portal E-Bulletin – News from Bilim (in case of necessity),</li> <li>• Motivation Practices (where necessary),</li> <li>• Marketing-HR Coordination Meetings (where necessary),</li> <li>• Employee Clubs (where necessary),</li> <li>• Quality Circle and Quality Improvement Projects,</li> <li>• Bilim Pharmaceuticals Community Volunteers Platform (continuous),</li> <li>• Reputation Ambassadors Platform (continuous),</li> <li>• Orientation Program (monthly),</li> <li>• Exit Interview (where necessary),</li> <li>• Phase Trainings (where necessary)</li> </ul>	<p>To enable linguistic and goal congruence, to provide them the chance to follow up on and to direct the Company's agenda, to raise our employees' competence, to contribute to their development, to ensure their participation in business processes and to keep their motivation and loyalty at a high level by means of various effective communication channels / instruments</p>
Customers	<ul style="list-style-type: none"> <li>• Medical Promotion Representative Visits (continuous),</li> <li>• Factory Visits (continuous),</li> <li>• Customer Visits (continuous),</li> <li>• Scientific Meetings, Congresses / Panels / Conferences (where necessary),</li> <li>• Customer Satisfaction Survey (every two years),</li> <li>• Corporate Reputation and Research on Perception (every two years),</li> <li>• Customer Focus Group Research (where necessary),</li> <li>• Pharmacy Consultancy Board (where necessary),</li> <li>• Physician Consultancy Board (where necessary),</li> <li>• Foreign Market Partner Meetings (continuous),</li> <li>• Phone Calls (continuous),</li> <li>• Complaints (continuous)</li> </ul>	<p>To understand our customers' expectations and requirements accurately by establishing bidirectional, sustainable and qualified communication channels and to apply our processes in this direction</p>

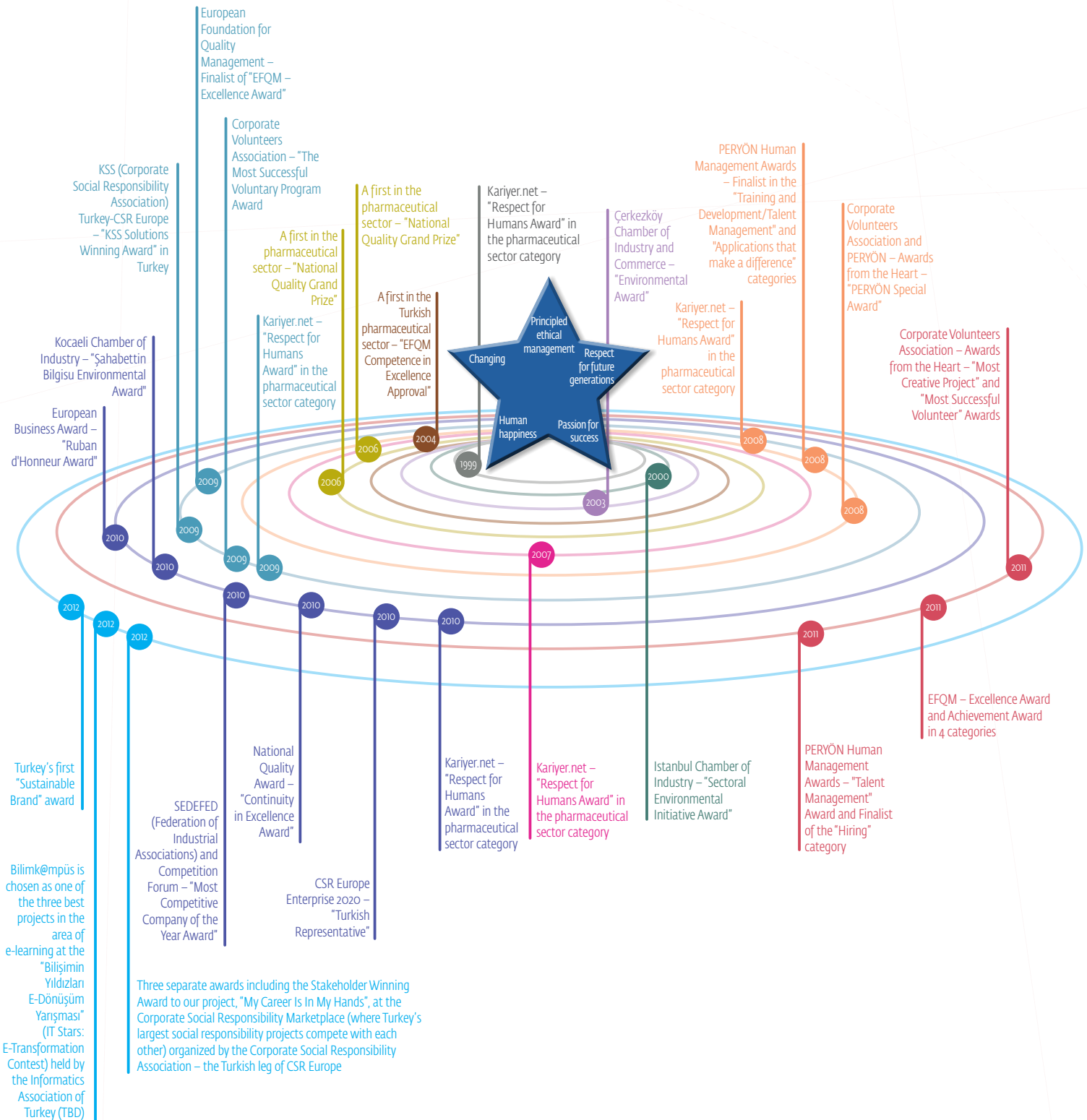
Stakeholders	Communication Channels	Objective
Suppliers and Collaborations	<ul style="list-style-type: none"> <li>• Supplier Visits (continuous),</li> <li>• Factory Visits (continuous),</li> <li>• Supplier Satisfaction Survey (every two years),</li> <li>• Supplier Evaluation Survey (during selection of new suppliers and where necessary),</li> <li>• Business Partners Summit (every two years),</li> <li>• Supplier Audits (continuous),</li> <li>• Phone Calls and Visits (continuous)</li> </ul>	To trade ethically with our suppliers through collaboration and to raise awareness on sustainability
Shareholders	<ul style="list-style-type: none"> <li>• Board of Directors Meetings (monthly),</li> <li>• Annual Reports (monthly),</li> <li>• Annual Plan Budget Meetings (according to schedule, 3-4 times a year),</li> <li>• Strategic Plan Meetings (according to schedule, 3-4 times a year)</li> </ul>	To raise the level of satisfaction of shareholders and to strengthen their investment motivation
Public Institutes, Sectoral Associations	<ul style="list-style-type: none"> <li>• Project Partnerships (continuous),</li> <li>• Memberships, Participation in Meetings (continuous),</li> <li>• Benchmark Studies (where necessary /in the framework of benchmarking plan)</li> </ul>	To inform about the sector, to ensure full compliance with the laws and regulations, to make suggestions with respect to new draft laws and regulations in order to contribute to sectoral development
Non-Governmental Organizations	<ul style="list-style-type: none"> <li>• Project Partnerships (continuous),</li> <li>• Memberships (continuous),</li> <li>• Representation (continuous)</li> </ul>	To contribute to the development of NGOs, to employ their expertise and to create an environment of mutual learning
Media	<ul style="list-style-type: none"> <li>• Press Meetings (where necessary),</li> <li>• Press Bulletins (where necessary),</li> <li>• Interviews (where necessary),</li> <li>• Factory Visits (where necessary),</li> <li>• Corporate Reputation and Research on Perception (every two years)</li> </ul>	To strengthen our corporate reputation, to ensure transparency and to inform the community
Community	<ul style="list-style-type: none"> <li>• Awareness Raising Efforts (continuous),</li> <li>• Factory Visits (students-upon request),</li> <li>• Corporate Reputation and Research on Perception (every two years),</li> <li>• Bilim Pharmaceuticals Community Volunteers Platform (continuous)</li> </ul>	To be sensitive, respectful, and responsive to the needs of the community, to play a proactive role in the settlement of social problems and to contribute to social and cultural development

# OUR MEMBERSHIPS

- REC Turkey-Climate Platform-Climate Change Group of Leaders Membership, 2011
- Global Compact, 2010
- PERYÖN (Turkish Personnel Management Association), 2010
- WWF (World Wide Fund), 2010
- TEMA (Turkish Foundation for Combating Soil Erosion, for Forestation and the Protection of Natural Habitats), 2010
- TEID (Ethics and Reputation Society of Turkey) 2010
- TKSSD (Corporate Social Responsibility Association of Turkey), 2010
- Business Council for Sustainable Development of Turkey, 2008
- TKYD (Corporate Governance Association of Turkey), 2008
- GOSB (Gebze Organized Industrial Zone), 2006
- KalDer (Turkish Society for Quality), 2006
- ÖSGD (Corporate Volunteer Association), 2005
- ÇOSB (Çerkezköy Organized Industrial Zone), 1994
- IEIS (Pharmaceutical Manufacturers Association of Turkey), 1972

# OUR AWARDS

## 5 More Awards in 2012



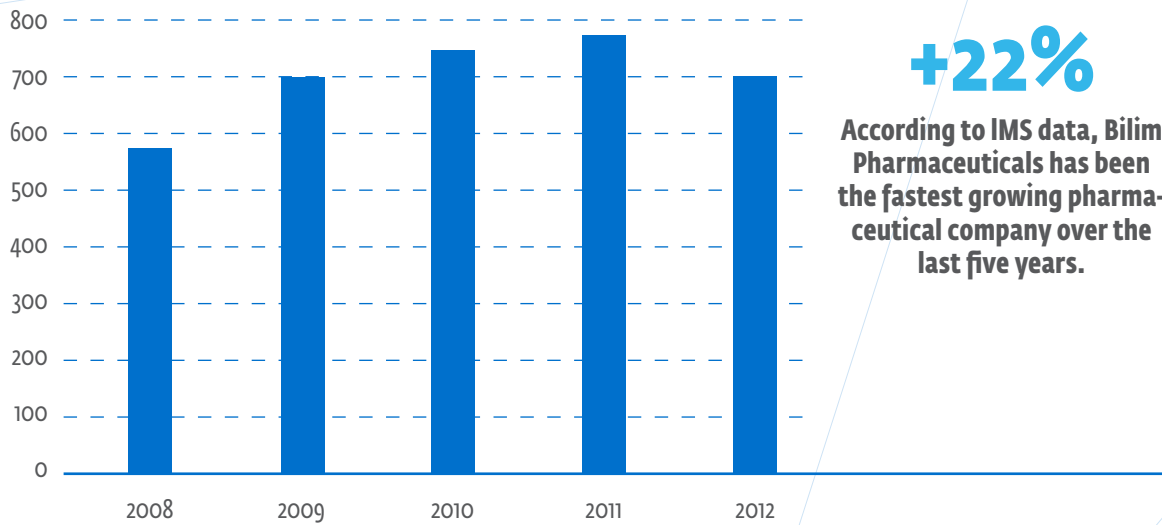
# OUR ECONOMIC ADDED VALUE



# OPERATIONAL AND FINANCIAL INFORMATION

## Domestic IMS Sales

*IMS Sales (TL-, 000,000)*



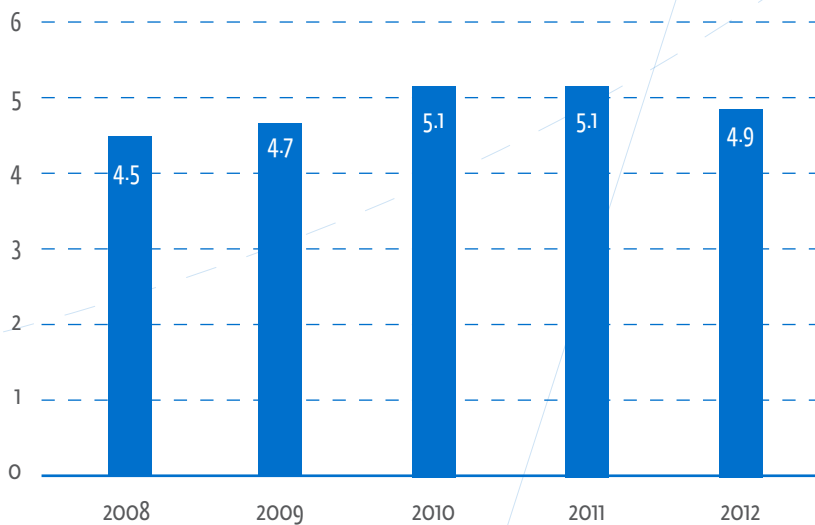
**+22%**

According to IMS data, Bilim Pharmaceuticals has been the fastest growing pharmaceutical company over the last five years.

	2008	2009	2010	2011	2012
Turnover	574	700	752	770	700

## Our Market Share

*Market Share (%)*





## OUR INVESTMENTS

### Created Added Value (TL -,000)

	2010	2011	2012	2013
Target	182,665	204,844	305,829	303,733
Realized	204,101	186,810	266,223	

### Tax Paid (TL -,000)

	2008	2009	2010	2011	2012	2013
Target	18,400	23,000	33,000	40,500	48,321	48,711
Realized	18,518	23,265	35,147	32,066	43,804	

**Our operating costs in 2012 amounted to**

**321,270,452 TL**

**Total Amount of Dividends in 2012:**  
**3,095,400 TL**  
Distribution of Dividends as a  
proportion of Total Profit: **0.04%**

### Payments made to the Social Security Institution (TL -,000)

2008	2009	2010	2011	2012
11,796.00	11,401.00	11,971.00	12,938.26	13,411.01

### Our Infrastructure Investments

In the section entitled "Our Processing Facilities", our Bilim Gebze plant, medical storage unit and R&D laboratory investments are referred to.

### Our Environmental Investments

Bilim Pharmaceuticals invests in environmental protection and carries out environment-friendly and energy-efficient practices to reduce its environmental impacts. These investments are discussed in the section entitled "Our Sensitivity towards Ecological Environment".

## Our Contribution to the Community

Bilim Pharmaceuticals develops and executes social investment projects aiming to raise social awareness. Investments made in these projects are given in the following table:

Contribution to the Community (Social Investment Projects) (TL)

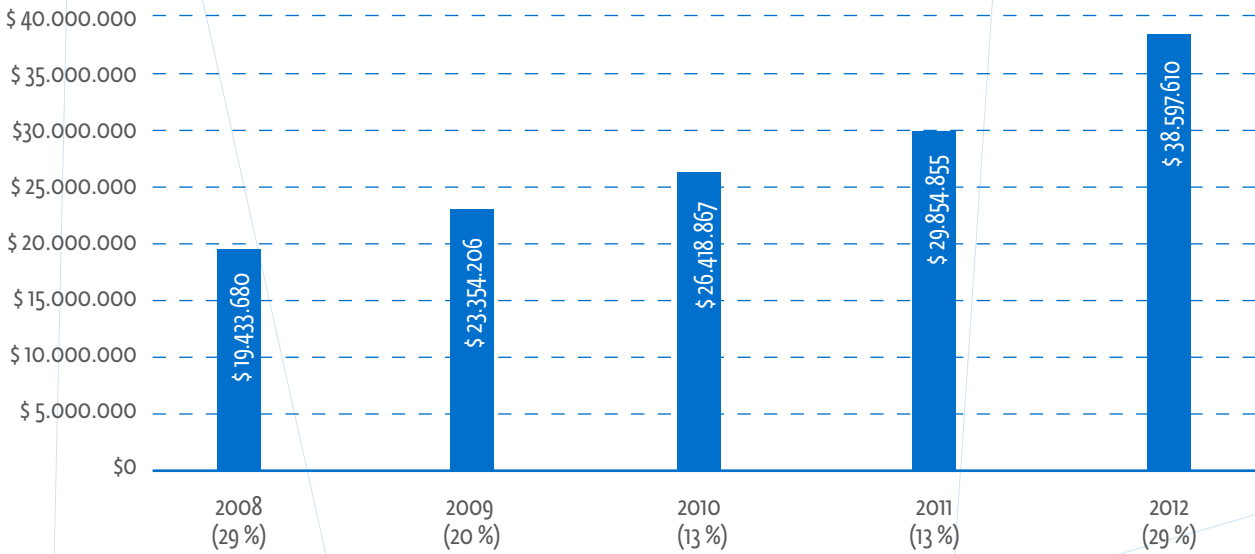
Year	2008	2009	2010	2011	2012	2013
Target	350,000	1,750,000	1,900,000	2,300,000	2,750,000	1,700,000
Realized	343,188	1,835,275	1,946,515	2,419,803	2,778,602	

Our social investment projects predominantly aim to contribute to the health of the community by adding value to the scientific knowledge of physicians and pharmacists. Restrictions are imposed on communication with

physicians and pharmacists due to the amendments to the Introduction Regulation of the Ministry of Health in 2012. Accordingly, Bilim Pharmaceuticals plans to cut its budget for social investment projects from 2013.

## FOREIGN MARKETS

### Exports (US \$)



Licensed

**42**

new product



- Bilim Pharmaceuticals' Total Net Turnover from Foreign Markets grew by 29% YoY when compared to 2011.
- According to figures prepared by the Exporters' Association\*, our share in total pharmaceutical product exports rose from 5.6% to 6.2% in 2012.
- Bilim Pharmaceuticals accessed 42 new product licenses in various countries in 2012.

## Our Contributions to the Turkish Pharmaceutical Industry

***In 2012, a total of 403 physicians, pharmacists and partners were hosted in Istanbul***

In 2012, Bilim Pharmaceuticals hosted various physicians, pharmacists and partners from a number of countries in Istanbul and showed them the company's processing facility. The Company provided information regarding the facility where our products are manufactured, aiming to create a positive reputation perception for Turkish pharmaceutical technologies.

Country	Number of Visitors
Azerbaijan	60
Afghanistan	10
Croatia	50
Yemen	50
Ethiopia	3
Jordan	2
Moldova	34
Iraq	110
Bosnia	37
Kosovo	47
<b>TOTAL</b>	<b>403</b>

\* Classified into their respective sectors, Exporters' Associations continue their activities under the Foreign Trade Undersecretariat, Ministry of Economy. Drug export fall under the category of Pharmaceutical Products – Istanbul Exporters' Association for Chemicals and Chemical Products.

## Our Contribution to Turkey's Foreign Trade

The foreign trade deficit, which has a considerable bearing on the Turkish economy, is also important in our sector. The exports/imports

ratio in our industry is around 12%. At Bilim Pharmaceuticals, this ratio reached 45% in 2012, having gradually improved every year.

### Foreign Trade Deficit in the Turkish Pharmaceutical Industry (USD, -,000,000)\*

	2010	2011	2012
Turkey's Pharmaceutical Products Imports	US\$ 4,800.00	US\$ 5,100.00	US\$ 5,000.00
Turkey's Pharmaceutical Products Exports	US\$ 471.00	US\$ 533.00	US\$ 623.00
Exports/Imports Ratio	10%	10%	12%

\*Source: Istanbul Exporters' Association for Chemicals and Chemical Products (IKMIB).

### Foreign Trade Deficit at Bilim Pharmaceuticals (USD, -,000,000)

	2010	2011	2012
Bilim Pharmaceuticals' Pharmaceutical Products Imports	US\$ 91.40	US\$ 78.30	US\$ 85.20
Bilim Pharmaceuticals' Pharmaceutical Products Exports	US\$ 26.40	US\$ 29.80	US\$ 38.50
Exports/Imports Ratio	29%	38%	45%

## Our Country-Based Export Share

### Istanbul Minerals and Metals Exporters' Associations (IMMIB) Product Class Country Report (Turkey)

#### Bilim Pharmaceuticals' Share in Exports to Foreign Countries\*

COUNTRY	%	COUNTRY	%
IRAQ	14.7%	MACEDONIA	41.4%
MOLDOVA	46.6%	KOSOVO	23.6%
GEORGIA	17.6%	TURKMENISTAN	26.2%
BOSNIA-HERZEGOVINA	27.8%	CROATIA	67.6%
YEMEN	61.8%	MALAYSIA	63.9%
AFGHANISTAN	17.7%	SOMALI	31.2%
PHILIPPINES	48.6%	ETHIOPIA	65.6%
ALBANIA	25.0%	ECUADOR	45.3%
HONG KONG	48.2%	SUDAN	71.7%

\* Source: Istanbul Exporters' Association for Chemicals and Chemical Products (IKMIB).

The table compares total exports of pharmaceutical products undertaken in Turkey to the respective countries to the exports of pharmaceutical products undertaken by Bilim Pharmaceutical to the same countries.

For instance, Turkey's total pharmaceutical products exports to Iraq amounted to US\$ 61.6 million, while Bilim Pharmaceuticals' exports to that country reached US\$ 9.0 million, with Bilim Pharmaceuticals accounting for 14% of total pharmaceutical products to Iraq.

# OUR WORK ON RESEARCH AND DEVELOPMENT

## Bilim Pharmaceuticals and R&D

**The largest  
local equivalent  
drug producer**

***Bilim R&D Center is  
equipped with more than  
220 high-tech machinery  
units and equipment.***

As Bilim Pharmaceuticals, we increase research and development activities in a planned way within the framework of our strategic planning practices. Acting upon these determined strategies, we have created a well-organized environment of research and development; with a self-consistent understanding of management, a scientific logic and technical approaches that are cooperative, contemporary, encouraging and responsive to the needs of society. Thanks to our R&D activities, which develop continuously through this understanding, we are the leader of the Turkish pharmaceutical market with our products, which were all developed in our own R&D laboratories and which we hold licenses for. Evaluated from this stance, our corporation is the biggest local equivalent drug producer in the national pharmaceutical markets' genuine drug sales. In order to protect our position, we continue to focus our attention increasingly on Research and Development projects. Our Research and Development projects are at the heart of our exports to 52 countries and the volume of our exports grows consistently as we gain licenses for more new products.

The underlying factors behind our rising sales targets are our concentration on technologically based R&D activities and the steadily increasing budget allocated for these activities. Our Research and Department Center has been equipped with more than 220 high-tech machinery units, apparatus and equipment.

**Our R&D department  
currently employs more  
than 100 scientists.**

Our investments should not be anticipated as only buildings or equipment. We also undertake large investments in competent human resources in our company. Researchers (such as Pharmaceutical Chemistry Experts, Pharmaceutical Technology Experts, Patent Proxies, Pharmacologists, Analytical Chemists), who have scientific competence, are involved in Project teams that are commissioned in our R&D department. Our Research and Development department currently employs more than 100 scientists. Within the scope of the Career Management Systematics in effect, we defined "Post-Internship Recruitment Systematics" for those employees wishing to continue or apply for a post-graduate or doctoral program, thus providing support to the employees working at the R&D Center.

Our products which are in solid, semi-solid and liquid dosage forms were developed in our own R&D laboratories. Thanks to the understanding the importance of sharing information and transferring it to future generations, which was adopted in our Research and Development Centre, the knowledge that we gain during the

production of each product is carried over to the next project. As a result of our R&D activities, which are carried out from this perspective, product combinations that contain two or more molecules, as well as controlled release products that aim to reduce the side effects of drugs by increasing patient compliance, are added to the product spectrum of Bilim Pharmaceuticals. Two of our drugs were licensed in Western Europe. It is a part of our strategic plan to export drugs to Europe and the USA in the following days from our two production plants, which were approved by the UK and Germany.

Our R&D budget, which has been growing incrementally for many years, was raised even in 2009, 2010, 2011 and 2012 when economic measures had to be taken by pushing through significant cuts in drug sale prices, and the R&D budget was maintained at 5% of our net sales.

Even during the times of crisis, there was no let-up in R&D investment at Bilim Pharmaceuticals. Our company aims to further increase its investments in the coming periods and to allocate 8% of its net sales to R&D projects every year, in addition to the fixed investments that have to be made.

## **Our Research and Development Center**

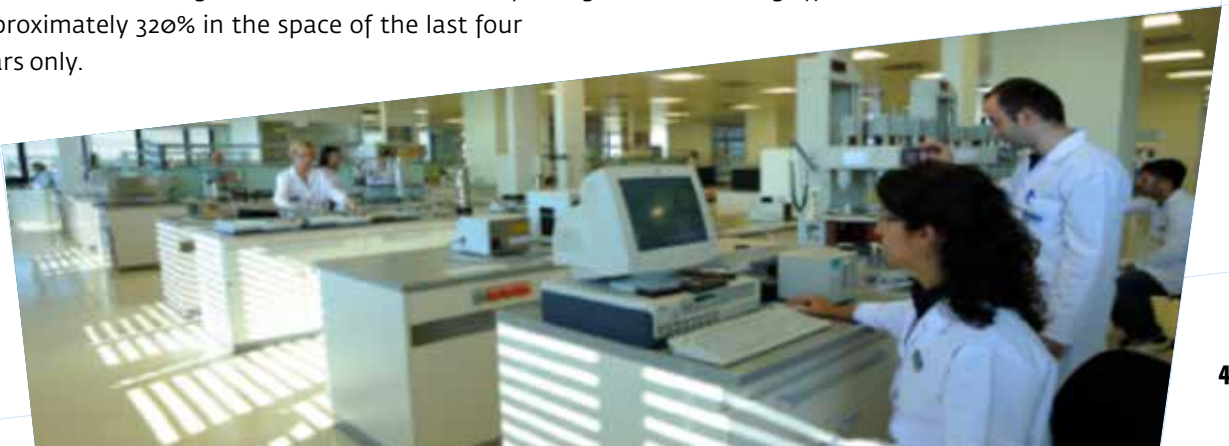
With its building expenses as high as €120 million, our Research and Development Centre is the largest R&D centre of the Turkish pharmaceutical industry with a total of 4,500 m<sup>2</sup> laboratory space. An investment of US\$ 15 million was made in our R&D centre located within our Bilim Gebze plant, which is the biggest drug manufacturing plant in the Turkish pharmaceutical industry. We continue to make an average of US\$ 5 million of additional investments every year. Bilim Pharmaceuticals' R&D budget has been increased by approximately 320% in the space of the last four years only.



Bilim Pharmaceuticals earned the R&D Centre Certification on February 17th, 2009. Our Research and Development Centre comprises of analytical development laboratories (instrumental analysis laboratories, wet laboratories), formulation laboratories, pilot production and stability zones.

Our Research and Development Centre at Bilim Pharmaceuticals consists of groups dealing with patent-related works, active substances, formulation and analytical method development for new products, clinical researches, product improvement, and stability and technology for new products, alternative API and improvement batches. In our Research and Development centre, patent scanning and evaluation studies, active substance assessment, analysis and works, formulation and analytical method development, laboratory and small scale pilot productions, process and analytical method validations, clinical studies, product improvement studies, new product stability studies and the preparation of authorization files in CTD format are managed with the concept of QualityByDesign(QbD).

Another important role of our Research and Development Center is that it spreads and integrates a culture of innovation – so important in today's world – throughout the corporation. Our new product development processes are improved through innovative measures, while our profitability increases by implementing efficiency-increasing and cost cutting efforts.



## Our Products In International Markets

*One of our cardiovascular product approved by the UK Department of Health and an anti-diabetic drug approved by the German Ministry of Health*

90% of the products which we hold licenses for were developed through our R&D activities. Thanks to our license files, which comply with international regulations in order to respond to customer and market demands, as well as our R&D plant and the high quality of our production, we are able to offer our drug portfolio to international markets. We have a cardiovascular product approved by the UK Department of Health and an anti-diabetic drug approved by the German Ministry of Health. In the near future, our products will begin to be sold in Europe, too. In addition, at the end of 2012, our products were being sold in 52 different countries from the Far East to Latin America and Africa to the Middle East. This reveals Bilim Pharmaceuticals' presence and quality in global markets.

### Our R&D Related Targets

Our Bilim Gebze Plant, with its 51,500 m<sup>2</sup> of indoor space, which entered operation in 2008, has been approved by the UK. With annual production capacity of 250 million boxes, this facility has the capacity to produce 17% of Turkey's medicines. In our coming investment plan, our target is to be the leader of the domestic pharmaceutical sector and to uphold our share and reinforce our position in global markets like the European market parallel to the development of our R&D activities. In this context, we plan to develop equivalent products aiming at untapped segments and to expand the range of products that are used in the treatment of chronic diseases.



### Our targets:

- To concentrate our efforts to develop controlled release tablets, which increase patient compliance and reduce the side effect of drugs, in addition to widely used traditional dosage forms like tablets;
- To increase the number of researches on patient-friendly products that include two or more molecules as they reduce the number of administrated drugs;
- To develop products for markets in which we currently do not operate;
- To design and develop products for exportation to global markets, including European and US markets; and
- To exploit opportunities arising from bio-equivalent and nanotechnology-based products, which become popular each passing day in the pharmaceutical industry and which are gradually used by an increasing number of customers, as part our long-term strategies; development of equivalent drugs is only possible through making contribution to a number of disciplines such as pharmacy, chemistry, chemical engineering, biology, etc.

## TÜBİTAK Projects

***In 2012, a total of 21 in-house projects at Bilim Pharmaceuticals received support from TÜBİTAK.***

TÜBİTAK – The Department of Technology and Innovation Funding Programs Directorate has been established with the aim of speeding up the process of turning technology to social benefit and supporting the research-technology development and innovation activities of industrial corporations in our country.

Thus, the target is to increase the skills of our country's corporations in research and technology and the increase of innovative culture and the competitive capacity. The Department of Technology and Innovation Funding Programs Directorate designs and manages support programs in view of the aforementioned.

At the end of 2012, a total of 21 in-house projects at Bilim Pharmaceuticals were receiving support from TÜBİTAK. Our aim is to reduce the project costs by increasing the number of new projects with only a limited change in expenses. To this end, the Company planned new projects for 2013 and preparing to apply for TÜBİTAK funding.



## **SANTEZ – Industrial Thesis Projects Support Programme**

The programme is implemented by the Ministry of Science, Industry and Technology in order to institutionalize co-operation between firms and universities and to commercialize scientific research undertaken in universities. The programme extends support to post-graduate and/or doctorate theses that are determined in line with the needs of the industrial sector. The aim of the programme is to innovate existing products and/or production methods, and to develop new products and/or production methods that will create added value for our country and contribute to boosting Turkey's competitive strength in international markets.

As of the end of 2012, one SAN-TEZ Project which we had applied for was accepted. The project was developed in cooperation between Bilim Pharmaceuticals and Istanbul University and supported by the Ministry of Science, Industry and Technology.



# GOVERNMENT GRANTS RECEIVED

We have met all provisions set forth in the law no. 5746 "Law on Supporting Research and Development Activities" and received an R&D Center certification for a period of 2 years being effective as of 18.02.2009. The period was extended to February 2012. Also, a request was made for re-extension and the period was extended for another year beginning by September 2012.

Grants received through this certification:

## R&D Deductions

For R&D and innovation activities carried out at the Research and Development Centre, Bilim Pharmaceuticals benefits from R&D deductions by 100% in the section of deductions on the Corporate Tax account.

- Income withholding tax incentive,
- Insurance premium support,
- Stamp duty exception,
- Project-based cash support (TÜBİTAK)

The company also benefits from the "support for the unit rental expenses" for its representative offices in Albania and Georgia within the scope of Supporting Foreign Units, Brands and Promotion Activities of Turkish Companies no. 2010/6.

## Investment Deduction Practice

An incentive certificate was obtained from the Undersecretariat of Treasury with the beginning of our Gebze investment. Our incentive certificate will expire in April 2011.

We obtained new investment incentive certificates from the Undersecretariat of Treasury concerning the purchase of new machinery and equipment for our facilities in Çerkezköy and Gebze in August 2011 and October 2011, respectively.

The new certificates will expire in 2014.

## International VAT Refund

Although some improvements were made in EU countries with respect to VAT refund, since member countries still have a set of their own regulations, we are required to pay tax at various rates concerning expenses that are related to business travels to and participation at fairs in many countries. Although the amount varies from one country to another, we ask refund of the tax that we pay, which is sometimes as high as 25%, from the tax offices of respective countries.

# INTELLECTUAL INDUSTRIAL AND COMMERCIAL COPYRIGHTS

***We stay loyal to our values  
and act in respect to  
industrial property rights  
protected by laws***

Patents; one of the most important characteristics of Intellectual Industrial and Commercial Copyrights, are tools that provide legal protection for inventions developed by companies and individuals. In order to encourage inventions and to enable technical, economic and social developments in the application of inventions into industry, the protection of inventions through patents and useful model certifications have been brought under protection in our country under law 551 "Legislative Decree About The Protection of Patent Rights".

As Bilim Pharmaceuticals we stay loyal to our values in view of these laws and act lawfully in respect to industrial property rights protected by laws. We assess patents for the medicines before market entry in Turkey and abroad, ensure the transport of medicines into the markets without violating patents, and follow legal procedures and necessary processes.

We make applications for newly developed ideas within the scope of research and development projects and follow up on their status. We collaborate with the Patent Institute of Turkey and universities to continue our work with ethical principles.

For new inventions to be created information and technology have to be renewed/improved and shared. One of the most important steps in achieving this is patenting. Patenting documents are written products where information on research and development is provided, identifying the technology of industrial products or methods that require patent protection, and explain them in detail while being the criteria for Research and Development projects. Our corporation knows the importance of patenting and therefore has established a department for patenting as a first step. For other intellectual and industrial rights our corporation also acquires external support.

We also observe the intellectual and industrial property rights of companies that we work with as business partners.

## COMPLIANCE WITH LAW AND FAIR COMPETITION

***We comply with all the legal obligations set out by our government and make all our engagements clearly available.***

As Bilim Pharmaceuticals, we pay our tax on time and in full contributing to the economy of our country.

The medicines first have to be licensed before they are provided in the markets of many countries and in Turkey. Then if desired they have to be made a part of the refunding system.

In accordance with Article 27 of the Decree Law no. 663 published in the Official Gazette, dated 02.11.2011 and numbered 28103, the formal authority for licensing medicines in Turkey is the General Directorate for Pharmaceuticals and Pharmacy managed by the Ministry of Health. Established as a public entity with a special budget, the Directorate has been operating since 19.03.2012.

The formal authority for the refunding of drugs in Turkey is the Social Security Institution managed by the Ministry of Labour and Social Security.

## FIGHTING WITH BRIBERY AND IMPROPRIETY

We get licenses for all our products in Turkey and abroad in compliance with related laws and regulations. After licensing we make sure to conduct all follow-up stages.

We manage all our relationships with universities and all formal health institutions such as government hospitals, community health centres and private health institutions, pharmacies as well as our relationships with doctors, dentists and pharmacists working in the aforementioned environments or independently according to the regulations and ethical principles of the Ministry of Health and the IEIS which we are a member of.

We carry out all our legal responsibilities fully and within the time frame given and manage correspondences and communication environments according to our company mission, vision and values while considering the expectations of all our stakeholders and in concordance with all state institutions' and organizations' laws, decree, regulations and declarations. We have received no penalty with respect to such matters as a violation of competition, monopolization, etc.

We carry out all our activities concerning our organization in accordance with laws, regulations and other rules of laws, as well as internationally recognized rules of law. We execute our relations with organizations and institutions, which regulate, apply and audit laws and rules of law, in a manner which is right, consistent and coherent with these rules.

Bilim Pharmaceuticals prohibits giving anything or making any payments to anybody to gain advantage in the purchase or sales of goods or services or to benefit improperly with the help of official authorities.

We pay special attention to bribery and impropriety during our activities. Due to the nature of our sector, we make use of knowledge and services of medical employees and scientists. We conduct our services without neglecting the fact that most of these people work for public institutions or are public authorities.

It is our principle not to make any payment or to give any presents or services to public officials with the intent to affect their decisions or in a manner which may be anticipated so.

Bilim Pharmaceuticals prohibits direct or indirect involvement of its employees, consultants, agencies and other representatives in commercial bribery.

No incidence of bribery or impropriety was observed and no actions were brought against the company in 2012.

# THE VALUE WE ATTACH TO PEOPLE



# OUR PRINCIPLES ON EMPLOYEE RIGHTS

The principle of treating our employees with fairness and respect is the fundamental reason for our company's high standing in the industry. This principle is assured with our Employees' Rights Principles. In this context, our primary principles are;

- No forced labour
- No child labour
- No discrimination
- Providing occupational health and safety
- Ensuring proper working conditions that comply with legislation
- Ensuring proper working hours and wages

The company complies fully with these principles. Moreover, queries and complaints submitted by our employees who believe there are discrepancies between the laws and practices they encounter in the workplace and our policies and principles can be notified to the Top-Level Management, Directors, Human Resources Division and the Board of Ethics without being pressured and with a sense of assuring themselves.

No forced labour and no child labour are among our principles on employee rights, while we comply with these principles at 100%. It is one of our rules that the same principles apply to our suppliers and collaborations.

There is an overtime policy in our company. Overtime pay is based on the ratios determined by the law.

Overtime is planned by our employees and put into practice upon the approval of our directors. Overtime pay is paid after the total overtime hours of our employees are recorded in their payrolls in the respective month based on the ratios determined by the law.

Moreover, within the framework of employee rights, we do not apply any limitation on our employees' right of unionization.



Our Human Resources Policy is available in our web report.

# DEMOGRAPHIC DATA OF OUR EMPLOYEES

	AVERAGE AGE	AVERAGE SENIORITY	GENDER	% RATIO	SENIOR MANAG.	% RATIO	BLUE COLLAR	% RATIO	WHITE COLLAR	% RATIO
FEMALE	30	3.7	403	20.1%	4	30%	15	5%	388	23.0%
MALE	32	4.6	1606	79.9%	9	70%	316	95%	1290	77.0%
TOTAL			2009	100%	13	100%	331	100%	1678	100%

## Number of Employees by Year

	2008	2009	2010	2011	2012	2013	2014
Realized	1683	1696	1844	1950	2009		
Target	1744	1822	1773	1999	2136	2114	2150

## Number of Employees by Facility

	WHITE COLLAR			BLUE COLLAR			TOTAL		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
AYAZAĞA	105	98	203	1	3	4	106	101	207
ÇERKEZKÖY	25	37	62	2	67	69	27	104	131
GEBZE	113	106	219	12	246	258	125	352	477
FIELD	145	1049	1194	0	0	0	145	1049	1194
TOTAL	388	1290	1678	15	316	331	403	1606	2009

## Total Labour Force by Employment Contract

	Ayazağa			Gebze			Çerkezköy			Field			Total		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Employment Contract of Indefinite Duration	106	100	206	121	352	473	27	104	131	145	1049	1194	399	1605	2004
Employment Contract of Definite Duration	0	0	0	4	0	4	0	0	0	0	0	0	4	0	4
Employment Contract of Partial Duration	0	1	1	0	0	0	0	0	0	0	0	0	0	1	1
<b>TOTAL</b>	<b>106</b>	<b>101</b>	<b>207</b>	<b>125</b>	<b>352</b>	<b>477</b>	<b>27</b>	<b>104</b>	<b>131</b>	<b>145</b>	<b>1049</b>	<b>1194</b>	<b>403</b>	<b>1606</b>	<b>2009</b>

### The Ratio of Overtime to the Total Working Hours (%)

	2008	2009	2010	2011	2012
Realized	5.37	3.37	4.3	4.46	4.62
Target	5.00	3.50	4.00	3.50	3.50

Increasing production capacity led to an increase of overtime by years, due to changing sales conditions.

### Number of Mobility Impaired Employees

	2008			2009			2010			2011			2012		
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
REALIZED	2	14	16	6	12	18	6	24	30	5	23	28	7	23	30
TARGET	22			29			30			37			31		

### Female-Male Breakdown at Managerial Level

Year	Location	Gender	CEO	Director	Manager	Administrator	Total
2008	Ayazağa	Female	0	0	5	16	21
		Male	1	5	29	48	83
		Total	1	5	34	64	104
	Çerkezköy	Female	0	0	1	1	2
		Male	0	1	2	8	11
		Total	0	1	3	9	13
	Gebze	Female	0	0	4	16	20
		Male	0	1	3	14	18
		Total	0	1	7	30	38
	Field	Female	0	0	0	3	3
		Male	0	0	8	80	88
		Total	0	0	8	83	91
	<b>Grand Total</b>		<b>1</b>	<b>7</b>	<b>52</b>	<b>186</b>	<b>246</b>
2009	Ayazağa	Female	0	1	3	19	23
		Male	1	3	24	40	68
		Total	1	4	27	59	91
	Çerkezköy	Female	0	0	0	2	2
		Male	0	0	3	5	8
		Total	0	0	3	7	10
	Gebze	Female	0	0	3	14	17
		Male	0	3	2	17	22
		Total	0	3	5	31	39
	Field	Female	0	0	0	4	4
		Male	0	0	9	74	83
		Total	0	0	9	78	87
	<b>Grand Total</b>		<b>1</b>	<b>7</b>	<b>44</b>	<b>175</b>	<b>227</b>

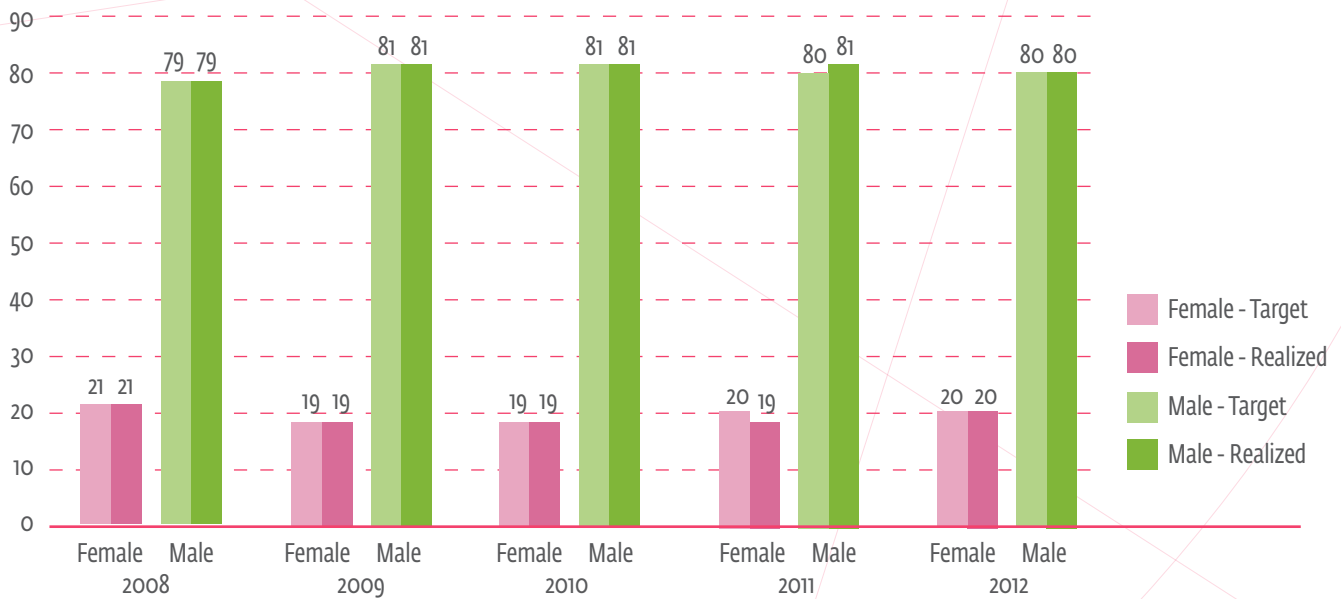
Year	Location	Gender	CEO	Director	Manager	Administrator	Total
2010	Ayazağa	Female	0	1	4	11	16
		Male	1	4	22	18	45
		Total	1	5	26	29	61
	Çerkezköy	Female	0	0	0	2	2
		Male	0	0	2	5	7
		Total	0	0	2	7	9
	Gebze	Female	0	0	2	14	16
		Male	0	3	2	12	17
		Total	0	3	4	26	33
	Field	Female	0	0	0	4	4
		Male	0	0	12	103	115
		Total	0	0	12	107	119
	<b>Grand Total</b>		<b>1</b>	<b>8</b>	<b>44</b>	<b>169</b>	<b>222</b>
2011	Ayazağa	Female	0	1	4	20	25
		Male	1	3	26	27	57
		Total	1	4	30	47	82
	Çerkezköy	Female	0	0	1	2	3
		Male	0	0	2	7	9
		Total	0	0	3	9	12
	Gebze	Female	0	0	2	14	16
		Male	0	2	3	13	18
		Total	0	2	5	27	34
	Field	Female	0	0	0	5	5
		Male	0	0	8	115	123
		Total	0	0	8	120	128
	<b>Grand Total</b>		<b>1</b>	<b>6</b>	<b>46</b>	<b>203</b>	<b>256</b>
2012	Ayazağa	Female	0	1	6	23	30
		Male	1	3	22	35	61
		Total	1	4	28	58	91
	Çerkezköy	Female	0	0	1	2	3
		Male	0	0	2	6	8
		Total	0	0	3	8	11
	Gebze	Female	0	0	1	10	11
		Male	0	2	4	13	19
		Total	0	2	5	23	30
	Field	Female	0	0	0	5	5
		Male	0	0	12	122	134
		Total	0	0	12	127	139
	<b>Grand Total</b>		<b>1</b>	<b>6</b>	<b>48</b>	<b>216</b>	<b>271</b>



### Age Breakdown at Managerial Level

AGE GROUP	NUMBER
18-30	12
30-50	248
OVER 50	12

### Gender Breakdown of Employees by Year (%)



		2008	2009	2010	2011	2012	2013
<b>TARGET (%)</b>	Female	21	19	19	20	20	20
	Male	79	81	81	80	80	80
		2008	2009	2010	2011	2012	2013
<b>REALIZED (%)</b>	Female	21	19	19	19	20	
	Male	79	81	81	81	80	

We aim to increase the proportion of our female employees on an annual basis, whereby our target for 2012 was 20%. Moreover, information regarding the proportion of female applicants has been shared in the "Our Recruitment Procedures" section. Since we hired a high number of female employees for our Gebze processing facility in 2008 (the proportion of female employees is higher particularly in Quality and R&D departments), an increase is observed in the proportion of female employees in the respective year.

### Age Breakdown of Employees

AGE GROUP	NUMBER
18-30	889
30-50	1105
OVER 50	15

### Demographic Data of Employees Working at The Representative Offices in Foreign Markets

	Number of Employees	Number of Women	Number of Men	Average Age
<b>Representative Offices</b>				
Moldova	31	21	10	33
Albania	14	8	6	27
Bosnia	9	4	5	33
Georgia	15	11	4	30
<b>TOTAL</b>	<b>69</b>	<b>44</b>	<b>25</b>	
<b>Partners*</b>				
Iraq	43	1	42	27
Yemen	27	1	26	34
Ethiopia	12	2	10	26
Azerbaijan	37	20	17	28
<b>TOTAL</b>	<b>119</b>	<b>24</b>	<b>95</b>	
<b>Grand Total</b>	<b>188</b>	<b>68</b>	<b>120</b>	

\* Only indicates the number of employees working for Bilim products. Wages are paid by the partners.



Our Principles on Management of Differences are available in our web report.

## OUR RECRUITMENT PROCEDURES

***Our recruitment decisions do not involve discrimination based on school, region, gender, sexual preferences, religion, language or race in line with our principle of equality of opportunity.***

One of our priorities at Bilim Pharmaceuticals is to create equal opportunities for everyone in our recruitment process. In line with this priority, the fundamental principle of our candidate selection and recruitment process to hire crea-

tive, multi-directional and participative people, who can rapidly adapt themselves to change, who have a global point of view and who continuously strive to improve themselves and those around them, based on the principle of equality of opportunity and without discrimination, as set out in our HR policy.

The "Qualifications Catalogue" is one of the basic instruments which we use in our recruitment process. Through their use, our decisions do not involve discrimination based on school, region, gender, sexual preferences, religion, language or race in line with our principle of equality of opportunity.

The reason for the low proportion of women in the workforce seen in the aforementioned worker breakdown chart is the heavy travel schedule required when working in the field, as well as the spread of the geographical dispersion. The percentage of female applicants for job positions available in the field is much lower than it is for male applicants.

In our company, age is not considered as a criterion in hiring processes; we employ people in accordance with our qualifications catalogue.

We pay particular attention to the recruitment of people from the local community and fair wage policies in domestic and foreign communities of our presence. In recruitment, we support local employment by allowing our employees to be candidates from places where they are born or where they live. We primarily evaluate the applications of the local community in all hiring processes and establish our employee profile by taking these criteria into account.

### Total Number of Applicants and Ratio of Male and Female Applicants (2012)

Gender	Number of Applicants	Ratio of Applicants
Male	29,659	59%
Female	20,918	41%
<b>Total</b>	<b>50,577</b>	<b>100%</b>

**Total Number of Applicants for Field Positions and Ratio of Male and Female Applicants (2012)**

Gender	Number of Applicants	Ratio of Applicants
Male	16,212	69%
Female	7,253	31%
<b>Total</b>	<b>23,465</b>	<b>100%</b>

**Newly Hired Personnel in 2012**

By age:	
Under 25	85
25-30	288
30-35	139
35-40	27
40-45	7
45-50	1
50-60	1
By gender:	
Male	416
Female	132
<b>Total</b>	<b>548</b>

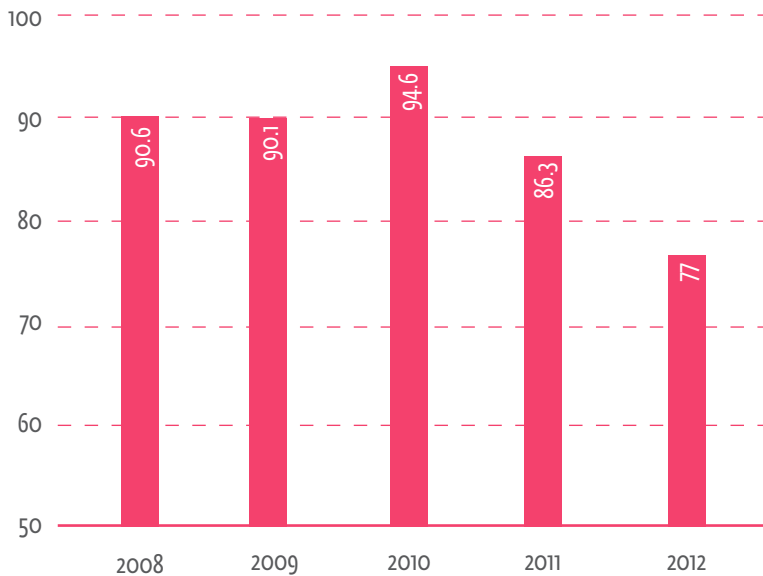
**By Work Status and Region:**

	White Collar – Headquarters	White Collar – Field	Blue Collar	Total
Adana		17		17
Ankara		15		15
Antalya		11		11
Antep		11		11
Ayazağa	28	61	1	90
Balıkesir		20		20
Bolu		12		12
Bursa		10		10
Çerkezköy	9		11	20
Çorum		20		20
Denizli		4		4
Diyarbakır		19		19
Edirne		15		15
Erzurum		16		16
Eskişehir		18		18
Gebze	72		81	153
Izmir		10		10
Kayseri		10		10
Kırıkkale		5		5
Konya		10		10
Manisa		15		15
Mersin		9		9
Sakarya		17		17
Samsun		10		10
Trabzon		11		11
<b>Grand Total</b>	<b>109</b>	<b>346</b>	<b>93</b>	<b>548</b>

**Employees Resigning from Their Positions:**

Location	Breakdown By Gender			Breakdown Age			
	Male	Female	Total	18-30	30-50	Over 50	Total
Headquarters	11	14	25	9	15	1	25
Çerkezköy	8	4	12	4	8		12
Gebze	75	33	108	46	59	3	108
Field	296	56	352	129	223		352
<b>TOTAL</b>	<b>390</b>	<b>107</b>	<b>497</b>	<b>188</b>	<b>305</b>	<b>4</b>	<b>497</b>

*Ratio of Internal Promotions\**



\* Ratio of the total number of specialists and managers hired from outside the Company to the total number of specialists and managers promoted within the Company

Due to the difficulty in finding employees for specific positions in the R&D Department under the Science Department Directorate, these positions were mainly covered from outside the Company in 2012. In 2013, the Company plans to reach its target by undertaking assignments for expertise-requiring positions and promoting employees from its talent pool.

**Breakdown of Internal Promotions (2012)**

	Female	Male
Ratio of promotions of candidates who fulfill all criteria (by gender)	97.80%	97.00%



**Kıvanç Akdeniz**  
Bilim Pharmaceuticals  
Digital Marketing Specialist

I witnessed a systematic recruitment procedure that began as I applied for my current position at Bilim Pharmaceuticals. I noticed that each step of the procedure was managed in an extremely professional manner. The interview process, which is normally expected to be stressful, took place with a minimum of stress thanks to the result-oriented negotiations, and because I was given detailed information about the open position and the Company's corporate culture in advance. From the very beginning of my recruitment process right up to the end, which involved discussions with the Human Resources Administrator, the Director and the CEO, I had the opportunity to see the importance of the role of corporate culture in managing this process.

The "adaptation to the company and the learning process", something which is generally neglected by companies but which, I think, is at least as important as the candidate evaluation process is one of the issues dealt with uniquely at Bilim Pharmaceuticals... Thanks to "my buddy", who never left my side in my first day in office within the scope of the innovative human resources approach applied by our Company, I had the chance to meet my colleagues in a warm environment and obtain detailed information on in-house processes through the Human Resources Orientation Program. I consider myself fortunate to have experienced such a recruitment process at Bilim Pharmaceuticals, a company that attaches value to the position and the individual, and motivates the candidate for recruitment.

### Ratio of Employees who return to work after giving birth

2012	98.48%
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In 2012, 14 of our female employees took maternity leave and returned to work, and 132 male employees took paternity leave and returned to work. The ratio of employees returning to work is 98.48% for female employees and 100% for male employees. Those employees who did not return to work after taking maternity left their positions voluntarily.

Prior to the job offer, candidates who successfully pass these applications go through a reference check as per the job application information. Candidates who are not included in the job hiring process or are not positively evaluated are notified via the career portal, e-mail or a telephone call.

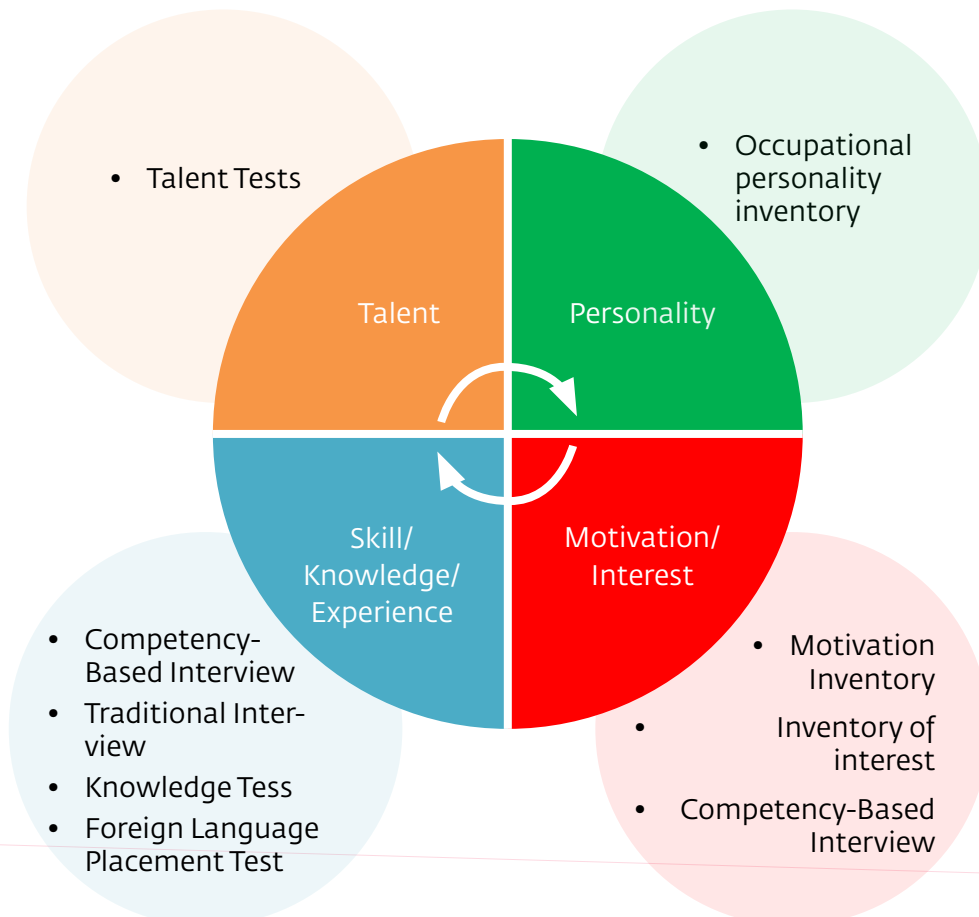
### Internship Program

As Bilim Pharmaceuticals, we aim to find talent for not only the present, but also the future. In line with this approach, we aim to raise future leaders in cooperation between universities and industrial corporations by improving the qualities and competencies of our students, a move that we take in the light of our corporate responsibility awareness.

Within the scope of our collaboration with universities and our awarded corporate responsibility project "My Career Is In My Hands", we offer an increasing amount of internship opportunities each passing year to the students.

## EVALUATION OF COMPETENCIES

At Bilim Pharmaceuticals, defined competencies are one of the important instruments with respect to the creation of equality of opportunity during the recruitment process. A number of different instruments is used to evaluate the competencies of candidates the most accurate and objective way. Elements that constitute competencies and the instruments that are used to measure them are given in the following table:



	2008	2009	2010	2011	2012
<b>Number of Interns at the High School Level</b>	20	40	57	41	58
<b>Number of Interns at the University Level</b>	70	85	81	118	114
<b>TOTAL</b>	90	125	138	159	172

Following our efforts that we carry out in order to own a qualified labour force, we hire the candidates in line with the "Post-Internship Recruitment Systematics". By creating a platform where interns can share their innovative ideas through our training programs that ensure the effectiveness and efficiency of the internship program, we encourage and support interns to produce creative and innovative thoughts.

Beyond the legal requirements aimed at raising employee satisfaction and dependency and going beyond these necessities, we have planned and are currently implementing non-salary supplementary possibilities, resources and services.

## PAY MANAGEMENT AND RETIREMENT POLICY

Bilim Pharmaceuticals ensures that pay management is monitored based on legal records and within the legal framework. Nobody is working informally and there is no incidence of non-payment at the company.

In taking into account salary research, legal increases and economic indicators, our Performance Management System conducts salary raising practices every year.

In taking into account salary research, legal increases and economic indicators, our Performance Management System conducts salary raising practices every year.

Our company pays insurance premiums for its employees as defined by the law within the scope of legal practices, which are defined by the government for retirement.

**We have a fair and transparent wage policy at Bilim Pharmaceuticals, which is not affected by age, gender or criteria that would constitute other discrimination.**

### **Pay Raises by Years**

We pay attention to maintaining competitive levels of pay for our employees. While determining our salary policy, we have benefited from the salary research conducted by the accredited HAY Job Evaluation and Grading Systematic as well as Tower Watson, Poyraz Consultancy and Mercer Human Resources.

The rates of increase in pay have exceeded the rate of inflation every year. The pay raises offered to our blue-collar employees' wages are higher than those of white-collar employees to make a positive difference to blue-collar workers' pay.

Our grades within the scope of our Wage Management System are not only based on salary, whereas we also utilize fringe benefits other than base salaries. Special fringe benefits have been defined for grade-based positions.

No separate wage and retirement policy is applied to our employees, whether hired, still working or resigned, based on gender.

# BENEFITS, RIGHTS AND SUPPORT PRACTICES

Average Wage Paid by Our Company as a Proportion of the Minimum Wage	
Analyst	200.23%
Worker	112.98%
Employee	183.29%
Engineer	191.64%
Mechanic	131.04%
Technician	164.44%
Medical Representative	178.20%

## Average wage paid to newly hired personnel as a proportion of the minimum wage in representative offices in foreign markets

The average wage paid by Bilim Pharmaceuticals to newly hired personnel as a proportion of the minimum wage in the following countries where our representative offices are located is as follows. The Company is careful to promote the employment of local people; all staff employed in our representative offices are from the local community.

Country	Average Wage Paid to Newly Hired Personnel as a Proportion of the Minimum Wage
Moldova	556%
Albania	263%
Bosnia Herzegovina	111%
Georgia	130%

Support Practices Provided by Our Company to Its Employees	Start-up Year	Coverage
Overtime Pay to All Employees	Since its foundation	Legal Rights
Fuel, Maternity, Death, Religious Holiday, Annual Leave and Matrimony Assistance to All Employees		
Transport Opportunities for Overtime Workers		
Vehicle Allocation for Company Top-Level Management and Field Employees		
Shuttle Fleet Service for Employees Working at Ayazağa, Çerkezköy and Gebze		
Bi-Annual Clothing Allowance for Field Employees		
Bonus System for Field Employees		
Quarterly Bonus for All Employees		
Evening Meal for Overtime Employees		
Lunch		
Per Diem Payment for Employees Working outside Their Normal Province	2001	Non-Salary Supplementary Possibilities
Individual Accident Insurance for All Employees		
Allocation of GSM Line, Blackberry and Notebook Computers to Marketing Department/Field		
Advance Payment to Employees in Need		
Patient Transportation to the Hospital In Case of Emergency		
Credit Card Allocation to Field Employees		
Morning Breakfast Delivery Service		
Private Health Insurance for All White-Collar Staff		
Mothers' Room Practice for Our Employees at the Head-quarters and at our Plants		
Psychological Consultancy Unit		
Insurance Consultancy Unit	2005	
Legal Consultancy Unit	2010	
	2009	
The Psychological Consultancy Unit began to provide services to field employees through online channels	2011	

When the balance between wages, supplementary rights and promotions is taken into account, there is no discrimination between our female and male employees. There is not any difference between full-time and temporary employees concerning supplementary rights.

The fact that our establishment has never been subject to penalties during inspections pertaining to job legislation which has been conducted by legal institutions and agencies is a direct result of the sensitivity we show in carrying out our commitment to legal requirements.

## Talent Management

***Our systems operate as a guide or an advisor in every step that our personnel take in their careers.***

At the Human Resources Department, we consider all our employees to be "skilled" and allow them to exploit career opportunities by preparing individual development facilities and by establishing a participative working environment where they can reveal and develop their potential.

In 2000, we launched the Talent Management System in which our employees can reveal their talents, recognize and improve their potentials and receive consultancy for their career targets. Our systems operate as a guide or an advisor in every step that our personnel take in their careers.

OUR  
CONTRIBUTION  
TO THE  
DEVELOPMENT  
OF OUR  
EMPLOYEES





## Performance Management

***We appreciate our employees through our “instant honoring” and “honoring/awarding” systems.***

The Performance Evaluation process is applied based on determined measurement and performance criteria to evaluate employees in a fair, equal and timely fashion in order to ensure that Bilim Pharmaceuticals reaches its strategic targets as its employees realize their own individual targets. The Performance Evaluation process also paves the way for the competencies and performance of employees to be improved in line with targets through the feedback that they receive during the operating period, as well as through continuous dialogue; objective information is collected for pay and career-related decisions; and achievements and the performances of the employees are known by others and rewarded.

In this system that addresses all of our employees, the aim is not only to evaluate, but to ensure their participation in business plans, to motivate them for success and to undertake planning to improve their potential. Talent is fostered and supported to demonstrate a

higher performance by integrating the performance evaluation process into potential evaluation, education and career processes.

We appreciate the value generated by our employees in business results and recognize this value through our “instant honoring” and “honoring/awarding” systems in addition to our Performance Evaluation System.

### Percentage of Employees Who Received Performance Evaluation

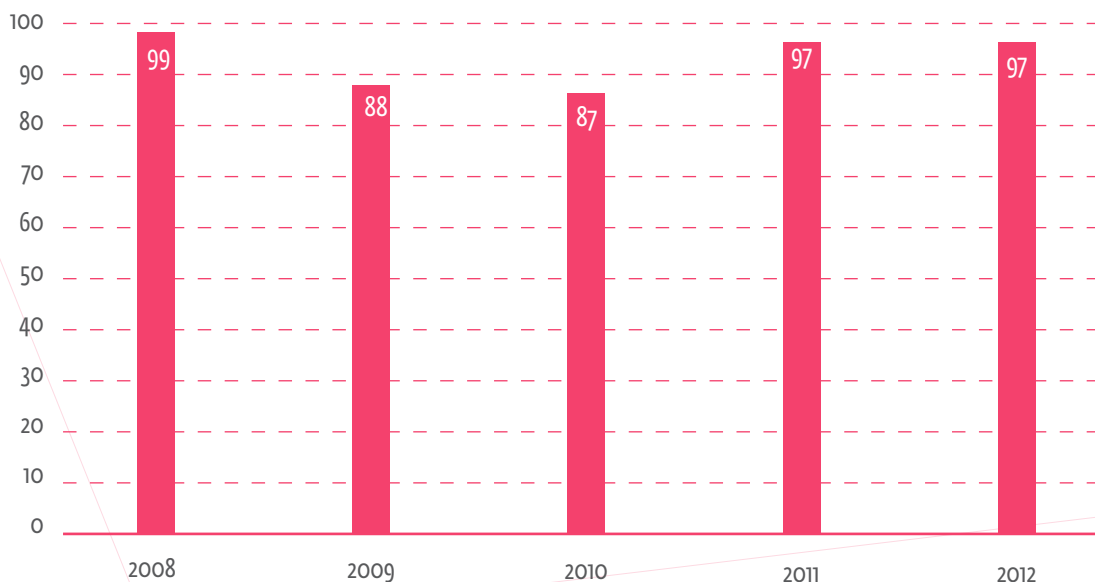
2008	2009	2010	2011	2012
99	88	87	97	97

### Percentage of Employees Who Received Performance Evaluation (Breakdown by Gender) (2012)

Male	79.5
Female	17.5
<b>Total</b>	<b>97</b>

This value is the ratio of the number of employees who received performance evaluation to the total number of employees. Because the number of employees who received long-term medical report or took maternity leave increased in 2011, the ratio of the number of employees who received performance evaluation to the total number of employees fell significantly when compared to previous years.

### *Percentage of Employees Who Received Performance Evaluation*



## 360° Competency Evaluation System

The “360° Competency Evaluation System” is applied to contribute to the personal development of our personnel who are in managerial or higher positions by giving feedback on their strong sides and sides that are open to improvement.

This system is based on the principle of the evaluation of a manager’s basic and managerial competencies by a number of different criteria, such as their executive senior managers, their subordinates who directly report to them, their functional superiors and subordinates, as well as themselves. This study aims to contribute to the personal development of our managerial personnel by giving feedback on their strengths as well as their areas that are open to improvement.

## Potential Evaluation

***In 2012, a total of 1,197 employees received career development evaluation.***

Our corporation has a young and highly qualified workforce. It is critical for our Talent Management to know and manage our employees’ expectations and targets, to ensure that they set up targets in line with the corporations and to guide them in order to properly manage their targets.

In 2012, a total of 1,197 employees received career development evaluation. Because there is no performance evaluation result for those employees who have not yet completed their first year in the Company, they did not receive career development evaluation, even though they deserved to. We submitted informative e-mails concerning Expertise-Requiring Promotion Criteria to 348 employees in this position, offering them “Tailored” career development evaluation.

## Percentage of Employees Subject to the Career Development Evaluation\*

	2008	2009	2010	2011	2012
Realized	78%	82%	81%	75.1%	98.6%

\* The percentage of employees who are subject to potential evaluation is the ratio of employees who are given feedback as a result of such practices in the development program and evaluation and development centre.

## Ratio of Employees Who Were Subject to Career Evaluation in 2012 (By Gender)

Female	Male
94.2%	99.7%

Of 242 female employees and 972 male employees eligible for career evaluation, 228 female and 969 male employees received evaluation.

As a result, the ratio of employees subject to career evaluation in 2012 (by gender) was 94.2% for female employees and 99.7% for male employees.

Those employees on maternity leave, who could not be evaluated as they had left their position before 2012 but later returned, and those who left their position before the evaluation process in 2012 are not included in the calculation.

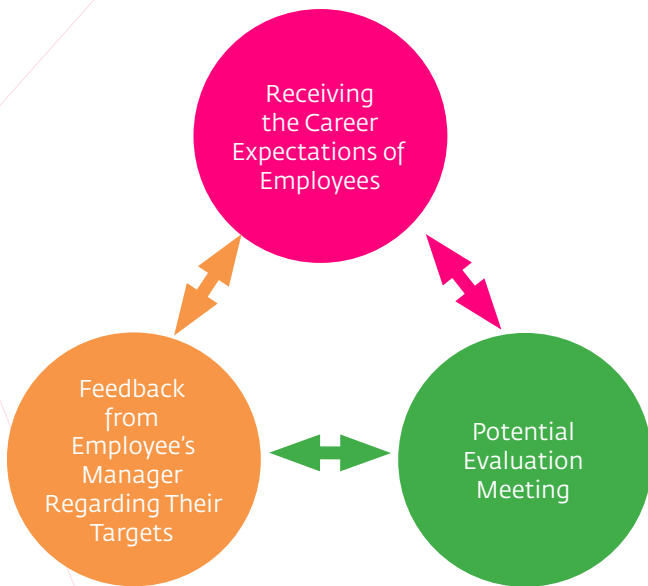
## Development Center

In order to discover the talent in our company and to reveal their potential, as the Human Resources department we act within the framework of two basic approaches. The first is to set up systems that will reveal and build on the talent of our employees, while the second is to perform this action on the basis of our establishment’s needs. The “Development Center” is one of the instruments we use to help our employees reach their personal career targets, which they determine in line with their abilities and talents, and improve their talents in parallel with the targets of our company.

We include those employees in the Development Center who have contributed to the company's performance with successful performance results and are evaluated according to the results of potential evaluation, while we set up our Stars Team that would provide additional development opportunities for our company's future targets.

Stars Team is our talent pool, which covers 10% of our employees and which is constituted of those employees, who follow career opportunities by participating in a challenging development program, in addition to standard development programs. Employees, who successfully complete their development on the Stars Team, are directed to the "Appointment Evaluation Center" when any career opportunity arises.

### Potential Evaluation Process



### Improving the Talent

**We plan and apply modern learning tools, methods and systems that are based on individual and organizational needs and measure their results the most effective way.**

The driving force behind change and development of organizations is undoubtedly their human resources. The thing that makes humans so important for organizations is undoubtedly their ability to learn. Learning is the most important step in forming and developing human behaviors. When defining our training and development targets based on the above mentioned mentality, we aim to create an employee profile, which would provide the organization structure in line with our company's requirements, in other words its mission, vision, values, strategic plan and primary business targets.

In order to realize our corporation's vision, we see creation of a learning organization as the basic element of strategic HR management. For this purpose, we provide all of our employees with new learning methods and various learning tools at our platform, BilimK@mpüs. Fully compliant with the latest e-learning standards in the world, BilimK@mpüs's e-learning and management platform allows monitoring of classroom trainings and various development tools. Thanks to the methods and new technologies it makes use of, the platform eliminates time and place restrictions.

**"We established a special and individual development platform for each of our employees."**

Each of our employees has a special development platform at BilimK@mpüs. They can access the standard development programs and individual development tools that they require for their career development and business targets.

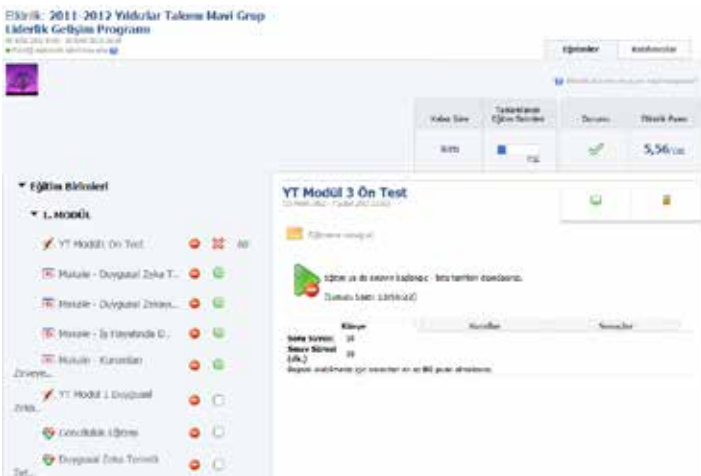
## BilimK@mpüs

### Information grows as it is shared...

The training portal can be viewed through the visitor link on the following website:  
[www.bilimkampus.net](http://www.bilimkampus.net)



With "Career Paths", our employees learn which positions they can aim for in parallel with their existing qualities and competencies, and how they can apply for these positions in accordance with career criteria. Our employees already receive feedback during the Performance and Potential Evaluation processes on their developed and undeveloped competencies, so they can achieve their career goals. They may then improve their potential by making use of our learning platform in the areas they want to improve.



In 2012, a total of 66 online training programs were prepared for the Company. The number of such programs increases with each passing day.



İdil Denizciler  
E-NOCTA

BilimK@mpüs is a model project which is integrated into training and personal development activities as part of strategic human resources management and has been incorporating all innovations in the field of training technologies since 2011. The project contributes greatly to our efforts to ensure the technical and professional development of our employees. Moreover, we invest in the professional development of employees, a primary field of investment for us. It also gives us an excellent opportunity to demonstrate the importance we attach to the motivation of our employees through personal development and the training offered. There are a wide range of training programs on 300 different topics in the system. In addition, a variety of visuals, articles and presentations are shared through the system as additional personal development materials. Training programs are only offered through the system in English in order to improve the level of employees' English. The offering of various personal development training programs in English also contributes greatly to employees' foreign language skills.

BilimK@mpüs plays a key role among Turkish pharmaceutical companies in the creation of organizational memory by implementing the first social learning and social information sharing model. It is, furthermore, one of the first projects in Turkey in terms of uninterrupted information gathering to provide access to such information through mobile devices as well.

Thanks to its unique learning instruments, BilimK@mpüs is an extensive learning and information library. In this context, we will continue to integrate new products and solutions into BilimK@mpüs in line with technological innovations. In brief, BilimK@mpüs is a leading project in Turkey which includes all innovations with respect to training and personal development and attaches maximum priority to the development of employees.

## ***We evaluate the efficiency and effectiveness of Bilimk@mpüs'...***

Each year we conduct a satisfaction survey to measure the benefits that Bilimk@mpüs provides to our employees. Through the survey, we measure the benefits of our learning management system and its contributions to the training programs and personal development, evaluate suggestions and further improve the system accordingly.



## ***Sharing our corporate knowledge and expertise with related employees through online training...***

Each year we prepare a number of in-house online training programs on such topics as medical information, products, quality management systems and basic processes and notifications, etc and share information on these topics with all related employees. Thus, we remove time and place related restrictions and spread information more rapidly.

## ***We create an organizational culture that learns through social learning.***

As a result of the studies performed on the human brain in the last decade, it is known that humans can learn better via the learning methods they prefer. This introduces the necessity to diversify learning tools according to learning preference. At BilimK@mpüs, a number of tools and methods can be simultaneously used during learning & training programs. Social learning tools are among them...

## ***Our aim is to provide specialization through schools and academies.***

With its audio and visual contents, its library that makes data sharing easier, its specially designed in-class development programs, and its measuring-evaluation systems, Bilimk@mpüs aims to offer opportunities to our employees and stakeholders for specialization through five different academies.



**Kürşat Acartürk**  
Senior Sales Training Supervisor

Concepts such as technology, speed, competition, cost-efficiency and, in particular, productivity have become the most important elements of today's business world. All companies ask their employees to work more efficiently and demonstrate their creativity. Training is one of the most prominent and critical success factors in terms of productivity. It is also one of the primary issues that Bilim Pharmaceuticals never gives up on. Bilim Pharmaceuticals aims to maximize both its productivity and its employees' efficiency by strengthening their competencies during in-house training sessions and through the Internet.

I, as an educator, make use of these possibilities offered by Bilim Pharmaceutical at every opportunity, in order to create resources for the training programs which I prepare. In particular, BilimK@mpüs has always been a learning instrument for the lecturers, as well as a way to offer training to employees. BilimK@mpüs was extremely beneficial when it came to creating efficient and memorable training programs prepared by instructors. Our company provides notebook computers to all of our field employees, allowing employees to participate in appropriate training programs through the Internet. This ensures it is possible to not only organize training programs, but also measure the results of these training programs through the testing system.

As Sales Training Administrators, we have been offering systematic training for a decade under PHASE 1, 2, 3, 4 and 5 to our colleagues working in the field. We plan to shorten the duration of field training sessions by 1 day by informing our Medical Representatives (TTS) of these training sessions in advance through BilimK@mpüs. This will save time for our Medical Representatives and lower training-related costs to more economic levels.

Thanks to BilimK@mpüs, employees may gain access to these training programs whenever they want, and indeed have already benefited from a number of programs in a very short time. They may download the training programs to their computers and watch them over again if they need to.

## **Our target is to make learning a habit.**

93% of our employees actively use this system that is open to all of our employees. The minimum rate of successfully completing the BilimK@mpüs practices is determined as 80% among the employee performance targets for 2012. This way we aim to increase the ratio of our employees who actively use this system to 100%. E-learning is applied at a rate varying between 50-80% per employee.

## **Communication is very important at BilimK@mpüs!**

BilimK@mpüs allows the executive senior manager to be informed of every stage of learning and the status of his employee's progress. Moreover, senior managers are informed through general reports, which are automatically produced by the system.

It is important that participants and their senior managers are active and take responsibility throughout all stages of learning and development programs. All the learning and development behaviour of participants, from requesting to learning and test results, are reported over the system.

## **Award from "IT Stars e-Transformation" Contest to Bilimk@mpüs**

The 6<sup>th</sup> Istanbul Informatics Congress was held by the Informatics Association of Turkey (TBD) at Bahçeşehir University on November 7<sup>th</sup>-8<sup>th</sup>, 2012. In the 'Bilişimin Yıldızları E-Dönüşüm' (Informatics (IT) Stars e-Transformation) Contest held as part of the congress, Bilim Pharmaceuticals Online Training Platform, Bilimk@mpüs, was deemed worthy of the third price in the "E-Learning" category.

At the contest, where more than 30 awards are given in 11 separate categories including e-trade, e-mobile, e-services and e-learning, Turkey's IT Stars were evaluated in 3 stages by more than 25 jury members who are specialists in their fields. In the final stage, the top 3 stars were determined by public voting.



**Dr. Nurgül Akçin Önel**  
Formulation Specialist & Project  
Coordinator & Training Guide

Some time after I joined the Bilim Pharmaceuticals family, I began to work as a training guide in addition to my current duty as the Project Coordinator. As someone actively involved in the training programs, I can say without hesitation that Bilim Pharmaceuticals, as its title proposes, is a company that attaches importance to science (bilim) and the development of people, and continuously keeps abreast of technology. As a dynamic company continuously renewing itself, it offers its employees the chance to train themselves at any desired time through BilimK@mpüs.

BilimK@mpüs is a platform offering an extremely extensive range of content... It provides easy access to various training programs, articles, book summaries, training content and many more informative documents. It is also possible for employees to receive certificates online through e-training programs.

"If your plan is for 1 year, plant rice. If your plan is for 10 years, plant trees. If your plan is for 100 years, educate children", says Huang Che. We make plans for 100 years at Bilim Pharmaceuticals...

## Employee Training

### Employee Training in 2012 (Breakdown by White Collar / Blue Collar)

<b>Occupational Development Training (General) (Employee/Hour)</b>	
White Collar	55.5
Blue Collar	7.88
<b>Personal Development Trainings (General) (Employee/Hour)</b>	
White Collar	20.48
Blue Collar	1.79
<b>Total Quality Trainings (Employee/Hour)</b>	
White Collar	14.7
Blue Collar	166.1
<b>Occupational Health and Safety Trainings (General) (Employee/Hour)</b>	
White Collar	6.20
Blue Collar	33.28
<b>Total Number of Employees</b>	
White Collar	1678
Blue Collar	331

An employee's potential is associated with their learning speed and ability to reflect what he or she learns in their job and job results. Within the scope of the principle of equality of opportunity, we allow those employees who benefit from the learning environment we offer and who become prominent with their achievements to join the Stars Team, where they are provided additional development opportunities.

Development programs, which are designed and customized according to the employee's career targets, current status and profile level, are created by professional training companies and their consultants based on the results of the Development Centre.

In 2012, some important notifications were carried out through e-training. Technically, a total of 10 instructors are currently developing e-training programs. The number of employee hours was increased in 2012 with the aid of

such programs as well as e-training and other learning materials. We have ensured that all employees benefit from training and personal development activities with no increase in the training budget.

The training indicator was completely revised in order to better analyze the training process.

	<b>2010 Employee/ Hour</b>	<b>2011 Employee/ Hour</b>	<b>2012 Employee/ Hour</b>
Occupational development training (General) (Employee Hours)	5.06	8.42	47.9
Male	13.5	10.7	48.0
Female	11	10	47.3
Personal development training (General) (Employee Hours)	37.2	36.8	17.4
Male	27	38.4	16.0
Female	35.2	30	20.4
Total quality trainings (Employee Hours)	8.36	9.47	39.7
Male	6.84	8.86	40.4
Female	10.07	12	37.0
Occupational Health and Safety training (General) (Employee Hours)	2.03	3.92	10.7
Male	1.95	3.79	10.3
Female	2.37	4.4	12.1

<b>Breakdown of Employee Hours</b>	<b>Target</b>	<b>Realized</b>
Occupational development training (General) (Employee Hours)	50	47.88
Personal development training (General) (Employee Hours)	20	17.40
Leadership training (General) (Employee Hours)	15	8.18
Total Quality Systems Training (General) (Employee Hours)	50	49.99

## BI'L Leadership Model

*We organize the Leadership Summit every year, which we see as an important leadership development instrument and one that inspires our employees to reveal their leadership skills.*



We think that leadership is the responsibility of all of us for sustainable success and a stronger company.

### ***“Leadership is in our spirit.”***

It has become impossible for companies to reach sustainable success without a strong leadership strategy. In order to reach our vision by realizing our mission, we attach great importance to the maximum use of our leadership capability.

We have implemented the Bilim Pharmaceuticals Leadership Model (BI'L Model) for a stronger leadership strategy and to make sure that all of our leaders act with a common leadership understanding and approach

This strong practice called the “BI'L Leadership Model” aims to:

- Reveal a visionary, inspiring and holistic leadership model;
- Further support our employees' leadership skills; and
- Discover and develop the leaders among us.

The BI'L Model is classified into 3 categories, adding strength to our employees:

### ***1. I am the Leader of Myself!***

Because we believe that it is extremely important for an individual to first of all manage their own attitude and behavior in order to be a leader.

### ***2. I am the Leader of My Business!***

Because we believe that those who do their business well are as important as the leaders who manage the team.

### ***3. I am the Leader of My Team!***

Because we believe that we can be successful only by bringing together our employees who are under our managerial responsibility under joint targets.

By taking Bilim Pharmaceuticals' values as a basis in all of their activities and serving as a model for our employees, our leaders keep our corporate culture alive and ensure that it adopted by everyone in our Company.

In this context, we organize the Leadership Summit every year, which we see as an important leadership development instrument and one that inspires our employees to reveal their leadership skills. A total of 350 managers, directors and administrators participate in these summits.



## Stars Team Development Program

Through our Talent Development Programs on the Stars Team, we offer our employees one of the target opportunities that they can benefit from throughout their entire career development process.

In these programs, participants receive personal development consultancy, make intensive use of development tools such as simulations, workshops and case studies in addition to training sessions, prepare development-action plans in cooperation with their administrators, manage social responsibility projects and present the results of the projects that they manage to the career board at the end of the program.

It is much easier for managers to delegate jobs to the employees under by status and to manage the results than it would be to manage a voluntary project. It requires leadership skills to convince and motivate people to undertake a different and challenging social responsibility project that you determine. to receive people's support, to make them work for such purpose, and to make sure that they continue making voluntary contributions by keeping their energy and motivation level high, allow managers to lead employees to perform such efforts by taking responsibility and by allocating extra time outside working hours.

Acting upon this idea, those of our employees who are candidates for first level managing positions have the opportunity to develop themselves by carrying out voluntary projects throughwith the leadership skills that they gain during trainings. In these projects, they voluntarily develop a social responsibility project, create their teams from voluntary employees and work together to reach the determined targets. Candidates for mid-level managing positions, on the other hand, work in a camp where they ensure that their disabled guests have the best vacation of their lives. This way, they can overcome the obstacles inside themselves.



**Ümit Ceylan**  
SAYA Group, Member of  
Pharmactive Board of Directors

The Marketing Trainee (MT) Development Programme has not yet been put into practice by all companies in the pharmaceutical industry. Based on my sectoral observations, I would say that the majority of those companies that have been implementing this program have not yet achieved the desired level of success.

When it comes to planning and implementation, the Bilim Pharmaceuticals Stars Team MT Development Programme stands out in the sector as the best development programme that I have ever seen.

I think the most important factor contributing to this achievement is the fact that the topic is dealt with in an extremely serious and multi-directional way and everyone from the Human Resources Department to Product Managers, Business Unit Managers to the Deputy CEO and even the CEO have contributed personally to the programme.

As a result of the supportive physical conditions provided for the training programs and thanks to the highly competent instructors who are so committed to the project, Bilim Pharmaceuticals was always able to raise new and bright MTs in each development program.



**Görkem Demirten**  
Bilim Pharmaceuticals Export  
Manager

I joined Bilim Pharmaceuticals in 2001 as an employee in the Export Department. During my career journey in the Company, I was promoted as an Export Specialist, Business Development Administrator and finally as an Export Manager.

During my 11 years at Bilim Pharmaceuticals, I had the chance to observe important changes. I think one of the factors that made such changes contribute to the achievements of our company is the successful implementation of the Career Management Systematics, which was developed to enable efficient and effective use of human resources – our most important asset. The following factors contribute to the creation of environment of trust among employees: employees know their career paths since their first day in business; their career expectations are evaluated in Potential Evaluation Meetings; and their competencies are increased through the Stars Team practice

Finally, I think that our colleagues who play the most important role in our Career Management Systematics that we have been applying at Bilim Pharmaceuticals; 'We cannot direct the wind, but we can adjust the sails'.



**Star  
Team**

Each employee's potential is related to their learning speed and their ability to reflect what they learn to their business and business results. Based on the principle of equality of opportunity, we offer additional development opportunities to employees through the Stars Team program, which is in addition to the learning environment that we provide and which helps them become prominent with their potential and achievements

The development programs which we have diversified according to the professional levels and targets of our employees and rated according to employee profiles are prepared in cooperation with professional training companies and consultants based on the results obtained from the Development Center.

The Maroon Group defined under the "Stars Team" is an "Occupational Expertise Program" which was created in 2012 to improve the functional competencies of our employees whose positions fit the key employee profile. Our target is to improve the professional and technical expertise of our employees selected to the group.



## Leadership Development Program

***Today those companies that do not have a strong leadership strategy cannot be successful in a sustainable manner.***

Under these circumstances, we attach considerable importance to the use of our leadership skills at the maximum level in order to reach our vision by realizing Bilim Pharmaceuticals' mission.

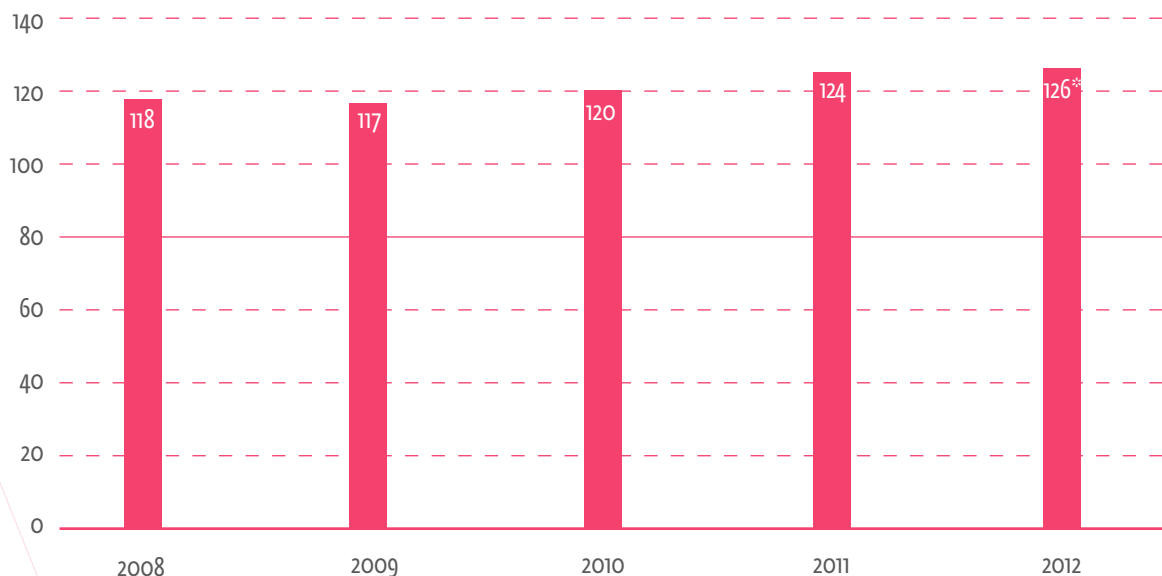
Our administrators' primary target is to discover and develop talent and gain their loyalty.

We apply internationally-recognized leadership development programs in our Company and monitor our leaders' performance in this area in order to ensure that they adopt Talent Management. We develop our employees'

leadership skills and inspire our administrators on leadership within the scope of the Leadership Development Program through annually held Leadership Summits.

Within the framework of "Talent Management", our Company has adopted the internal promotion approach, raising its own leaders in the Leadership Development Platform through various development plans. By conducting the Leadership Development Program, that is open to all employees who meet the criteria, we raise potential management candidates in line with the principle of equality of opportunity.

### *Number of Employees Who Participated in the Leadership Development Program*



\*Female: 23 Male: 103

Our target is to increase the ratio of employees who participate in the "Stars Team" and benefit from our Talent Management Programs. To reach this target, we enhanced the efficiency of the practice and raised the number of related development programs, enabling more competent employees to be involved in the Talent Development Program over the years.



Prof. Dr. Acar Baltař  
Baltař-Baltař Yönetim,  
Eđitim, Danıřmanlık Ltd. řti.

The purpose of Bilim Pharmaceuticals' Leadership Development Project is beyond "raising the administrators of the future", a concept supported with similar practices in many organizations. In addition to teaching young administrators how to perform their jobs and improve their performance, this project essentially reminds them that they have a responsibility to society. This way, young administrators who are preparing for the future have the chance to learn the meaning of living with and managing values, and respecting the principle that they will live a meaningful and valuable life if they work for a purpose that goes beyond themselves.

As it is effectively adopted by employees in Bilim Pharmaceuticals' daily routine practices, this approach also allows us to raise sound citizens for our world who not only aim to be successful in their jobs, but also feel responsible to give back what they get from the community.

## Coaching System

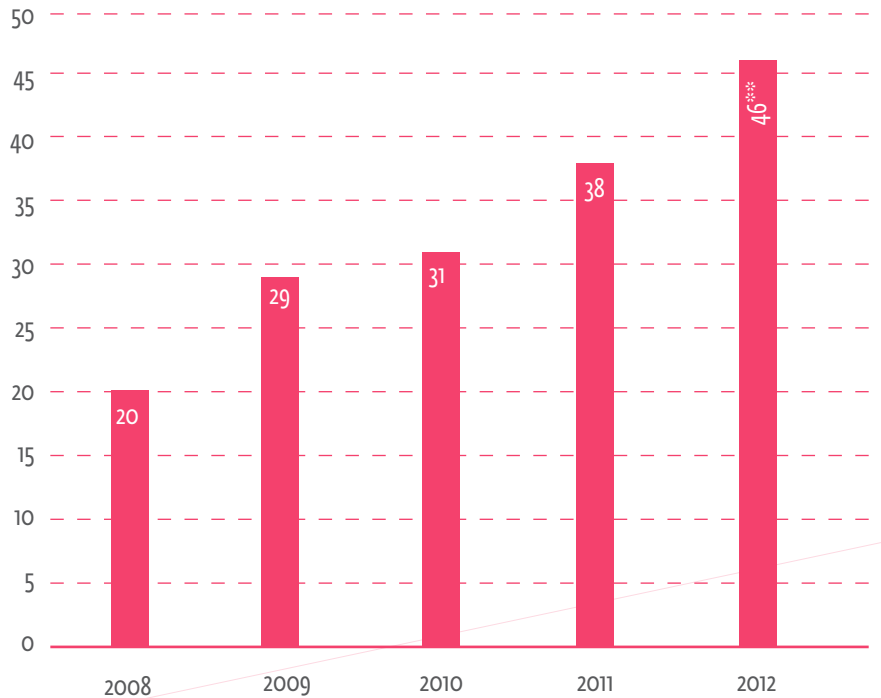
The "In-House Coaching System", which is applied by many successful organizations throughout the world, is one of the strongest instruments applied for transferring of knowledge, experience and culture within a company from one generation to another by use of in-house resources and thus to establish a "learning" organization structure.

At Bilim Pharmaceuticals, the "In-House Coaching System" was launched in December 2005, taking its place in our history as one of our most successful practices. Our "In-House Coaching" system, which initially began with 19 mentees and 13 mentors within the framework of the first pilot practice, continued in a growing manner and reached 26 mentors and 26 mentees, which were identified in line with quotas.

Because of the system review in 2012 and due to reasons such as the examination of mentees who have recently joined the system, the program continued with the participation of 23 mentors in 2012 and will continue in 2013 with the selection of new mentees.

## Support for Graduate Study

*Number of Employees Supported for Graduate Study\**



\*Data in this table is cumulative. \*\*Female: 20, Male: 26

Our Company supports its employees for Graduate study in order to ensure the professional and personal development of employees and to offer them the opportunity to develop their careers.

In order to increase the number of employees applying to study for a graduate degree or a doctorate, our Company allows its employees to take leave from their working hours during the week and also offers scholarship support to those employees in the "Talent Pool".

Theses and reports prepared by supported employees are shared with other related employees through the Information Sharing Platform on our training portal, Bilimk@mpüs.

## Gaining Loyalty of the Talent

We further develop and differentiate our special practices every year which we have created in line with our employees' expectations so that they feel safe, adopt our corporate targets and values, show efforts to be a part of the corporation, and feel that they are members of a strong family.

In order to ensure that our employees develop emotional loyalty to our corporation, we establish and manage systems in 4 different areas: individual, job/role-experience, working environment and corporate structure. In the job/role-experience area, we aim to properly identify our employees' expectations and to ensure they are satisfied with what they are doing. We receive their business development ideas, authorize them and give them the opportunity for personal development, and appreciate their achievements through our honouring and awarding systems. In the working environment area, we aim to model the leadership style expected by our employees and to maintain their business-private life balance. In the corporate structure area, we aimed to draw talents to our corporation by creating an employee brand through excellent management, sustainability, corporate image and reputation activities.

## Our Employee Branding Practices

Individual	Job/ Role and Experiencing	Working Environment	Corporate Culture
Bilim Family	Learning & Development Opportunities	Bilim Leadership Model	Our Principles
Bilim Children's World	Performance Evaluation System	Wages and Benefits Systematics	R&D
Bilim Pharmaceuticals Community Volunteers	Talent Management System	Flexible Working Model	Technological Infrastructure
Management of Differences	Potential Evaluation System	Department Motivation Practices	EFQM Excellence Model
Psychological Consultancy Unit	Projects and Teamwork	Social Facilities in all facilities (Fitness Centre, Library, Bilim Café, Café Mola, Cafe Beta	Sustainability Efforts
Legal Consultancy Unit	Creative Idea Platform	Internet Room, dry cleaning service)	Reputation Management Model
Insurance Consultancy Unit	Innovation Tours – Brainstorming Session		Ethical Management
Social and Sports Activities Teams	Instant Honouring Systematic		
Clubs	Recognition, Appreciation and Awarding Systematics		
	Master and Doctorate Degree Application Systematic		

## BilimAilem (Bilim Family) and Bilim Children's World

We have been practicing BilimAilem as a project that is in line with our HR Policy and covers both employees and their families. The project aims to ensure our employees get acquainted with the families of each other and to contribute to personal and social development of our employees' families, since 2005.

We plan the projects, BilimAilem and Bilim Çocuk Dünyası (Bilim Children's World), in parallel with our 3-year strategic plans and within the framework of the annual HR plan. Accordingly, we prepare the budgets for these projects, while keeping view of the performance of the projects as a factor that affects our corporate success.



**bilimaillem'den**  
**Tatlı Süprizler**

"Çikolata Fabrikası"ndan BilimAilem Üyelerine sürpriz indirim kampanyası

Nabızınız atışını değiştirecek, masalsi ve sevdiğinizle paylaşacağınız çikolataları siz de yapabilirsiniz.

Min. 6 - max. 10 kişilik atölyelerde, istediğiniz gün 3 saat boyunca 120 TL yerine 59 TL vererek bu eğlenceli atölye de yer alabilirsiniz.

**Not:** Katılmak isteyen BilimAilem üyeleri taleplerini mail yoluyla İnsan Kaynakları'ndan Damla Yüksel'e iletebilirler. Atölye sınıfında sadece BilimAilem üyeleri yer alacaktır. Katılımcı sayısı yeterli olmazsa atölye açılmayacaktır.



**BilimAilem**

**Sevgiler Günü'nde**  
**Tuluyhan Uğurlu**  
**"Müzik ve Görüntülerle"**  
**Aşkı ve Sevgiyi Anlatıyor...**

BilimAilem indirimliyle bu özel günde sevdiğinizle beraber sizde insanın sevgi üzerine yaptıklarını ve yapabileceklerini birlikte yaşayacağınız bu unutulmaz konser katılabilirsiniz...

**Tarih:** 14 Şubat Salı Saat: 20:30  
**Yer:** Caddebostan Kültür Merkezi  
BilimAilem Bilirisi ve CKM gününde  
**CKM Giresi Tel:** 0216 467 25 68

İletişim bilgilere için: 0212 620 88 55 numaralı telefonla iletişime geçebilirsiniz. BilimAilem Bilirisi ve CKM gününde.  
**Apple Apples:** İletişim bilgilerine ulaşabilirsiniz. 56 TL'lik paket 40 TL / 45 TL'lik paket 30 TL.



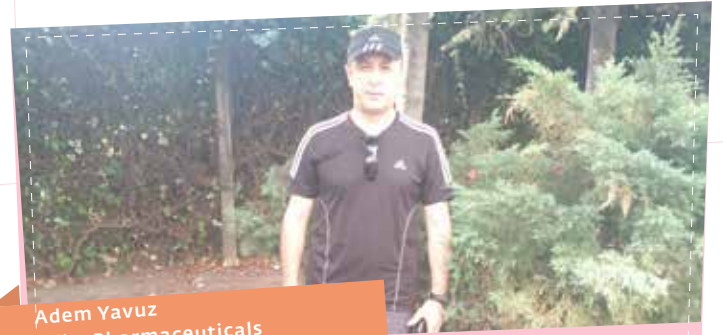
**Baharın gelişini**  
**Sertap Erenerle**  
**kutlamaya ne dersiniz?**

Başvuruda bulunan çalışanlarımız arasından yapılacak çekilişle iki çalışanımız 2 kişilik bilet kazanacaktır. Başvurularınızı mail yoluyla en geç 16 Mayıs Çarşamba günü saat 12:00'ye kadar bilimaillem@bilimilac.com adresine göndermenizi rica ederiz.

**Tarih:** 11 Mayıs 2012 Saat: 19:00  
**Yer:** Bilgiçiler Üniversitesi, Beşiktaş



	<b>Sample Activities for The Bilim Children's World</b>	<b>Sample Activities for Bilimailem (Bilim Family)</b>
<b>2006</b>	Painting Contest Chocolate Course Creative Drama Course	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution Concert & Playhouse Organizations Mother's Day, Father's Day Celebrations General Manager Promotion Celebrations Communication within the family Trainings
<b>2007</b>	Stationery Campaign Visit to the Toy Museum Space Camp	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution Welcome to Summer Picnic Çekül Birthday Card Practice General Manager Promotion Celebrations Mother's Day, Father's Day Celebrations Communication within the family Trainings
<b>2008</b>	April 23rd Festival Book & DVD Sending to Houses National Geographic Kids Subscription Painting Contest	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution Photography Course Birth Photographer "Bilim's Tastes" Cookbook Çekül Birthday Card Practice Mother's Day, Father's Day Celebrations General Manager Promotion Celebrations Communication within the family Trainings
<b>2009</b>	Ping-Pong Summer School Çekül Birthday Card Practice Wooden Toy Painting Workshop with Grandfather Theo	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution Photograph Exhibition Communication within the family Trainings Boyer Discount Card Implementation Çekül Birthday Card Practice Mother's Day, Father's Day Celebrations General Manager Promotion Celebrations
<b>2010</b>	Cental Istanbul Workshops Bugs Bunny Basket Show Bilim Children's World Semester Activities Release	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution Concert and theatre organisations Communication within the family Trainings Mother's Day, Father's Day Celebrations Çekül Birthday Card Practice General Manager Promotion Celebrations
<b>2011</b>	Dolphinarium Trip Stationery Set Delivery Bulletin on Semester Activities Delivery of Magazines, National Geographic Kids and Winnie the Pooh Book Delivery DVD Delivery	BilimAilem Magazine Dalın Baby Care Basket & Baby Care Book Distribution March 8th World Women's Day Ağaçlar Konuşuyor (Trees Are Talking) Photograph Exhibition Mother's Day, Father's Day Celebrations Communication within the family Trainings BilimAilem Gebze Trips Discount Campaign for Tuluhan Uğurlu Concert Ticket Drawing for Sapphire-Tuluhan Uğurlu Concert Ticket Drawing for the Piano Recital Çekül Birthday Card Practice General Manager Promotion Celebrations
<b>2012</b>	"Flight to the Heights with Pegasus" Exhibition Distribution of Stationery Sets Distribution of Toothbrushes Semester Activities Release April 23rd Activities Release Delivery of Magazines: "National Geographic Kids" and "Prenses/Arabalar" Book Delivery DVD Delivery Çekül Birthday Card Practice	March 8th World Women's Day Mother's Day – Father's Day Celebrations Chocolate-Making Shop Discount Campaigns Discount Campaign for Valentine's Day Concert Concert Ticket Draw Delivery of Gift Baskets for Babies & Delivery of Baby Care Books CEO Promotion Celebrations



Adem Yavuz  
Bilim Pharmaceuticals  
Production Foreman

I have been working for Bilim Pharmaceuticals since 1993. I am a Production Foreman in the production department. I am extremely proud to have worked with the Bilim Pharmaceuticals family for 20 years and to continue working as a part of this family. During this period of time, I have witnessed at close hand the continuous transformation process that the Bilim Family has been through. As Bilim Pharmaceuticals, we are involved in a great number of events; I think that it is beautiful to see such events address both Bilim Pharmaceuticals' employees and the community.

To mention the employee-oriented events held by Bilim Family, I think that the following events allow employees to establish stronger links with each other, while also strengthening and perpetuating employees' motivation in their working lives: dinner organizations, picnics and boat trips, sports activities such as bowling and football matches, birthdays, and events held to remember and celebrate special days like Mother's Day and Father's Day.

In addition, we at Bilim Family carry out sustainable projects to cover future generations' needs and to contribute to their development, as well as to create a more sustainable world. The following projects represent only a handful of our activities aimed at protecting the environment: planting special saplings on birthdays, collecting acorns from the Fatih forest in cooperation with TEMA (Turkish Foundation for Combating Soil Erosion, for Forestation and the Protection of Natural Habitats) and planting these acorns as saplings to recover them back to the nature, as well as environmental cleaning activities. Other examples of our activities in the area of education are reading, teaching how to use a toothbrush and delivery of stationery items and DVDs in order to contribute to the development of students; training seminars aimed at facilitating career control and development for university students; and enabling participation in the Space Camp Turkey to educate students in the areas of science and technology and to support their personal development.

I believe that as the Bilim Family presses forward with such successful efforts, it will win the hearts of employees and their families more than ever before.



## SOSAK

### ***We Socialize with our Social and Sports Activities Club (SOSAK)***

As a platform established with the voluntary participation of our employees working in different departments within our company, SOSAK organizes activities in line with the plans prepared at the beginning of every year.

In order to strengthen our communication with our employees and to create an environment of social interaction between employees, in 2003 SOSAK began to systematically organize the social and sports activities which are included in SOSAK's activity programs.

Through these activities, we help our employees find the balance between business and private life and set up social events which bring our employees together. SOSAK teams decide on the activities that they would perform throughout the year. They determine their activities and the awards to be given in line with their own decisions within a general budget approved by the General Directorate.

A SOSAK announcement is published (in the form of e-mails) to inform all of our employees on cultural, art and sports activities to be organized by SOSAK in and outside the company and to ensure their participation in such activities. Every year SOSAK traditionally organizes bowling, football, ping pong, billiards, backgammon tournaments as sports activities and concert organizations for employees and their families, happy hour events and theater ticket draw as social activities. Moreover, a New Year's cocktail is organized by SOSAK teams every year.



## **Bilim Pharmaceuticals Community Volunteers**

***Bilim Pharmaceuticals  
Community Volunteers has  
succeeded in reaching more  
than 45,000 children and  
young people through  
31,281 hours of voluntary  
work within the scope of  
305 activities in 12  
different projects.***

***We took the responsibility to make life  
more meaningful and volunteered as  
private sector employees to make our  
world a more livable place in the future.***

Bilim Pharmaceuticals Community Volunteers (BPCV) was established with the support of Bilim Pharmaceuticals in 2005 by voluntary employees in order "to be a part of the solution" in social problems based on the fundamental idea that volunteering is one of the most important issues which needs to be improved upon for the development and growth of the community. Comprised of voluntary employees who share their individual competencies, intellectual knowledge, time, effort and experience with those in need, BPCV, with a total of 1,112 members, was operating in 11 cities throughout Turkey with 20 different teams as of 2012. As Bilim Pharmaceuticals employees, we know that social responsibility transforms into a corporate living value only if it becomes a part of the corporate culture and is kept alive in collaborations and by all stakeholders. Such transformation is possible only if our employees improve their social sensitivity on a platform of volunteering and popularize volunteering among the community.

Bilim Pharmaceuticals Community Volunteers has succeeded in reaching more than 45,000 children and young people through 31,281 hours of voluntary work within the scope of 305 activities in 12 different projects. This achievement is also a result of cooperation between and contributions of a total of 116 institutions, including many NGOs, universities, local administrations like municipalities and governorships, and various public institutions like elementary schools.

In such 12 projects, collaborations are entirely based on volunteering while social contributions are the only focus. All of our partners support the projects with their competencies in their primary fields of activity; they are not allowed to make any substantial contributions to the projects.

BPCV is a bridge between the private sector, our employees, NGOs and the community. We explain in detail our volunteering approach to all of our partners that are involved in our projects, enabling them to adopt our point of view. As a result of this effort, even companies/people who are competitors in their sectors come side by side in our projects, creating synergies to contribute to the community by joining their forces with no commercial expectations.

A great potential in terms of social transformation, our volunteers provide volunteer management trainings to and perform benchmark studies for Turkey's 92 leading companies and extend their help to all social segments in need, including university students, educators, elementary school pupils and the disabled.

## Management's Commitment

The Chairman of the Board of Directors, the CEO (General Manager) and the senior management have offered their guarantee to support the BPCV platform through the following:

- Spending 2 hours a week from working hours for BPCV activities
- Logistics support
- Budget

## Generalizing Volunteering and Setting an Example

Members of our senior management and many of our administrators voluntarily work for various NGOs, including the Corporate Volunteer Association, PERYON (People Management Association of Turkey), TEMA (Turkish Foundation for Combating Soil Erosion, for Forestation and the Protection of Natural Habitats), Ethics and Reputation Society, etc. Moreover, our General Manager is the chairman of the board of directors of the Corporate Volunteer Association. It is the primary target of our management staff, in particular, to pioneer and become a role model in the area of volunteering in Turkey.

Considered as the best practice by 41 objective institutions since the day it was founded, BPCV has been held subject to benchmark studies. Moreover, our Project leaders and BPCV Coordinators voluntarily provided "Volunteer Management" training to a total of 51 organizations, including international institutions.

All projects in the platform are managed according to BPCV's mission and principles.



**2008**  
**PERYÖN**  
(People Management Association of Turkey) Special Award

**2009**  
**ÖSGD**  
(Corporate Volunteers Association) – The Most Successful Voluntary Program Award

**2009**  
**KSSD**  
(Corporate Social Responsibility Association) – Marketplace Winner of Turkey

**2010**  
**CSR Europe Turkish Representative**

**2011**  
**ÖSGD**  
(Corporate Volunteers Association) – Most Successful Volunteer (Kadir Gökbakan)

**2011**  
**ÖSGD**  
(Corporate Volunteers Association) – Most Creative Project (My Career is in My Hands)

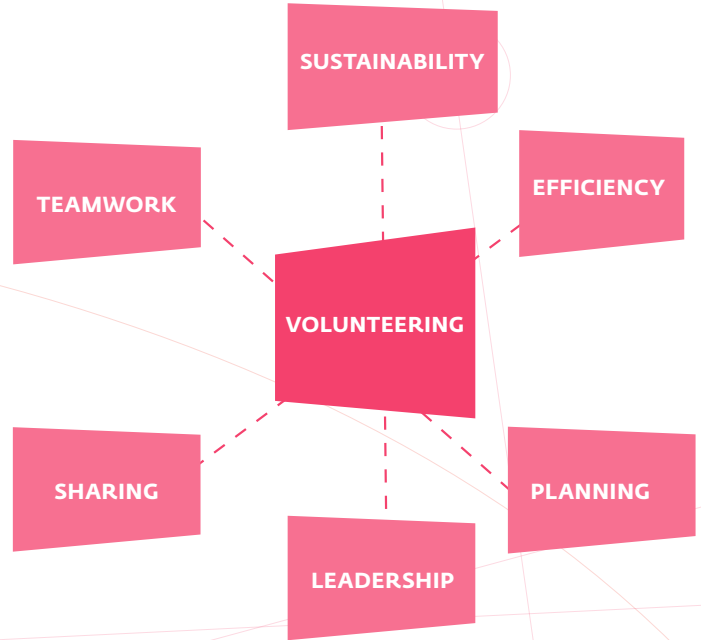
**2012**  
**KSSD**  
Marketplace Stakeholder winner

**BPCV's Mission:**

"To ensure that our employees, our families and our stakeholders share their knowledge, time, talents, resources and experiences with an understanding on social responsibility and with a voluntary approach for the benefit of individuals, who are not members of our families, without expecting anything in return, in order to become a part of the solution..."

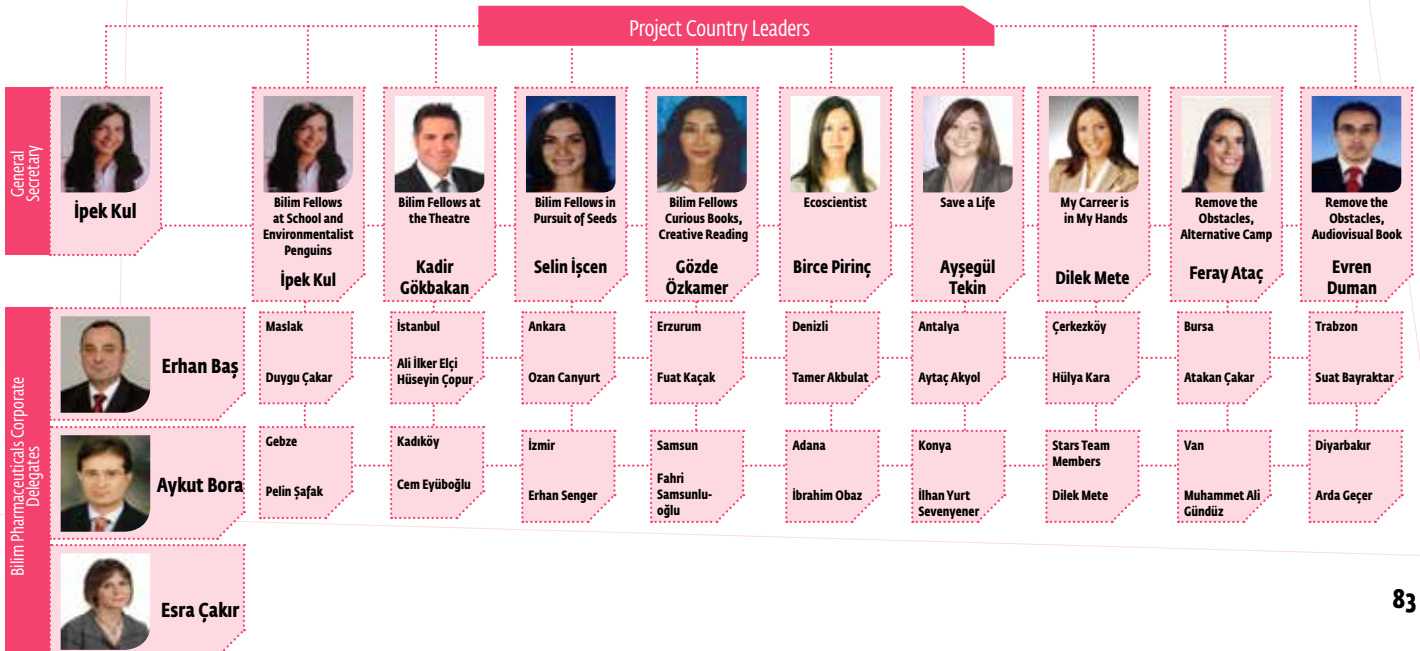
Projects that do not fundamentally fit this definition are not included in the platform. As the second criterion, BPCV considers how strongly a project complies with the following principles.

When determining the projects to be implemented by the platform, their compliance with BPCV's volunteering principles is evaluated. Our primary principles are as follows; the most important source of the project is its volunteers (and the project cannot advance if volunteers' efforts, knowledge, talents and time are removed); the project is available for implementation based on the principle of volunteering; the projects contain teamwork, improve volunteers' leadership skills, and focus on effective and measurable results; the project is sustainable and planned in detail and creates an environment of sharing and cooperation.



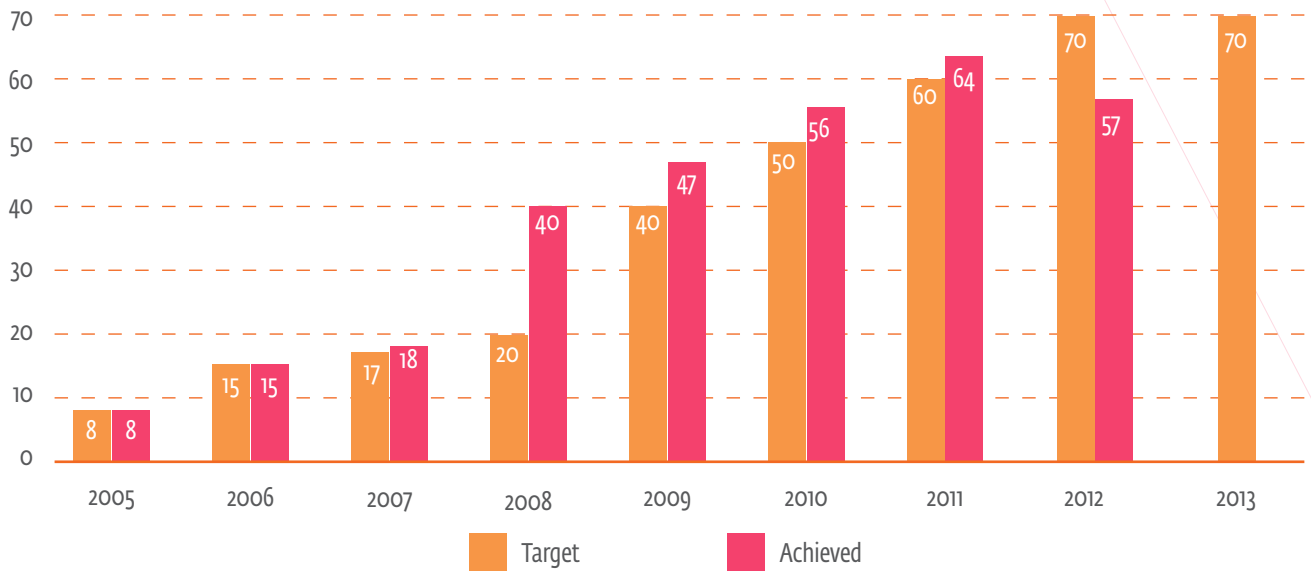
The platform is directed by an autonomous management team comprised of employees from Bilim Pharmaceuticals. The BPCV Board, which comprises of 20 team leaders and 12 project managers, evaluates the projects submitted by employees or NGOs and implements those which it approves of. We revise and update the way of work and the structure of our supreme board in annually held board (BPCV Board) meetings based on the knowledge and experience we obtain from projects and NGOs. The most important duty of our board is to determine the scope of projects to be implemented and audit them for compliance with our principles. Projects submitted to the board are evaluated by Bilim Pharmaceuticals Delegates (including the General Manager). Sponsorship approval for projects that require a budget and logistics support are also given by delegates.

**Bilim Pharmaceuticals Community Volunteers Organization Scheme**

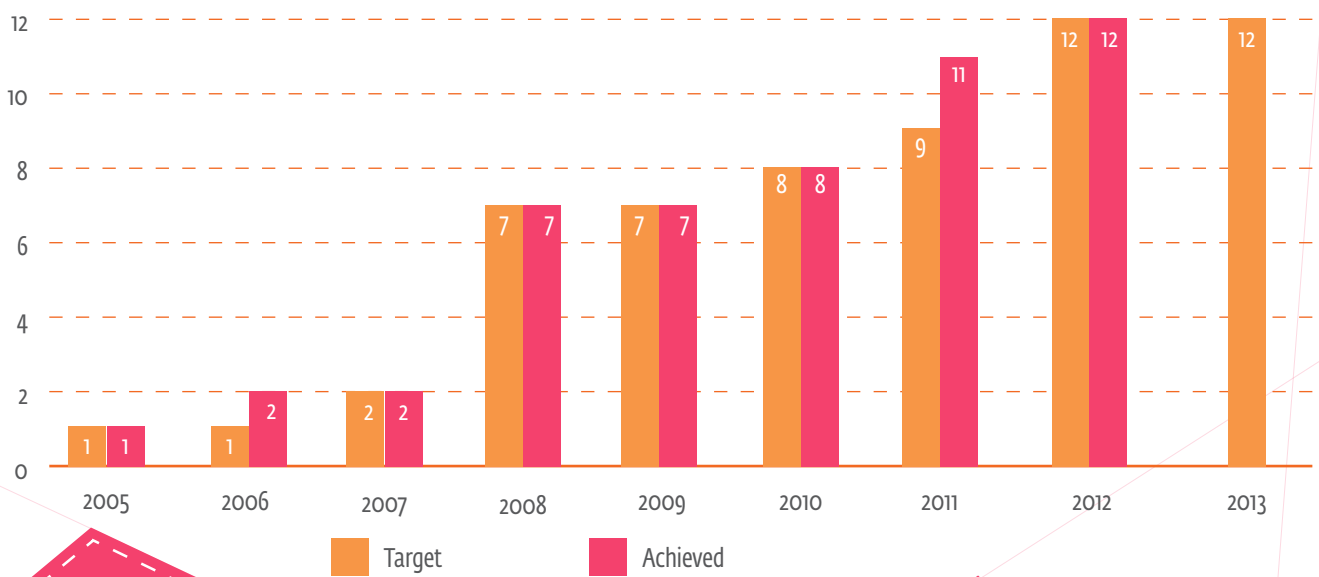


**Number of Activities  
that were carried out  
by our volunteers:  
305**

*Number of Activities*



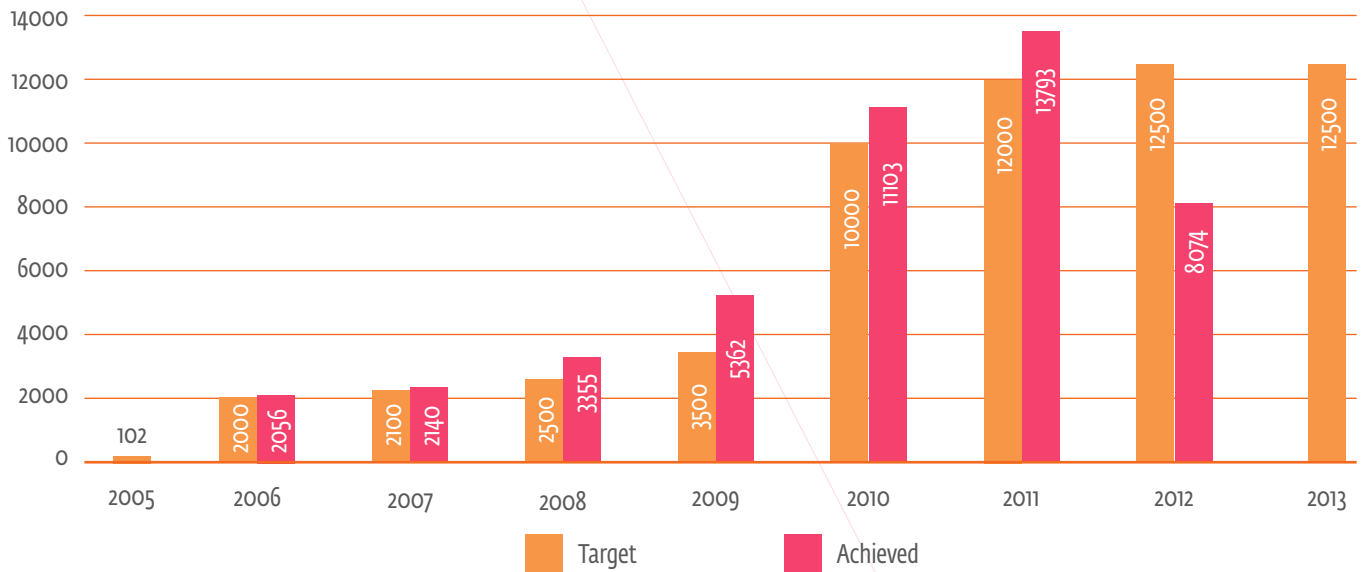
*Number of Projects*



**Our employees  
have contributed  
by carrying out  
31.281  
hours of voluntary  
activities.**

**2012 Number of  
Members:  
1112  
2012 Number of Projects:  
12**

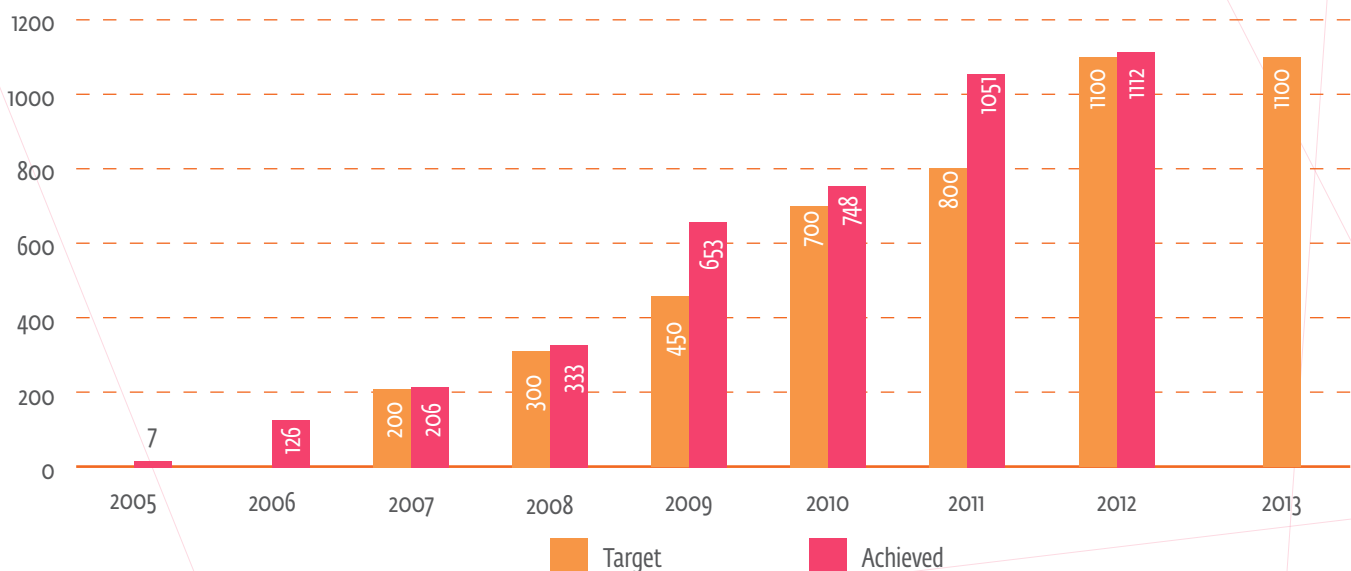
### Number of People Reached



Volunteers from other organizations that contribute through collaborations are also added to these numbers. As such, a significant professional force is transferred to the community through maximum motivation and self-sacrifice.

We touched the lives of **45,985** children and youngsters.

### Number of Active Volunteers



Our company was ranked in 37<sup>th</sup> place of the “50 Most Popular Companies”, which is determined according to the preferences of university students. This was due to a number of factors, including the increased popularity of the projects managed by our volunteering platform, particularly among university and elementary school students, the importance which we attach to volunteering projects that are conducted without any corporate support, and the impact of our project, “My Career Is In My Hands”.

In addition, we carry out research studies on a regular basis to measure our reputation and perception among our stakeholders. In these studies, we observe that the efforts of the Bilim Pharmaceuticals Community Volunteers platform also provides a positive contributions to Bilim Pharmaceuticals’ corporate reputation.

Based on our approach which is founded on stakeholder satisfaction, we undertake a research study every two years in order to gauge our corporate reputation in the community, and see how we are perceived by the community. We received a score of 91.83% in the “contributions to the community” sub-category in 2004, but our score rose to 94.62% as a result of the activities carried out by Bilim Pharmaceuticals Community Volunteers since 2005.

Moreover, the influence of the BPCV platform is also observed in the in-house Employee Satisfaction Surveys.

Because projects are conducted by voluntary human resources, it is very difficult to measure the financial dimension of such projects. However, it is possible to measure and digitalize the time periods allocated by competent employees – who are encouraged by Bilim Pharmaceuticals to serve the community – from their working hours to social responsibility activities.



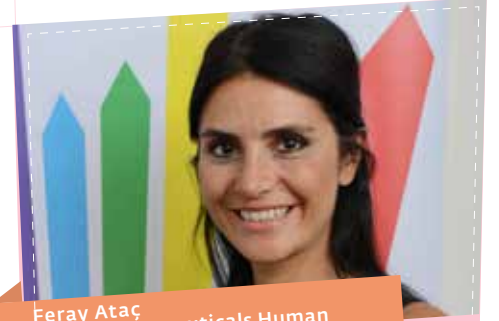


### ***Bilim Pharmaceuticals Community Volunteers and Our Personal Development Congress, "My Career Is In My Hands", Receive Corporate Responsibility Awards***

The event, "KSS Çözümleri Pazaryeri" (CRS Solutions Marketplace), organized by the Corporate Social Responsibility Association of Turkey (TKSSD), was held at the Kadir Has University on December 21st, 2012, as in the previous year. The theme of this year's event was: "Enterprises 2023: Corporate Social Responsibility at the 100th Anniversary of the Republic".

Turkey's top 500 companies were evaluated in terms of how they had basically shaped their social responsibility practices with respect to the "Integration of CSR Practices into Business Processes" during the 2011-2012 period. As a result of this evaluation, the CSR practices of 18 companies from Turkey were deemed worthy for exhibition in the "CSR Marketplace 2012" and evaluated for a possible award. These companies were invited to the Marketplace.

At the Marketplace, where the most important projects of Turkey's leading companies competed, nearly 600 participants visited and examined companies' CSR practices in this 1-day long event. The winning award among the Stakeholders Awards given by these participants went to Bilim Pharmaceuticals Community Volunteers, as in 2009. The Bilim Pharmaceutical Community Volunteers, which was also handed an honor plate by the 2420th Region Rotary and Marmara Rotary Clubs, was deemed worthy of an award in the "Employee Volunteering" category, thus maintaining its leadership in the field of volunteering.



Feray Ataç  
Bilim Pharmaceuticals Human Resources Expert, "Alternatif Kamp" (Alternative Camp) Project Leader

I joined the Bilim Pharmaceuticals Community Volunteers in 2009. I also wanted to be a part of the solution when I saw that a number of projects were simultaneously and successfully implemented to contribute to various segments of the community. As an active BPCV volunteer, I participated in the "Remove the Barriers" Alternative Camp Project in 2010 and the "My Career Is In My Hands" project in 2011, which helped me establish very strong and rewarding relationships with young people. We were greatly touched when one of the students told us that his participation in the congress and his internship in the Company had been such a help for him in finding a job. It impresses me greatly to see instantly and in place how we contribute to the community through this special project that supports mutual development.

Being a BPCV volunteer has contributed significantly towards helping me discover and make use of my personal abilities. I recognize that my organizational skills have further improved and that I can produce solutions instantly. Moreover, I learned by experience how important teamwork is in achieving success.

The pleasure I have in fulfilling my duty to the community as a responsible citizen is priceless. Moreover, it raises and supports my job motivation and my loyalty to our Company to get involved in such projects and to see that they are completed with great success.

# EMPLOYEE PARTICIPATION AND REPRESENTATION

Within the scope of the strategy of "Raising Employees' Participation" and in order to protect our employees' private-business life balance and to cover their communication needs, communication and participation plans are prepared every year and all internal communication practices are implemented as per these plans.

A variety of communication and participation instruments and activities are widely used within our company to get employees recognized, as well as to encourage, stimulate and support their participation.

Communication and Participation Instruments	Participants
Bilim Portal	All employees
Notice Boards	All employees
E-bulletins	All employees
Bilim Family Magazine	All employees and their families
Motivation Practices Systematics	All employees
Boards	Board members
Electronic Communication (e-mail)	All office employees
Employee Satisfaction Survey	All employees
Communication Survey	All employees
Focus Group Meetings	All employees (excluding field staff)
Subject-Based Surveys	All employees
Subject-Based Contests	All employees
Personal Suggestion System	Blue-collar employees
Quality Improvement Projects/Quality Circles	All employees
Marketing HR Coordination Meeting	Marketing employees
Office Communicator	All office employees
Bilim Pharmaceuticals' Facebook, Twitter and LinkedIn Accounts	All employees and the community



## Boards and Working Teams

Boards are teams that are established to ensure that employees become a part of decision-making processes and support teamwork. Mid- and long-term expectations as well as creative and innovative ideas of employees are received by chairpersons of the related boards and evaluated at Quality Execution Board meetings on a quarterly basis. In 2012, our 248 employees participated in the boards.

## Creative Idea Platform

***“Creative Idea Platform” was redesigned as an online function that allows all of our stakeholders to share their creative ideas.***

The Creative Idea Platform is a platform which was set up to generate ideas and encourage rising levels of values and performances through continuous and systematic innovation by making use of our employees' creativity in order to design new or improved products, services, processes and social interactions. We aim to open the creative idea platform, which is already open to all our employees, to the use of all our stakeholders in 2011.

In 2011, as per the efforts to revise Bilim Pharmaceuticals' website, a "Creative Idea Platform" was established on the website as an online function that allows all of our stakeholders to share their creative ideas. This way, the creative ideas of not only our employees but all of our stakeholders are supported and evaluated.

### Number of Employees Participating in the Boards

	2008	2009	2010	2011	2012
<b>Target</b>	80	95	120	125	125
<b>Achieved</b>	92	100	141	330	248

Blue Collar Communication Board

It is a board that meets every quarter, where communication related matters of in-house blue-collar employees are discussed.

Targets of the Blue Collar Communication Board

- To increase the speed of information access by our blue-collar colleagues
- To create an effective communication network
- To determine employees' satisfaction with respect to in-house communication means
- To determine expectations with respect to in-house communication means
- To encourage and support employees to participate at in-house communication activities

### Number of Creative Ideas Produced

2011	13
2012	25

## Open-Door Meetings

These represent a communication medium that provides one-to-one communication between the top management and employees, and it allows employees to transparently share any issues that matter to them with the top management. Every Wednesday afternoon in the second week of each month, employees come together with managers through making appointments. The top management is always available on this precise day for possible requests for communication.

## Suggestion Systems

***The Personnel Suggestion System (PSS) is a system that allows our blue-collar employees to share their remarks with respect to improvement activities, supports their innovative and creative initiatives, evaluates incoming suggestions and implements the suggestions deemed appropriate.***

In line with our company's purpose, targets and policies, and with the support of our blue-collar employees, the suggestion system aims to collect suggestions particularly with respect to such matters as:

- Efficiency development,
- Quality improvement,
- Cost-efficiency,
- Improvement of the working environment,
- Increasing customer satisfaction,
- Occupational health and safety and
- Social development and environmental impacts

The suggestion system also aims to evaluate and implement, if deemed appropriate, the suggestions based on objective criteria and thus, to provide further participation of our employees and to permanently increase the number of our company's achievements. Owners of the suggestions that are deemed appropriate and put into practice are rewarded parallel to the benefit achieved through what is

suggested and announced to all other employees throughout our organization.

The number of suggestions forwarded with the scope of the Personnel Suggestion System since 2008 is given in the following table:

Number of Suggestions from the Personnel Suggestion System	
2008	136
2009	483
2010	738
2011	549
2012	547

## Internal Communication Activities

In line with our strategy of "increasing communication among employees", the most important feedback resources that we use to identify communication needs and expectations are the Employee Satisfaction Survey (point of contact), Communication Survey and Focus Group studies.

Through communication surveys, the effectiveness of existing communication means and expectations regarding new communication means are questioned. Focus group studies are conducted in coordination between Corporate Communication Department and Human Resources Department in order to evaluate employees from various departments on their communications means and methods in detail. Moreover, various benchmarking studies are carried out. By comparing in-house communication efforts of various organizations, we learn new practices, which are discussed at the Corporate Communication Board.

All information collected from the Communication Survey, focus group studies, and Employee Satisfaction Surveys (under sub-section entitled "Communication"), as well as the



results of performance-measuring and benchmarking activities are evaluated at the Corporate Communication Board.

Our employees are informed about significant operational changes. In case of procedural changes, people affected receive trainings and new procedures are distributed to all people concerned. Announcements with effective dates are made when organizational and positional changes occur.

#### General Rate of Satisfaction Regarding Internal Communication Means (%)

	2008	2009	2010	2011	2012	2013
Achieved	80	82	85	88.16	88	
Target	80	83	84	85	89	89

#### Number of Participants:

- 2008:** 486 White-Collar Employees + 153 Blue-Collar Employees = 639
- 2009:** 552 White-Collar Employees + 157 Blue-Collar Employees = 709
- 2010:** 761 White-Collar Employees + 53 Blue-Collar Employees = 814
- 2011:** 552 White-Collar Employees + 136 Blue-Collar Employees = 688
- 2012:** 414 White-Collar Employees + 213 Blue-Collar Employees = 627 people

### The Corporate Communication Board:

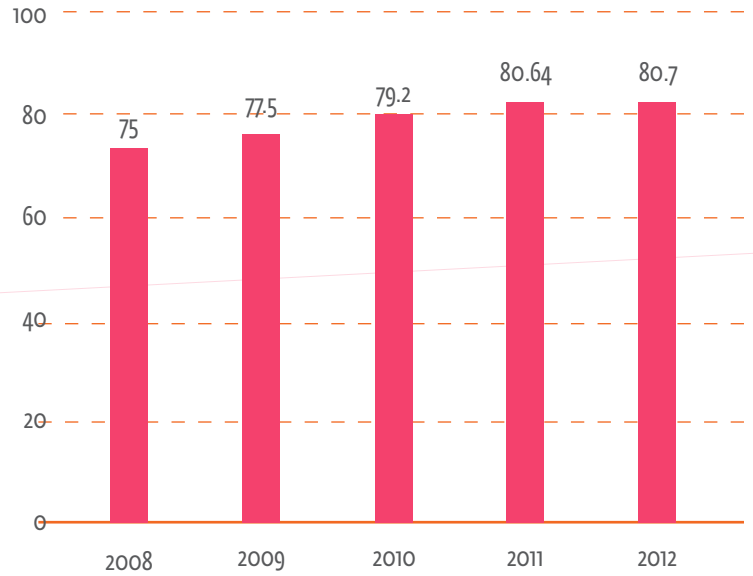
A board sponsored by the General Manager and chaired by the Corporate Communication Manager, which meets every quarter and where internal and external communication matters are discussed.



Our Corporate Communication Policy is available in our web report.

### Employee Satisfaction

Results of the Employee Satisfaction Survey (%)



Employee satisfaction survey will be held every 2 years after 2012.

### Rate of Satisfaction of Employees Working in Representative Offices in Foreign Markets

Rate of satisfaction of employees working in representative offices in foreign markets: 72.3

We prepared special surveys with our consultant firm for our employees, who are actively working in our 4 representative offices in foreign markets, and asked them to fill in the survey questionnaire online. A list containing the analyses performed by the consultant firm and country-specific areas that require improvement was then created. The primary areas were designated by Bilim Pharmaceuticals as its targets for 2013. For instance, a plan was drawn up to establish a focus group and to perform a benchmark study regarding working hours in our representative office in Bosnia, as well as to share the results of such benchmark study with the team.

#### Legal Action on Overtime, Harassment or Discrimination

	2008	2009	2010	2011	2012
Lawsuits	1	1	1	3	1
Overtime	1	1	1	3	1
Others	0	0	0	0	0

No complaints were submitted to our Ethics Boards with respect to any violation of Human Rights in our offices or facilities.

# OCCUPATIONAL HEALTH AND SAFETY

## Occupational Health and Safety (OHS) Management

***The Occupational Health and Safety Management System has been structured in Bilim Pharmaceuticals' OHS policy and risk analysis foundation.***

We, at Bilim Pharmaceuticals, apply the IMS (Integrated Management System) which integrated the Quality, Environment, Occupational Health and Safety standards within a single framework. Our system is based on the cGMP, ISO 9001 Quality Management System, ISO 14001 Environment Management System as well as the OHSAS 18001 Occupational Health and Safety Management System standards.

Our Çerkezköy Production Facility has held the IMS Certification since 2004. As our Gebze Production Facility was certified in 2010, the scope of the certification was expanded so as to cover our entire company.

The Occupational Health and Safety Management System has been structured in Bilim Pharmaceuticals' OHS policy and risk analysis foundation. Risk analysis studies are repeated annually in departments throughout the corporation in accordance with the Risk Evaluation Regulation. Hazards stemming from our activities within the study content, as well as risks are ascertained by evaluating the possibility of their occurrence and severity. A business plan is formulated for unacceptable risks by taking the degree of risk into account. If risks are lowered to acceptable levels, then the related targets are integrated into the annual OHS targets. Business plans are included in the OHS management program, which is reviewed at specific intervals.

Natural disasters which may adversely affect business continuity and operational emergencies are also regarded as part of the risk analysis.

We conduct emergency drills with emergency crews and the participation of all our employees in our operations twice a year.

**We also provide training on occupational health and safety and the environment to newly hired employees within the framework of orientation programs.**

As soon as they start working in the Company, all recently hired medical representatives are provided with training for safe driving techniques through the Company's online training platform, bilimk@mpüs. Employees working in headquarters and facilities may also receive their OHS training through bilimk@mpüs.

Regular check-ups and tests are still performed on all employees within the framework of the "workplace medical observation procedures".



Our OHS Policy is available in our web report.

## The OHS Board and OHS Working Groups

### The OHS Board

In addition to the members who are defined in regards to the requirements of the Occupational Health and Safety Board's Regulations, it is also comprised of department representatives at the management and specialist level. The board meets at least once a month and conducts an evaluation and revision with the following agenda in addition to the standard agenda:

- Risk Analysis Results, OHS Targets, OHS Management Program
- Internal and External Inspection Findings, Corrective and Preventative Activities and Improvement Plans
- Findings and Recommendations Presented by Employee Representatives and Other Board Members
- Job Accidents, Accident Risk, 'Close Call' Accident and Occupational Sickness Bulletins
- OHS Training Activities
- Preparations for Natural Disasters and Emergency Situations
- Assessment and review of the progress deriving from the Current Status Analysis
- Assessment and review of legal amendments (when necessary)
- Monthly assessment of performance indicators related to OHS
- Assessment and review of innovative and creative ideas and learning data (when necessary)
- Assessment and review of OHS policy (at the last quarter)

### OHS Working Group

The working groups are comprised of managers and specialists determined by the management of each department. They meet on a monthly basis and more often, if deemed necessary, to conduct risk analysis within the Training Management Systems context. Their job is to conduct revisions in accordance with the experience gleaned from the practice of OHS, SOP and instructions, to ensure compli-

ance with safe job rules in the departments they represent, to evaluate OHS bulletins, to participate in internal inspection activities, and to plan and execute activities for areas open to development.

The following table shows the total labor force represented by official joint health and safety committees comprising of both members of the management and employees, who help the monitoring of occupational health and safety programs and make recommendations about them.

Bilim Plaza Occupational Safety Committee	13 people
Gebze Occupational Safety Committee	25 people
Gebze OHS Working Group	17 people
Çerkezköy Occupational Safety Committee	15 people
Çerkezköy OHS Working Group	12 people

## OHS Targets in 2013

### OHS Targets for Çerkezköy Processing Facility in 2013

The following Occupational Health and Safety targets were determined at Bilim Pharmaceuticals' Çerkezköy Processing Facility for the year 2013 in line with the company's OHS policy:

- to reduce the weight rate of job-related accidents to 0.045%;
- to conduct Emergency Drills at least twice a year;
- to raise the number of employees who receive first aid certification to 16;
- to provide at least 12 hours of training per employee to our employees;
- to prevent critical and major errors in external audits.

### **OHS Targets for Gebze Processing Facility in 2013**

The following Occupational Health and Safety targets were determined at Bilim Pharmaceuticals' Gebze Processing Facility for the year 2013 in line with the company's OHS policy:

- to reduce the weight rate of job-related accidents to 0.06%;
- to conduct Emergency Drills at least twice a year;
- to raise the number of employees who receive first aid certification to 75;
- to provide at least 12 hours of training per employee to our employees;
- to prevent critical and major errors in external audits;
- to complete the necessary actions within the framework of the Ergonomics Management Program.

### **Improvements and activities in 2012 within the scope of OHS**

A dedusting system was commissioned in order to absorb the dust spread from the machine in the E114 T7 Aromatic room to the environment.

A battery powered picker was bought to the solid production department in order to minimize ergonomic risks, while scissor transpallets were delivered to liquid products packaging and technical services departments. Moreover, ergonomic chairs are provided for all production areas.

During the OHS week, an Occupational Safety Play was performed where risks related to occupational safety were described in an enlightening way.

### **OHS Trainings**

***At least 12 hours of OHS training is organized for each employee at Bilim Pharmaceuticals each year***

One of the performance indicators through which the effectiveness of our company's occupational health and safety practices is evaluated is "training provided within the scope of OHS". Based on the regulations published by the Ministry of Labor and Social Security concerning OHS training for employees, an average of at least 12 hours of OHS training is organized for each employee at Bilim Pharmaceuticals each year. These include important training such as driving techniques, ergonomics, behavior-oriented safety management, personal protection, intervention in emergency situations, protection against explosions, risk evaluation and manual lifting and handling.

**Total training hours on Occupational Health and Safety in 2012**

**21,418**

**Male / Total Hours:  
16,535  
77%**

**Female /  
Total Hours:  
4,883  
23%**

## Training Topics on Occupational Health and Safety (as of 2012)

1	Risk Evaluation
2	Results of Risk Evaluation
3	OHS Risk Analysis, Evaluation and Business Plan
4	Risk Analysis Procedure
5	Emergency Management
6	Emergency Patient Transfer Systematic
7	Emergency Exit Information Training
8	Basic Training on OHS Study Teams
9	Procedure for Notifications by OHS Study Teams
10	Basic OHS Training
11	Targets and Policies for OHS & Environment
12	Safe Driving Techniques
13	Working with Equipment Having a Screen
14	OHSAS Occupational Health and Safety Management System
15	Ergonomics
16	Training to Prevent Mobbing
17	Evaluation of Environmental Impacts
18	Training on Stress Management
19	Health and Safety in Manual Handling Work
20	Collection, Accumulation and Disposal of Solid and Liquid Waste
21	Personal Protective Equipment
22	Safe Lifting and Handling
23	Training for Safe Use of Forklifts
24	Basic First Aid Training
25	Occupational Diseases and Their Reasons
26	Causes of Job-Related Accidents and Associated Risks
27	General OHS Rules
28	Instructions for Checking Chemical Spillage and Leakage
29	Training on Thermal-Chemical Burns
30	Issues Requiring Attention in Equipment Purchase in terms of OHS & Environment
31	Issues Requiring Attention in the Purchase of New Chemicals in terms of OHS & Environment
32	Training on Chemical Eye Wash and Thermal Burn Kits
33	Instruction Manuals for Eye-Body Wash
34	Basic First Aid Practice
35	Information Training on First Aid Cabinets
36	Firefighting
37	Training for Use of the Fire Cabinet and Burn Kits
38	Safe Working at Height and Equipment Used
39	Training for Protection Against Explosions and Document Training

## Job-Related Accidents and Efforts to Prevent Accidents

### Severity Rate of Job-Related Accidents

At Bilim Pharmaceuticals, the basic performance of applications related to occupational health and safety is evaluated through the KOA (Accident Severity Rate) performance indicator. While the severity rate of job-related injuries covers accidents which result in the loss of more than one working day, it indicates how many hours were lost in correlation to every 100 hours of actual working time during a calendar year.

When any job-related accident occurs, we notify and report the accident and keep related statistics in accordance with the "Management of HSE Notifications Procedure".

The severity rate of occupational accidents covers accidents that necessitate first aid. Calculations are made based on calendar days (which include weekends).

The calculation of the severity rate of occupational accidents also covers accidents that take place among sub-contractors. As the primary employer, Bilim Pharmaceuticals is responsible for the occupational safety of sub-contractors. The company provides necessary training on occupational safety to sub-contractors before they begin working, enabling them to fulfill all OHS-related requirements. Moreover, sub-contractors are audited at specific intervals for compliance with occupational safety rules. No job accident involving death occurred in our sub-contractors in 2012.

The OHS procedures, instructions and action plans have been formulated with the goal of reducing risks that emerge from the risk analysis under control. The dissemination and application effectiveness is evaluated and revised in the light of feedback such as "near missed" acci-

dents, internal and external inspection findings and employee accident risk, personal exposure level measurements, occupational illness risks, accidents and incidents, as well as final risk analysis results. Areas open to improvement are handled in these ways: "procedure and instructions revision", "application methods and inspection", "working environment", "training".

## Regular medical scanning is performed to protect the health of employees.

Beyond legal requirements, the scope of scanning covers measurement of the body-mass index, eye health, audiometric measurements, respiratory tests, etc. Participation is open to all employees who request to do so, not only those in the risk group.

Medical scanning includes scanning procedures that are compulsory by law and carried out under the supervision and instruction of our office doctor, as well as scanning procedures which are needed at the end of risk evaluation. With this practice, we aim to reduce the rate of absence and illnesses by supporting our employees beyond the legal framework. Regular medical check-ups of our field employees, on the other hand, are carried out within the framework of "private health insurance" as they are at a distance from our medical unit in our company.

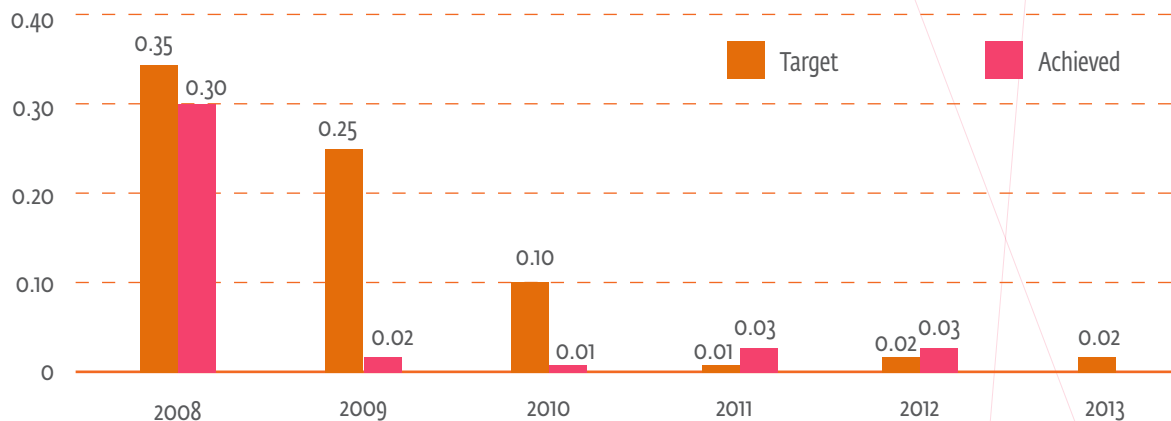
The illness rate includes maternity leave. For this reason, the illness rate of our female employees appears higher.

**Severity Rate  
of Occupational  
Accidents in 2012**

**0.025%**

**Severity Rate of Occupational Accidents by Year (%)**

Performance Indicators	2008		2009		2010		2011		2012	
	T	A	T	A	T	A	T	A	T	A
Severity Rate of Occupational Accidents (%)	0.35	0.30	0.25	0.02	0.10	0.01	0.01	0.03	0.02	0.03
Gebze	0.35	0.03	0.25	0.05	0.10	0.05	0.01	0.09	0.06	0.06
Çerkezköy	0.35	0.00	0.25	0.09	0.10	0.00	0.01	0.04	0.04	0.05
Ayazağa and Regional Offices	0.35	0.37	0.25	0.01	0.10	0.00	0.01	0.00	0.01	0.01





## Lost Workforce

	Total Working Hours (Yearly)	Total Number of Hours Missed by The Workforce	Ratio of Total Number of Hours Missed
2012	5,440,856.00	60,686.00	1.12%

### Illness Rates by Year

	2008	2009	2010	2011	2012	2013 (target)
Illness	0.57%	0.77%	0.78%	0.75%	0.72%	0,50%
Male	0.32%	0.37%	0.43%	0.49%	0.76%	
Female	1.61%	2.41%	2.33%	1.87%	0.48%	

### Absence Rates by Year

	2008	2009	2010	2011	2012	2013
Absence	0.53%	0.63%	0.73%	0.59%	0.49%	0,50%
Male	0.30%	0.42%	0.37%	0.41%	1.27%	
Female	1.71%	1.43%	2.31%	1.34%	0.83%	

## Legal Compliance

Legal compliance is monitored and enforced through a system which is formulated in line with defined procedures. The regulation related to business law is kept up-to-date. Legislative changes are monitored and evaluated by the Occupational Safety Board. No penalties were imposed on our Company for non-compliance with the law and legislation concerning business and labor practices.

No impropriety was identified as a result of the audits performed in 2012 in terms of compliance with the law, legislation and rules that we are subject to.

## PRODUCT RESPONSIBILITY

### Monitoring Safety, Performance and Quality of Our Products

*Following the certification process, we evaluate to what extent our products, are effective and reliable and whether they are easy-to-apply; we pay attention to the feedback we receive and make improvements, if necessary.*

Due to the nature of the sector we serve, our establishment operates in compliance with cGMP (current Good Manufacturing Practice) quality management standards, an issue which is set forth in legislations as per regulations. GMP regulations and the quality system are not only confined to production processes, but all processes from purchase to delivery, which affect product and production quality.

Following the certification process, we evaluate to what extent our products, are effective and reliable and whether they are easy-to-apply; we pay attention to the feedback we receive and make improvements, if necessary. We keep close view of publications and evalua-

tions that include scientific developments regarding our products and try to provide patients/users, health care providers and public authorities with up-to-date and qualified information on risks and benefits of our products.

We do not limit the safety profile of our products with the pre-certification period only; we monitor it even after we release these products to the market and make necessary improvements, developments and notifications. We try to collect as much information as possible about our products. For this purpose, we have commissioned "medical sales representatives", whom our stakeholders, primarily patients and health professionals, can reach in the first instance, as well as assistants, safety and call centre employees. This way, as Bilim Pharmaceuticals, we inform our employees through our specialized instructors of what action they are required to take when they receive feedback concerning the safety, quality or performance of our products. We also share such information as mandatory training in digital learning environments like Bilim Kampüs. In line with our policies, as well as the law and regulations, we monitor all feedback related to the quality, safety and effectiveness of our products and notify respective authorities, if necessary.

In the event of feedback concerning the product quality, we perform required analyses and evaluations, respond immediately and make necessary improvements after obtaining legally required permits.

We carry out development efforts permanently in order to raise the level of safety and quality of our products.

Since 2011, all of our customers' feedbacks – including all complaints with respect to the adverse effects of our products - which are adapted within the framework of pharmacovigilance are accepted through our web-based platform and jointly monitored by our Quality Assurance and Pharmacovigilance departments.

## Licensing and Pharmacovigilance

To ensure health care providers recommend our products confidently to consumers, we continuously check and evaluate reliability and effectiveness of all products that we hold a license for and regularly report to official authorities.

If necessary, after obtaining official approval, we send information letters to health care providers, organize meetings with them and inform them through our staff in the headquarters and in the field under the management of our Marketing Department.

The safety of our medicinal products for human use is constantly monitored by our "Product Safety Executives," who are physicians and pharmacists under the Pharmacovigilance Administration that we have set up under our Medical Support and Licensing Department. All kinds of information concerning the effectiveness and safety of our products are continuously investigated from domestic and international sources.

With in-house training, we inform personnel at each level, particularly our employees in the marketing headquarters and in the field, with respect to how they will deal, manage and monitor the matters concerning the safety of our products, which may be forwarded by consumers or health professionals.

After they receive feedback concerning the safety of our products, our executives conduct the necessary initial evaluations and receive additional information if necessary from the person / people who submit the feedback. They then report to official authorities within a maximum of 15 days depending on the emergency and the importance of the situation/matter. If there is any additional precaution that has to be taken in the company, we notify the respective department(s) and closely follow the subject.

Training with respect to product safety, a matter which we always prioritize in our way of business making, is completed within the orientation periods of newly hired personnel in our company. We repeat these training sessions at specific intervals. We evaluate the results of the trainings as a criterion when measuring the performance of our marketing personnel who are in continuous contact with our customer group.

## **Regulations**

In order to release drugs and medicinal products intended for human use to the Turkish market, licensing procedures must first be approved by the General Directorate for Pharmaceuticals and Pharmacy under the Ministry of Health. During the development of new products, which marks the beginning of the licensing stage, we go to great lengths to comply with the requirements set forth in regulations and instructions in effect in Turkey and with the requirements and provisions set forth by the European Medicines Agency (EMA) as part of the EU harmonization period and in line with our exportation efforts. We also follow the requirements of the Food and Drug Administration (FDA) in the USA, the health authorities of the countries we export to, the International Conference on Harmonization (ICH), the World Health Organization (WHO), and the Local and Central Ethics Boards. In line with the legislation published by these organizations and the amendments in instructions, we need to update and restructure our efforts in a way that they cover these newly defined requirements throughout the scope of the amendments in question.

These regulations and instructions define the matters that must be paid attention to during the development of new products and guide us in directing our efforts.

## **Traceability in the Drug Procurement Process and Fighting Against Counterfeit Products**

***Bilim Pharmaceuticals has enabled full intersystem automation in all of its processes from its production lines in Turkey to the storage of products, ordering process to the production/sales notifications made to the Ministry of Health.***

In September 2010, the Ministry of Health required the use of the "Drug Monitoring System", which establishes communication between the Ministry's systems and drug manufacturers, drug distributors and drugstores, in order to prevent counterfeit products. The "Drug Monitoring System" ensures traceability at every point of the entire supply chain from production to the delivery of drugs to patients.

Bilim Pharmaceuticals has enabled full intersystem automation in all of its processes from its production lines in Turkey to the storage of products, ordering process to the production/sales notifications made to the Ministry of Health.

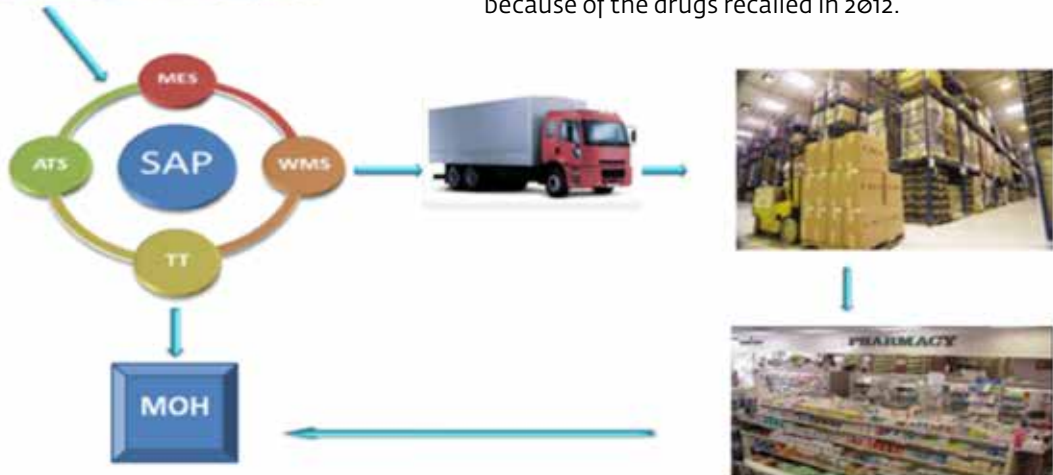
In our processing facilities, which employ the latest technology, the following systems are used:

- The Werum Manufacturing Execution System (MES) and SAP System are used in our production lines;
- The Antares Drug Tracking System (ATS), which allows barcode printing, and the SAP System are used in drug production lines;

- The Schaffer Warehouse Management System which places the products in automatically controlled high bays (without human intervention), and the SAP System;
- The WMS System, which dispatches drugs to warehouses without risking human error, and the SAP System;
- The Caretta System (T&T) that carries out the necessary notifications to the Ministry's (Ministry of Health – MoH) systems automatically.

Bilim Pharmaceuticals enjoys the privilege of being one of a handful of companies in Turkey to operate a number of systems in full integration through the "Drug Monitoring System".

Thanks to this technology, Bilim Pharmaceuticals, besides fulfilling the provisions set forth in countries' regulations, performs production to global standards and is deemed as an example of the best practices at an international level in terms of DMS (Drug Monitoring System), which will become more popular worldwide in the future.



## Number of Drugs Recalled from the Market

Because of the identification of foreign substances, one series of the product entitled "Aferin Sinüs Film Tablet", one series of the product entitled "Aferin Forte Film Tablet" and one series of the product entitled "Glifor 1000 mg Film Tablet" were recalled from the market in 2012 upon the order of the Ministry of Health. The recall of Aferin Sinüs Film Tablet, Aferin Forte Film Tablet and Glifor 1000 mg Film Tablet in 2012 was a "second class – level B" recall.

First class recalls refer to situations where serious or fatal health problems could arise or in which there is reasonable evidence for this. Second class recalls refer to situations in which temporary and treatable health problems arise or there is such a possibility. Third class recalls refer to situations in which use of the product does not harm human health.

Level A refers to the consumer level; first class recalls are made at this level. Level B refers to the retailer level (pharmacy, hospital pharmacy, institutions, etc.); second class recalls are made at this level. Level C, on the other hand, refers to the pharmaceutical warehouses; third class recalls are defined at this level.

A fine of a total of TL 78,000.00 was imposed because of the drugs recalled in 2012.

## Our Customers

### Customer Satisfaction

***We have been applying the Customer Satisfaction Survey (CSS) in order to learn what our customers expect and perceive.***

We initiated the CSS with doctors in 2001 and included pharmacies and pharmaceutical warehouses in 2004.

The questionnaire forms used in this survey are prepared in accordance with the EFQM Model of Excellency, together with the employees of the Marketing Directorate and the support of the consulting firm. We review the questions on the survey in every survey period and update them in light of the current demands and expectations of our customers.

In accordance with the above mentioned, Bilim Pharmaceuticals Customer Satisfaction survey aims to:

- Search for answers about how much the corporation satisfies its customers;
- Identify strong sides and sides that are open to improvement; and
- Establish a basis for improvement activities to be carried out in the future.

The questionnaire forms consist of three sections, the first of which covers expectations, the second examines their perceptions, whereas the third section helps us learn customers' suggestions and needs through the aid of a series of open-ended questions. We use the "GAP Analysis" in analysing the measurements and results of the level of satisfaction.

Customer Satisfaction survey is applied once in two years. Our latest survey was published in our 2011 corporate responsibility report.



Cengiz Han Varli  
Istanbul Ecza Koop.  
Deputy General Manager

Bilim Pharmaceuticals is one of the few local companies with 100% Turkish capital in the Turkish pharmaceutical industry, in a world where capital is globalized. As one of the leading innovative companies in the industry, the Company operates fully with local resources; this is very important to us in terms of our corporate identity.

Bilim Pharmaceuticals has a staff of dynamic and energetic people who are open to new ideas and who pay attention to the ideas of pharmaceutical warehouses, the other component of the industry. Furthermore, Bilim Pharmaceuticals is a company that applies a business partnership understanding which differs from the traditional buyer-seller relationship. The fact that the Company makes use of a technological system, which is a requirement of the present day, is appreciated by corporations like ourselves who care about technology. When it comes to attaching importance to ethical and deontological values in our industry, with human health at the focus, Bilim Pharmaceuticals is one of the most important companies which we would like to continue its operations for many years in the sector.



**Prof. Dr. Nuran Salman**  
Istanbul University, Faculty of Medicine,  
Department of Children's Health and Diseases

I had the chance to know Bilim Pharmaceuticals and its employees in their visits to the hospital, in meetings where I was invited as a speaker, in congresses and in my visits to their production facilities. I have recognized that the primary areas that Bilim Pharmaceuticals attaches importance to are human health, economic contributions, investment in the community and environmental protection. The following is a list of Bilim Pharmaceuticals' superior qualifications that drew my attention:

**Corporate management approach:** Although it was founded as a family company, Bilim Pharmaceuticals set up a professional management system by attaching importance to institutionalization and gained a corporate identity through the EFQM Excellence Model in 1998. This later led to a more efficient economic model. Such an approach has brought along sustainability management as well.

**Quality management:** Bilim Pharmaceuticals has concentrated on high-quality production in its Gebze and Çerkezköy processing facilities. Allocating 5% of its budget to R&D activities, Bilim Pharmaceuticals has always prioritizes product quality. The Gebze Processing Facility complies with FDA standards.

**Social development and environmental protection:** Bilim Pharmaceuticals contributes to social development through the added value it produces. Its employees are actively involved in various social responsibility projects under the Bilim Pharmaceuticals Community Volunteers platform. By means of its environmentally friendly processing facilities and by ensuring that some of the promotion materials are recyclable, the Company also demonstrates the importance it attaches to the environment.

**Ethical management:** Prioritizing transparency and accountability, Bilim Pharmaceuticals scrupulously complies with national and international law and legislation. I had the chance to personally observe how much attention the Company pays to ethical rules.

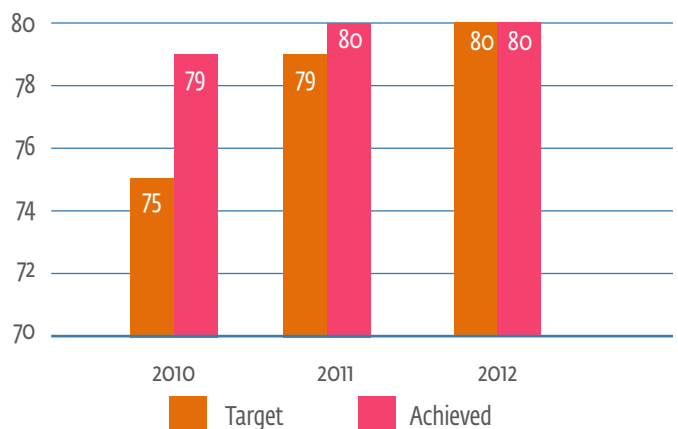
**People-oriented employees:** Whenever I met them, I noticed how good-humored, positive and people-oriented Bilim Pharmaceuticals' employees are. I have always witnessed their sensitivity towards people in their Company, as well as physicians, pharmacists, patients and the community.

Consequently, the ethical, high-class, modern, sincere and professional attitude of Bilim Pharmaceuticals and its employees allowed me to establish positive relations with the Company. I wish success to Bilim Pharmaceuticals in the years to come.

## Customer Satisfaction in Foreign Markets

A Customer Satisfaction Survey of 10 subheadings was conducted with our 27 actively working partners. The results of the survey are shown in the following graph and table, by year. Improvement plans were drawn up for each customer in areas requiring improvement. For instance, areas open to development concerning payment maturity and limits are evaluated with the support of our Finance Department upon the approval of the Board of Directors. As another example, upon the request of Unilab in the Philippines, we undertook the necessary investments and trials both in our Gebze and Çerkezköy processing facilities to print the expiry date and the serial number for each tablet in blister packaged products. This practice aims to ensure that patients can safely use the drug in the Philippines, where tablet drug sales are permitted.

### Customer Satisfaction Survey Results



## Informing Customers

### Sharing of Product-Related Information and Experiences

Bilim Pharmaceuticals carefully monitors the benefit and risk profiles of all its licensed products on a regular basis, ensuring their protection.

Within the limits permitted by the existing law and regulations, we pay maximum attention to forward product-related information to users (and/or applicers), health care providers and public authorities.

All the concerned people, both in Turkey and in countries we export to, are informed with regard to a variety of features such as the use and safety of our products, situations in which they must not be used, usage in special conditions such as pregnancy and lactation, and the side effects.

Within the framework of the relevant law and regulations, this information is presented through the following channels:

- Documents inside the packages such as prospectus or usage instructions;
- Letters entitled "Dear Health Care Providers" sent to physicians, pharmacists and other health care providers;
- Informative and/or printed promotion materials;
- Presentations made by our representatives like our medical promotion executives;
- Sharing of relevant scientific publications (medical literature, congress information, etc.);
- Reports presented to official authorities (Pharmacovigilance reports, stability results, etc.)

The shared information must be consistent with scientific information and not be misleading. For this reason, in the event of any change in current information (or if such a possibility arises), we rapidly complete all legal procedures, ensuring that information is always up-

to-date and shared with the public in a timely manner. We fully comply with regulations and voluntary codes concerning product and service information and labelling. There is no incidence of non-compliance.

### Marketing Principles and Ethics

***As a license holder, we prioritize patient safety and keep close view of all developments regarding our products.***

Each newly hired employee receives training on ethics. We plan and implement all marketing communications activities that aim our customer groups within the framework of relevant regulations, rules and instructions of the Ministry of Health and the Pharmaceutical Manufacturers Association of Turkey (IEIS), which we are a member of.

**We instruct all our personnel, who are responsible for marketing, on marketing communications principles during the orientation period and conduct reminder trainings on a regular basis.**

We pass all kinds of materials and activities aiming at the promotion of our products through a series of checkpoints within the marketing team and confirm them. If needed, and in order to receive feedback internally, we are also supported by a unit which is completely independent from our marketing team. In the event of any concerns that the marketing communications principles have been violated by our company or other firms, we take pains to solve the problem first by mutual negotiations, thus allowing a self-regulating mechanism to establish itself within the sector.

As a license holder, we prioritize patient safety and keep close view of all developments regarding our products. We have organized a separate unit, which is comprised of our product safety executives, in order to view the side effects that may arise due to the use of our products and to take extra measures, if necessary.

We provide personnel, who will be responsible for the promotion of our products, with related training (pharmacovigilance training) during the period while they are still candidates, aiming to raise social awareness on this matter as well.

We provide all our employees with comprehensive trainings and request a letter of undertaking on ethics from each of them in line with our Ethical Management approach. The Ethics Board examines all types of violation of ethics which are forwarded to the Board and independently takes all necessary measures after reporting the situation to the senior management.

When carrying out our activities, we ensure that we act in accordance with the provisions and instructions of the Ministry of Health's Marketing Communications Regulation, IEIS Marketing

Communications Guidance or Bilim Pharmaceuticals Business Ethics Principles, whichever is more restricting, and repeat our internal training on these matters on a regular basis. We fully comply with regulations and voluntary codes concerning the marketing of our products and services. There is no incidence of non-compliance.

### **Customer Privacy**

Our customer database is maintained by a CRM software company; Bilim Pharmaceuticals does not keep a record or have access to its customers' personal information. No incidence of violence of customer privacy is reported.

### **Customer Complaints**

There are 4 factors (people, machinery and equipment, materials and methods) which can be a source of error in the evaluation of complaints. Accordingly, 41% of complaints are caused by people, 10% from machinery and equipment, 33% from materials and 16% from methods.

#### **Customer Complaints Ratio\***

<b>Performance Indicator</b>	<b>Number of Complaints</b>	<b>Number of Boxes Sold</b>	<b>Targeted Ratio (2012) (per million)</b>	<b>Achieved Ratio (2012) (per million)</b>	<b>Targeted Ratio (2013) (per million)</b>
Ratio of customer complaints in the domestic market (per million) (Gebze)	39	75,938,832	0.7	0.51	0.65
Ratio of customer complaints in the domestic market (per million) (Çerkezköy)	6	17,697,090	0.25	0.34	0.25
Ratio of customer complaints in foreign markets (per million) (Gebze)	7	14,688,514	0.65	0.48	0.6
Ratio of customer complaints in foreign markets (per million) (Çerkezköy)	14	8,438,536	0.5	1.66	0.5

\*The customer complaints ratio is the number of customer complaints accepted by the company in a year to the total number of boxes sold in the same year. This ratio is expressed in the number of complaints per million.



**Ratio of Resolved Customer Complaints\***

Performance Indicator	Number of Complaints	Targeted Ratio (2012) (in a million)	Achieved Ratio (2012) (in a million)	Targeted Ratio (2013) (in a million)
Ratio of resolved customer complaints in the domestic market (per million) (Gebze)	39	98	100	100
Ratio of resolved customer complaints in the domestic market (per million) (Çerkezköy)	6	98	100	100
Ratio of resolved customer complaints in foreign markets (per million) (Gebze)	7	100	100	100
Ratio of resolved customer complaints in foreign markets (per million) (Çerkezköy)	14	100	100	100

\*The ratio of resolved customer complaints indicates that the ratio of the total number of responds given to the complainants, including the results of the study performed on the accepted customer complaints and the actions to be taken, within the determined period of time to the total number of complaints received by the company. The ratio is expressed as a percentage.

**Patient Confidentiality**

Some of our activities may necessitate review and evaluation of the medical records or personal medical information of patients. Patient-related information that we obtain or is delivered to us during our activities is kept confidential. Unless required by the law and regulations or without the patient’s consent, this information is not used and shared with others.

All of our employees, suppliers and companies working with Bilim Pharmaceuticals go to great lengths to maintain confidentiality and provide the safety of this information which is entrusted to us. No incidence of violation of patient confidentiality has been reported.

**OUR SUPPLIERS AND COLLABORATIONS**

**We defined our collaborations based on our business relationships:**

**Supplier:** Refers to a business relationship of less than 3 years with companies from which we buy materials, products and/or services that are required for our primary business.

**Collaborations:** Refers to a business relationship of more than 3 years in which we work with or order from a business at least for 6 times a year and which produces value for or adds value to both parties.

**Project-Based Collaborations:** Refers to a project-based business relationship between our company and the organizations it cooperates with, which produces value for or adds value to both parties.

**Strategic – Critical Collaborations and Suppliers:** Refers to all suppliers and collaborations where the company receives critical materials or services for GMP; or collaborations and suppliers that are highly important in terms of implementing our company’s strategies and that allows our company to achieve or even exceed its primary business targets.



Our Collaboration and Supply Chain Policy is available in our web report.

## Collecting Feedback on Stakeholders' Expectations and Needs

		Period					Evaluation	
Stakeholder	Source	Short	Medium	Long	Freq.	Responsible Department / Person	Medium	Frequency
Suppliers and Collaborations	Supplier Satisfaction Survey (SSS)	X	X	X	annually	Resource Planning Department	Department Meetings, Board of Collaborations, Supplier Satisfaction Surveys, Improvement Plan Determination Meeting	annually
	Collaborations and supplier meetings		X	X	always	Related Department	Board of Collaborations Meetings	every 3 months
	Supplier checks	X	X		always	Quality Department, Resource Planning Department	Department Meetings	every 3 months
	Phone calls and visits	X			always	Resource Planning Department	Department Meetings, Board of Collaborations Meetings	every 3 months
	Receipt of complaints	X			always	Related Department	Related Department's Meeting, Board of Collaborations Meetings	every 3 months
	Suppliers' Summit		X	X	annually	Resource Planning Department	Department Meetings, Board of Collaborations Meetings	once a year
	Focus group studies on collaborations and suppliers	X	X	X	annually	Related Department	Related Department's Meeting, Board of Collaborations Meetings	annually

### Risk-Based Supply Approach

We have set up and improved on a supply organization that is flexible and able to respond instantly to continuously changing market conditions affected by global competition. In

2012, we added momentum to our efforts for alternative suppliers. This is important also in terms of backing up our current collaborations with critical suppliers.

Some details of our alternative suppliers in numbers are provided in the following table:

	Number of Suppliers in 2012	Number of Alternative Suppliers in 2012	Targeted Number of Alternative Suppliers in 2013	Ratio of Targeted Number of Alternative Suppliers in 2013
Total Number of Suppliers	360	19	19	
Domestic (Raw Materials & Packaging)	60	11	14	23%
Import (API & Auxiliary Materials)	90	3	2	5%

## Supplier Satisfaction

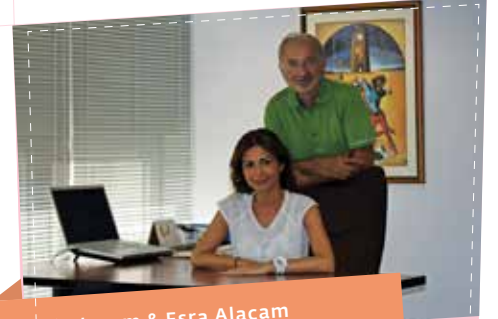
We listen to our suppliers' expectations and perceived satisfaction levels in supplier meetings held on a regular basis as well as through the Supplier Satisfaction Survey (SSS). The supplier satisfaction survey is performed electronically with specially designed software in a web-based environment. A total of 192 strategic-critical suppliers and collaborating parties participated in the Supplier Satisfaction Survey in 2011, where the supplier satisfaction rate was found to be 96.54%. Following a decision taken by the Board of Collaborations, the company only focused on critical-strategic collaborations in the Supplier Satisfaction Survey of 2011. The Company also decided to conduct the SSS every three years in order to see the results of the development in a reliable manner. The next SSS will be conducted by the end of 2014.

We develop and apply action plans to improve the Areas Open to Improvement, which are determined by the above-mentioned instruments. For instance, ordering methods are reviewed and rendered more effective; special training programs are offered to our employees who are in direct relationship with suppliers; activities that aim to provide special technical support to suppliers are carried out; training is given on various topics (such as GMP rules, amendments to regulations); and activities that aim to increase suppliers' awareness on the EFQM excellence model are conducted.

## Selection of Suppliers

***65% of our suppliers are domestic; 35% are foreign companies. We aim to maintain this ratio in 2013.***

Competency criteria are prepared and presented to the Supply Chain and Collaborations Board (SC COL B) by the related process owners in line with stakeholder expectations and related strategies; and the Board evaluates and finalizes these criteria. The criteria are reviewed and updated at the COL B each year. A selection of collaborations is performed based on these criteria and through using various forms, particularly the Supplier Collaboration Selection Pre-Evaluation (SCSPE) Form. Corporations that meet at least 60% of the competency criteria set forth in the SCSPE are selected. The related procedure is launched upon the approval of the concerning director and the COL B is informed accordingly. This procedure is not applied to monopolies or official/semi-official institutions.



Ali Alaçam & Esra Alaçam  
Elit Ofset

Thanks to its active operations in the Turkish pharmaceutical market, as well as the employment opportunities it offers and the social investment projects it supports, Bilim Pharmaceuticals adopts a management model that focuses on sensitivity towards people and the environment. We think that the Company also demonstrates an impressive sustainability performance through its HR and environmental protection practices serving this purpose. Bilim Pharmaceuticals is a corporation that has adopted a sustainable development model in terms of efficient use of renewable energy resources and demonstration of a responsible attitude towards the nature. Besides its achievements in the Turkish pharmaceutical industry, the Company also has a strong corporate citizenship identity. Bilim Pharmaceuticals sets a model for other corporations by protecting its sensitivity towards the environment and the community while directing its business processes and corporate initiatives. Consequently, we as Elif Ofset are happy to be a stakeholder of this company, which does not neglect social and environmental concerns while pursuing a steady and consistent growth path.

The general criteria that are required for all suppliers are outlined below, and the competencies that are required on a subject basis are specifically listed.

- Compliance with the law and regulations
- Holding ISO 9001, ISO 14001 and OHSAS 18001 certifications
- Adopting an approach that fits the provisions stated in the Global Compact concerning human rights and working conditions
- Offering a competitive price
- Presenting a list of reference companies
- A satisfactory past
- Having the ability to develop new products/innovation

65% of our suppliers are domestic; 35% are foreign companies. We aim to maintain this ratio in 2013.

## Supplier Inspection

The prerequisite for consistent success is sustainable supply; it is only possible to make a difference in this area by increasing efficiency and the level of quality. By means of in-house visits, we are able to evaluate the supply process and the materials supplied to us. Our purchase department conducts regular visits to our suppliers based on the belief that such visits will be beneficial when it comes to managing demand and supply. We conduct such visits to manufacturers with a sense of priority.

- If one of our suppliers or agencies (if it is a warehouse) forwards a request to us to join our List of Approved Suppliers, the "Amendment Control Process" is launched by the Quality Assurance Department. One of the activities conducted during this period is the inspection of the company in question. This is called pre-inspection, while regular inspections are made after the company is accepted to the list of approved suppliers.
- During pre-inspection and regular inspections, an investigation is held as to whether the company meets various cri-

teria within the scope of ISO 9001, ISO 14001, OHSAS 18001 and the Global Compact, such as quality system, environment, occupational health and safety, employing child workers, working environment conditions, etc. After the findings are evaluated, the company is expected to complete the shortcomings in question in order to be approved, or the company is approved but asked to complete the shortcomings until the next inspection, depending on how critical these shortcomings are.

- Within this framework, the company is guided, explained, suggested and provided information support with respect to how to complete the shortcomings. Thus, we make a contribution to the development of the company and to raising its awareness on these matters.
- We fully comply with the law and regulations with respect to the supply of products and services. No fine is imposed due to non-compliance.

### Number of Suppliers That Were Visited / Inspected

	2008	2009	2010	2011	2012	2013
Achieved	59	65	72	75	30	
Target	58	64	70	75	30	56

### Ratio of Evaluated Suppliers and Collaborations (%)

	2008	2009	2010	2011	2012	2013
Achieved	90.3	92.4	96	97.1	100	
Target	90	92	95	97	97	90

## Improvement of Collaboration

A contribution is made to continuous improvement by mutually sharing knowledge and experiences between our company and suppliers/collaborators, particularly with respect to the GMP, Quality, Environment, Occupational Health and Safety Standards and Management Systems, as well as related technical matters. "Formal Benchmark Collaborations" are established.

Innovative and creative ideas forwarded by suppliers and collaborators during meetings, which are made on a regular basis or whenever needed, as well as the "Business Partners Summit" and focus group studies, and their feedback received through the SSS (Supplier Satisfaction Survey) are evaluated at the Current Situation Analysis committee. (Please refer to the table entitled "Creative Ideas and Innovation".)

Moreover, meetings are organized, if necessary, to promote a mutual exchange of ideas, technical support, improvement and sharing of plans, as well as for problem solving, while legal and legislative amendments are shared in written form by related units/departments.

Short-term Annual Business Plans are also shared mutually in meetings organized with suppliers and collaborators. The Business Partners Summit is held every three years after the SSS.

The most recent Business Partners Summit was held in 2011 under the theme, "Corporate Responsibility for Sustainability", raising awareness of business partners and suppliers on sustainability. The event was held under "carbon neutral" conditions.

## COMMUNITY INVESTMENT

### Social Awareness

***We view it as our priority to be a reliable source of information for the media.***

Thanks to the communication activities carried out by pharmaceutical companies, many people are becoming more aware of issues such as illnesses, proper drug usage, family medicine, etc. In this context, we can say that the task of raising public awareness (which should actually be performed by the public) is taken up mainly by pharmaceutical companies in an open and transparent manner.

As a company that conveys and provides information regarding sensitive issues such as human health, Bilim Pharmaceuticals is committed to open and honest communication. The Company provides information to the media in a timely manner, responds to requests under all circumstances and adopts a reachable collaboration approach. We view it as our priority to be a reliable source of information for the media.

### RESPIRATION UNIT

***Global Climate Change and Human Health Bilim Pharmaceuticals Respiration Team contributes to the environmental protection efforts of the WWF (World Wild Fund)-Turkey.***

Global climate change is increasing both the rate of incidence and the severity of asthma. We know that the pollen season now starts earlier and lasts longer; and the allergenic potential of pollen leads to a growing number of more severe allergies. A proportionality is observed between the rising temperature and the rise of the number of pollen. Moreover, ozone levels - which have increased in parallel with global warming - also present a risk to asthma patients. High ozone concentrations trigger excessive sensitivity in the airways of asthma patients and cause the airways to contract readily and to a dangerous extent. Rising air pollution is another result of global climate change. The biggest source of air pollution is, however, traffic. The management of asthma becomes more difficult in parallel with increasing urban traffic due to a growing population and the fact that the impact of air pollutants is felt more acutely as a result of climate change. In light of all these factors are taken into

account, the Bilim Pharmaceuticals Respiration Team contributes to the environmental protection efforts of the WWF (World Wide Fund)-Turkey. We also support the campaign, "Türkiye'nin Canı" (Turkey's Life). We raise our doctors' awareness on the protection of the nature by encouraging them to be members of the WWF. By means of events that we plan together with the WWF-Turkey, we inform others of the impacts of climate change caused by global warming and what individuals can do to prevent them.

We ensured that the topic, "Global Climate Change and Lung Health", is discussed in key congresses of two important respiration associations (TÜSAD-Turkish Respiratory Society and TORAKS-Turkish Thoracic Society) to draw attention to the subject, as well as to raise social awareness on the environment.

By hosting meetings throughout Turkey together with Prof. Dr. Mikdat Kadioğlu for pulmonology, otolaryngology and pediatrics specialists, we informed doctors of global climate change and various diseases, and the relationships between them. We have completed all meetings, which were organized throughout Turkey to inform doctors. As a result of these efforts, nearly 2,000 pulmonology, 500 otolaryngology and 500 pediatrics experts were informed about the topic.

### ***Drawing attention to global climate change***

As Bilim Pharmaceuticals, we are one of the corporate members of WWF (World Wide Fund). We invite our employees, suppliers and customers to turn off the lights in their houses for one hour in order to support the "World Hour" practice, which has been organized by WWF since 2007 to raise awareness of global climate change. On March 31<sup>st</sup>, 2012, each of our stakeholders allocated one hour at night to think about the future of the world in the dark.



Prof. Dr. Mecit Süerdem  
President of the Turkish Respiratory Society (TRS)  
Selçuk University, Faculty of Medicine - Konya

I am honored to go through your corporate responsibility report containing your sustainability efforts that are certified at the highest level in terms of human health and satisfaction, social development and environmental protection. I am aware that your sustainability efforts - most of which represents firsts for our country - aim to invest in the community with an understanding which stands above commercial concerns. Another important source of pride that Bilim Pharmaceuticals has brought our country was the "EFQM Excellence Award" which it was awarded in 2011; no company in Europe has been granted this award for the last 4 years.

I would like to mention that we see Bilim Pharmaceuticals as a stakeholder in our area, and one that always wins our appreciation, thanks to its contributions to post-graduate education. I also would like to add that the senior management of Bilim Pharmaceuticals' Respiratory Group has a special place among the administrative bodies of our society. I think if Bilim Pharmaceuticals' sustainability-related efforts that add value to the community and give new meaning to the Company's presence besides its profit orientation are announced more effectively, it would raise employees' motivation and further strengthen Bilim Pharmaceuticals' prestige in the Turkish healthcare industry.

I would like to pay special tribute Bilim Pharmaceuticals' managers who are the architects of the Company's sustainable corporate management approach built on strong foundations with the target to become a "responsible company", as well as Bilim Pharmaceuticals employees, who are voluntarily involved in the Company's social investment efforts.

## **Breathing Exercises**

According to various research studies, 90% of people use only 30% of their breathing capacities. The limited breathing habits in question, as well as physical-emotional trauma, reduce and slow the intake and circulation of oxygen necessary for cellular health by blocking the breathing system.

The Transformal Breathing Technique is a breathing method aimed at increasing and balancing our lung capacity. As the amount of oxygen intake increases through this technique, our immune system is naturally renewed, while also gaining strength. A sufficient amount of oxygen creates more energy and leads to healthier joints and cells, thus allowing us to enjoy a healthier body-state of mind-psychology. Transformal Breathing (TB) is the most effective breathing technique that provides uninterrupted oxygen circulation within the body by opening the blockages in the respiratory system. TB has been implemented safely in USA and Europe for more than 30 years. In the USA, the breathing therapy is recommended for asthma and COPD (Chronic Obstructive Pulmonary Disease) patients as supportive care.

Our purpose at Bilim Pharmaceuticals in conducting this training program is to teach the right breathing techniques to doctors so that they can share the techniques with their patients to contribute to their patients' treatment. A total of 25 physicians participated in the training held in Istanbul in 2012.

## **CENTRAL NERVOUS SYSTEM UNIT**

### **Alzheimer's Disease Call Center**

Alzheimer's disease, which currently affects 35 million people throughout the world and between 300,000 and 350,000 people in Turkey, is an incurable disease that changes not only the patient's life, but the lives of their whole families. Patients' families have to be supported during this difficult period which sometimes reaches the limits of emotional trauma.

In order to help patients' families overcome this period in the easiest manner without compromising their quality of life, the "Alzheimer's Disease Call Center", a first in Turkey, was launched by the Alzheimer's Association and the Alzheimer's Foundation under Bilim Pharmaceuticals' leadership.

Launched in 2009, the pilot project began in 3 cities (Ankara, Istanbul and Izmir) with the patients of 30 doctors. The call center, where specialist psychologists work between 9:00 am and 5:00 pm every weekday, began to open throughout Turkey on September 30<sup>th</sup>, 2009. Incoming calls out of work hours are recorded and specialist psychologists return the calls. Regular follow-up calls are made to patient's relatives every month and they are given information about the patient after contacting their doctor.

Given the recent ageing in the world's population, it is estimated that the number of people with Alzheimer's disease will reach 115 million by 2050. Also, the increasing number of incoming calls to the Alzheimer's Call Centre serves as a clear indication that the disorder is increasingly recognized by people each passing day.

## **“Gerçekler Maskelenmesin” (Don’t Let The Truths Be Masked)**

### ***Bilim Pharmaceuticals draws attention to schizophrenia with the project entitled “Gerçekler Maskelenmesin” (Don’t let the truths be masked).***

This project, which Bilim joined in 2007, addresses the treatment of the Central Nervous System. Supporting both patients and patient relatives with its efforts in this field, the Company aims to formalize these efforts and to render them exemplary activities for the entire community.

As well as drawing attention to schizophrenia, this project aims to demonstrate what schizophrenia patients can do when they are given the chance.

Mask Workshops: Mask Workshops are one of the activities that we carry out in order to contribute to the rehabilitation of patients... We aimed to support the rehabilitation of patients by providing them with an opportunity to express their inner worlds through art which they have difficulty in opening. We helped schizophrenic patients raise their social skills by sending 350 masks to the Bolu Mental Institution, the Manisa Mental Institution and the Community Mental Health Centers in many cities.

We also sponsored a documentary concerning schizophrenia prepared by Dr. Berkant Yelken. The documentary was shown at the Social Psychiatry Convention 2012.

Likewise, we held RUTBE (Mental and Social Skills Training) with Prof. Dr. Mustafa Yıldız at the Community Mental Health Centers (CMHC) in Eskişehir and Balıkesir in 2012, providing training to the CMHC staff to raise schizophrenic patients’ social skills.

### **Exhibition Of Paintings Of Schizophrenic Patients At The Manisa Mental Health Institution**

Paintings by patients at the Manisa Mental Health Institution were displayed under the title “Voices, Faces and Stories from Where the Fire Drops.” The exhibition was opened at the Çetin Emeç Art Gallery in Izmir on April 4<sup>th</sup>, 2012. Proceeds from the sale of paintings were donated to the institution’s rehabilitation and social health unit.



Bilim Pharmaceuticals is pursuing a social investment project entitled “Gerçekler Maskelenmesin” (Don’t let the truths be masked) with the aim of encouraging schizophrenic patients to participate in the society and to raise public awareness on the disease.

On Wednesday April 4<sup>th</sup>, an art exhibition opened displaying the paintings of schizophrenic patients at the Manisa Mental Institution, in the project’s fourth year. A total of 63 paintings were displayed in the exhibition which remained open until April 11<sup>th</sup>. The paintings selected for the exhibition were prepared by patients admitted since 2008.





Serving a total population of 13 million people across 12 provinces, the Manisa Mental Institution not only aims to treat diseases, but also provide supplementary treatment with “Psychosocial Rehabilitation” in a bid to enable patients recognize themselves as individuals, not patients.

The exhibition aims to underline the productivity of schizophrenic patients, to read their inner world off the canvas and, most importantly, to emphasize the significance and necessity of rehabilitation activities such as painting. The criteria of selection for exhibition display are artistic creativity as well as the formation of a common language via paintings portraying patients’ emotions.

## THERE ARE 700,000 SCHIZOPHRENIC PATIENTS IN TURKEY!

The majority of the 700,000 schizophrenic patients in Turkey are out on the streets, in our work environments and common areas whilst hiding and/or attempting to hide the problem they are faced with. These patients, commonly labeled as “crazy” and “deranged”, are not receiving their expected support from wider society. As such, many hide their disease. They want to have a place in society and certainly would like to work and become individuals through quality treatment without being looked down upon by society. The Project, entitled “Let Truths Not Be Masked”, proves yet again that these patients are able to produce striking pieces of work displaying their skills, when given the opportunity. In light of this understanding, we call upon all to understand them and help prevent them from being stigmatized.

## GASTROENTEROLOGY UNIT

We prepared an informative and educative website about acid reflux, a frequent disorder that can severely deteriorate the quality of life.

Acid reflux is one of the most frequent diseases in Turkey as in many countries which affect one person in every five. It may lead to serious complications if left untreated.

The website, [www.mideilacim.com](http://www.mideilacim.com), includes the following:

- Methods for the diagnosis and treatment of acid reflux,
- Videos showing pre- and post-operative endoscopy,
- Nutrition recommendations for reflux patients, and
- Cities where gastroenterologists in Turkey are serving, as well as their departments

**TEDAVİ**

Tip 2 diyabetin yaşamını olumsuz etkilemeye ve uzun süre sonra sorunların ortaya çıkmasına yol açarak indirmek için siz ve size bakımı sağlayan eniş ve büyü oğlan çocukları için yaşam tarzı değişimi önemlidir. Tip 2 diyabetten korunmak için, önce uzun süredir bu hastalığa yakıyor olursanız, diyabetli olduğuna dair doktorunuza danışmalı ve tedavi seçeneklerini bilmelisiniz. Bu sayede hastalığınızın ilerlemeden acid rol oynayabilir ve bu şekilde yaşam kalitenizi artırabilirsiniz.

**DIYABET TEDAVİSİ PLANINIZ**

Tanının konmasının ardından, doktorunuz size tam bir tıbbi muayeneden geçecek ve sonra size uygun bir bakım programı oluşturacaktır. Bu program sizi ve yaşam tarzınızı içeren bir bakım tedavi hedeflerini kapsar. Geniş bir diyabet hastasıysanız, bu hedefler size iyi daha başlayacaktır, çünkü diyabetli olarak geçen süre ne kadar uzarsa, uzun süre sonra sorunlar çözümlenmesi o kadar yüksektir.

Genel anlamda tedavi programının amacı:

- Günlük rahatsızlıkların kontrol altına alınarak normal bir yaşam sürdürülmesini sağlamak,
- Uzun süre sonra sorunların ortaya çıkmasını riskini azaltmaktır.

**DIYABET ve TEDAVİ**

Sıvı hasarı (nöropati) gibi sorunlarını varsa ya da özellikle kilo kaybı geçirdiyse, insülin tedavilerinden yarar görebilir.

Doktorunuz, insülin tedavisini ağzından alınan diyabet ilaçlarının yerine önerebilir. Diğer yandan, insülin ve ağzından alınan diyabet ilaçlarını birlikte verebilir.

**TIP 2 DIYABET İÇİN BESİNSEL DESTEK**

Siz edilebilir kabul edilmiş tedavi seçeneklerinin yanı sıra, diyetinize eklediğiniz birçok besinsel destek bulunmaktadır. Tip 2 diyabet tedavisinde kullandığınız yöntem ne olursa olsun, bu konuda doktorunuza mutlaka bilgilendirilmelidir. Besin destekleri ile ilgili besinsel araştırmalar çok azdır ve bu tedavinin yardımcı olarak kullanılmamıştır. Yasadığınız besin baz ek yöntemler, diğer tedavilerinizin iyileştirici etkileyebilir, bu nedenle doktorunuza bilgi olmalıdır.

**Yazar:**  
• Dr. Nevri Güllü ve Tip 2 Diyabet - Endokrinoloji ve Metabolizma Hastalıkları Uzmanı

**Bilim**

## DIABETES UNIT

Working to a mission of informing people with the motto, “more information, more therapy”, in order to contribute to the treatment and prevention of diabetes in Turkey, Bilim Pharmaceuticals prepared a website at [www.pioglitazon.com](http://www.pioglitazon.com). The patient section ([www.diyabetliyiz.com](http://www.diyabetliyiz.com)) on this website includes the following information:

A diet guide, the body mass index, a booklet on nutrition, a calorie chart, as well as general information about diabetes such as:

- Information on diabetes
- What is Type 2 diabetes?
- How is diabetes diagnosed?
- Living with diabetes
- Nutrition in diabetes
- Exercise in diabetes

Moreover, brochures were printed under the following topics for pharmacies, hospitals and clinics:

- What is diabetes?
- Can diabetes be prevented?
- Diabetes and pregnancy
- Diabetes and nutrition/exercise
- Diabetes and afterwards
- Diabetes and treatment



### **“Remove the Obstacles” Audio Book Project**

The best-selling books are nowadays vocalized in order to support the personal development of our visually impaired citizens. The Company works with various NGOs like GETEM (Technology and Education Laboratory for the Visually Handicapped) in this project.

## **BILIM PHARMACEUTICALS COMMUNITY VOLUNTEERS PLATFORM'S VOLUNTEERING PROJECTS**

### **“Remove the Obstacles, Alternative Camp” Project**

At the Alternative Camp, which has been organized regularly every year, candidates for middle level management positions ensure that their disabled guests have the best vacation of their lives. This way, they as volunteers can overcome the obstacles inside themselves.

A total of 50 managers have participated in the Alternative Camp project, while we as BPCV allocated TL 39,979.75 in resources to the project.

### **“Bilim Fellows at School” Project**

A number of activities from supplying primary school students' personal needs (i.e. stationery, school uniforms, shoes, jackets) to providing schools with important educational facilities (i.e. a library, a computer laboratory) are carried out by our volunteers.

### **“Bilim Fellows in Pursuit of Seeds” Project**

A new education method is developed with the cooperation between the Ministry of National Education and the Corporate Volunteer Association (ÖSGD). In the first phase of the project, the play entitled “Tohumun Peşinde” (In Pursuit of Seeds), written by Bilim Pharmaceuticals Community Volunteers, aims to raise environmental awareness. This “learn by living” experi-

ence, which will be practiced by volunteers in groups of 40 people, can be applied to elementary students by all private sector employees through 8-hour programs. The related activities in classrooms will be started in 2013.



### ***“Bilim Fellows: Curious Books, Creative Reading” Project***

In this project, we help children not only to read, but also to experience what they have read through drama. Children who read books by playing, dreaming and discussing together begin to love reading books, while developing their creativity.

The “Curious Books” project has been applied in 12 schools, instilling a love of books in a total of 1,727 children.

### ***“Bilim Fellows at the Theater” Project***

All actors on this stage are volunteers and their families. They perform children’s plays to contribute to the social development of children, while children of those families with financial problems are allowed to watch these plays free of charge. Adults who would like to watch the

plays, on the other hand, are asked to donate a children’s book to enter. With these collected books, our volunteers build libraries in schools with no library.

The play entitled “Aladdin and the Wonderful Lamp”, written by our volunteers, was performed a total of 5 times (3 times in Samsun, once in Sivas and once in Cyprus) with the support of about 10 collaborations, reaching 13,000 children in total. Libraries were built in 7 elementary schools with the books collected at the play.

### ***“My Career Is In My Hands” Personal Development Congress Project***

Bilim Pharmaceuticals Community Volunteers moved forward with the notion that “If we had received basic talent training from professional instructors (which contributes so significantly to our achievements in the private sector after entering business life) during our college years, we would be one step ahead in our career!”. Accordingly, the BPCV platform enables university students looking for jobs and who offer potential and are equipped with the necessary knowledge and talents to receive full-day training from professional instructors for a period of 4 days.

Today, inequality of opportunity in education and the lack of employment of skilled employees are among the three biggest problems in both Turkey and the world. It can be seen that the equality of opportunity in education and employment worsens as you go from west to east in Turkey, a phenomenon that can be confirmed with concrete information.





The project primarily aims to raise the knowledge, competencies and skills of students by reaching universities in Turkey's eastern parts and to offer a special internship opportunity to those students who benefit from education facilities to a maximum extent. The other objectives of the project are as follows: to encourage volunteering among our stakeholders; to raise awareness among universities on volunteering; to ensure that students recognize volunteering not only as a way of helping each other or sharing, but also as an instrument to develop and gain experience; and to contribute to social development and awareness by reaching students and lecturers in the region.

In the project, 20 different training programs can be simultaneously opened in a total of 49 sessions for a period of 4 days. The number of students who benefited from the congress has reached 5,380. 50 students who are selected according to the determined criteria are given the chance to participate in a special internship program in Turkey's leading companies. Students who earn the internship right receive mentee trainings from professional instructors and participate in specially designed orientation plans together with the professional volunteers – who have received mentor training – from the private sector

Launched in 2008 at the Eskişehir Anatolian University as a pilot application with a total of 60 participants, the project has evolved into a comprehensive congress. The program was organized for a 3-day period at the Erzurum Atatürk University in 2009 and at the Kayseri Erciyes University in 2010 with 300 participants and as a 4-day comprehensive program with nearly 1,750 participants at the Diyarbakır Dicle and Elazığ Fırat Universities in 2011.



**Oğulcan Celep**  
Bilim Pharmaceuticals Senior  
Sales Representative

I joined the Bilim Pharmaceuticals Community Volunteers about 3 years ago. The most important reason for me to become a BPCV volunteer is that I deal with maritime affairs and I am a sea captain. Voluntary help is vital in the sea as it is in BPCV volunteers.

In the BPCV platform, I took part in various projects, including "Geleceğimiz Erimesin" (Let Our Future Not Melt), "Meraklı Kitaplar, Yaratıcı Okuma" (Curious Books, Creative Reading), "Turmepa ile Kıyı Temizliği" (Shore Cleaning with Turkish Marine Environment Protection Association (TURMEPA)), Somali Yardım Kampanyası (Aid Campaign for Somalia) and Van Depremi Yardım Kampanyası (Aid Campaign for the Van Earthquake). While I was working in these projects, I felt unconditional loyalty to them, and, once the projects were completed, I gained a great sense of satisfaction from helping others... I, as a BPCV volunteer, feel that my point of view has changed; the perception of how strongly assumptions can damage us and my increasing sensitivity in my approach to the events around me that require my help. BPCV is now one of the behavior models in my life; I continue my efforts in the BPCV platform with pleasure, as it has become a phenomenon that I would like to spread and cultivate.

Volunteering further strengthens the stablemate system that is currently applied in our company, while the support that we extend to those in need adds value to our work. In brief, it is a great honor for me to work for a leading company, as well as to take part in a platform like BPCV.



## **Ekobilimciler (Eco-scientists)**

Having received sustainability-related training in 2011, all of Bilim Pharmaceuticals employees have each become a sustainability ambassador. With the awareness brought about by environmental consciousness and a love of nature at a young age, our volunteers mentioned that they would like to get involved in the training to be given to elementary school pupils, and a range of activities such as 'art from scrap' workshops and planting activities got underway and the eco-scientists begun their efforts to be voluntary instructors in presentations and training sessions to be provided to our customers and other stakeholders in an effort to raise their awareness.

The project, entitled "Çevreci Penguenler" (Environmentalists Penguins), which is a part of the "Eco-scientists" program, has been conducted in 14 schools to instill environmental awareness and love of nature among children.

## **Social Investment Projects and Efforts to Raise Social Awareness in Foreign Markets**

Aware that it is a global citizen, Bilim Pharmaceuticals carries out efforts to raise social awareness as well as social investments not only in Turkey, but in all regions where it is present. Our teams come together with doctors and pharmacists in a number of countries, particularly those where our representative offices operate, and conduct informative conventions and conferences aimed at raising their knowledge. Our social investments, on the other hand, are tools that we use to educate children and young people in order to raise their social awareness. Bilim Pharmaceuticals Community Volunteers extend their support to those in need outside Turkey, by preparing projects within the scope of our volunteering strategies applied in Turkey.

## **EFFORTS TO RAISE SOCIAL AWARENESS:**

By means of our efforts to raise social awareness throughout 2012, a total of 3,860 doctors and physicians were informed about our company and products in 6 different countries. We provided up-to-date information and provided detailed product presentations and promotions to the doctors about their fields of expertise through various congresses, seminars, conventions, conferences and exhibition stands.

Moreover, we opened a Bilim Pharmaceuticals stand in the center of Tuzla, Bosnia-Herzegovina within the scope of World Diabetes Day and tested blood glucose levels of Tuzla's residents with the support of specialists. People were guided and informed concerning the related topics based on the test results. In addition, we distributed informative brochures, entitled "Diyabetten Korunma" (Preventing Diabetes) and "Diyabeti Yönetme" (Managing Diabetes).

## **SOCIAL INVESTMENTS:**

### **MOLDOVA**

#### **"Dreams Come True!" Event**

Bilim Pharmaceuticals' Representative Office in Moldova held an event in a psychiatric clinic in Kishinev which shelters 59 disabled children,





some of whom have no family and some are forced to live their lives in this clinic because of their families' financial problems. Six musicians from the "Valeriu Poleacov" music academy held a concert for the children. Bilim Pharmaceuticals employees donated chairs and tables to the clinic and gifted stationery materials for the children in order to contribute to their education.

### **"We Care Crihana Veche, Cahul" Event**

56 disabled children with no families living in the village of Crihana Veche in Cahul, a city 200 km from Kishinev, enjoyed a pleasant day with the organization of the Bilim Pharmaceuticals' Moldova team.

Following an entertaining play conducted by the theatrical company from Cahul, a surprise party was organized. Children who were brought together in a room full of balloons were happy once again with the gifts handed out by Bilim Pharmaceuticals Community Volunteers.

After the party, a friendly football match was held between Bilim Pharmaceuticals employees and the children. The children won the game.



## New Year's Event

We erected a pine tree decorated with various lights and ornaments in the COMC Pediatric Cardiology Clinic (where 28 children stay) for the surprise New Year's party. We also gave presents to children, aiming to ensure they began the New Year with smiling faces.



## New Year's Event

We handed out books and toys to children from various age groups in the surprise New Year's party held in the Hincesti Children's Hospital, where 43 children were patients. The fact that such an event was held for the first time at this hospital, with these children celebrating the New Year for the first time in their lives added meaning and influence to the project.



## BOSNIA HERZEGOVINA

### "We Care for Children" Project

We organized an event in Bosnia-Herzegovina on the World Diabetes Day to bring diabetic children together; specialists informed the children about diabetes, proper nutrition methods and important points that diabetic patients should pay attention to. Bilim Pharmaceuticals Community Volunteers also briefly described about their platform in the event, where children were given small presents that would be useful in their education. We aim to maintain such awareness raising efforts in the coming years by keeping in touch with the specialists who are responsible for this event.



**Cornelia Vintea**  
Bilim Moldova Product Manager

Multinational pharmaceutical companies are a relatively new phenomenon for the Republic of Moldova - a country with only 22 years of independence since the break-up of the Soviet Union. Working at Bilim Pharmaceuticals Company as a Product Manager represents a significant opportunity for me, having graduated from Medical School, to combine medical knowledge and native analytical skills and creative abilities. Bilim Pharmaceuticals organizes various CSR events such as Christmas party for our team employees' children, the Professional Day of doctors and pharmacists, collective sports events and the social projects, organized in children's hospitals. Primarily, these events are an opportunity for employees to spend time as a team in a relaxed atmosphere and to get to know each other better and build up lasting friendships. Through CSR activities, the Company demonstrates recognition and respect for staff, cultural aspects and values, and, without doubt, improves the quality of life for employees and their families'. Bilim Pharmaceuticals' reward for carrying out the CSR activities is the improvement in self-confidence seen among employees and their families, along with the team members' loyalty to the company. Over the years we have become family members of the company we work in, and we are proud of it. This also increases confidence and commitment to the company and to the promoted products, which represents an additional source of value in our mutual success.



OUR  
RESPONSIBILITY TO  
THE ECOLOGICAL  
ENVIRONMENT



# ENVIRONMENTAL MANAGEMENT

***We draw up and apply the Yearly Environment Management Action Plan in order to reduce identified environmental risks, as well as to keep them under control.***

We consider the environmental aspects and impacts of our activities during all stages from the development of new products to recycling of packages of marketed products in order to minimize ecological impacts. We attach the utmost consideration and respect to the protection of natural resources as we carry out our activities.

We have structured our Environment Management System on the basis of ISO 14001 standards as set out by Integral Management Systems (IMS). We identify the environmental aspects and impacts of our activities and products, in line with legal and local requirements, routine and exceptional management circumstances, emergency situations, the findings of external and internal audits and stakeholders' feedbacks. This study is performed by ISO 14001 work teams. We determine and review our annual environmental targets in line with the results of the 'Environment-Aspect and Impact analysis'.

We draw up and apply the Yearly Environment Management Action Plan in order to reduce identified environmental risks, as well as to keep them under control.

We have developed important procedures and directives deriving from the results of 'Environment-Dimension-Effect Evaluation' in a bid to

reduce environmental impacts or to keep them under control. All applied procedures and instructions are associated with the requirements of the ISO 14001 standard and defined in the Environmental Management Handbook. We comply with the environmental legislation encompassing the receipt of legal permits, approvals and licenses, in line with the "Procedure of Monitoring Compliance with the Legislations on Occupational Health & Safety and Environment, as well as Other Requirements". We refer to 'Waste Management Procedures' and 'Energy Management Procedures' as a guide in the activities we undertake on the protection of ecological environment. We dispose of such products, materials and semi-finished products as waste where a decision has been taken to dispose of such items due to expiry or non-compliance with quality specifications. We carry out the disposal procedure within the framework of the "Rejection and Disposal Procedure".

We have set up Environmental Management Units at our Gebze and Çerkezköy processing facilities in parallel with the legislation on permits and licenses that must be obtained in accordance with the environment law.

## Our Environmental Management Model

A sustainable ecological environment requires effective governance that needs to be coordinated with all other processes. Within the framework of our sustainability management process, and in line with our strategy of "protecting the environment and reducing the consumption of natural resources", we set up the Environmental Management Board, the Energy Management Board and the ISO 14001 Environmental Work Teams, which play an active role in processes such as evaluating our environmental impacts, the planning and performance of necessary activities to minimize determined impacts and in reducing the consumption of natural resources. The Environmental Management process is carried out with the participation of all our employees and in cooperation with other processes.

The Environmental Management Board and the Energy Management Board were established under the umbrella of the Sustainability Board to evaluate and review management, planning and implementation processes, while Environmental Work Teams were established to execute and disseminate activities in practice.



Our Environmental Policy is set out in our web report.

**ELEKTRONİK ATIKLARIN YARATTIĞI TEHLİKENİN FARKINDA MISINIZ?**

Kullanımdan çıktığınız elektrikli elektronik atıkları çöpe atmayarak, atıkların çevre ve insan sağlığını verimsiz zararlarını önüne geçebilirsiniz.

- Cep telefonu sayısı 3 milyar kişi sadece birer tane cep telefonunu geri dönüştürme verse 240.000 ton horemsodde tazarrufu yapmış olacaktır.
- Monitörlerde bulunan 10 gram kurşun 35.000 ton lepradımız kirletiyor ve 200.000 litre wuyumsuz kullandımız hale getiriyor.

**ELEKTRONİK ATIK NEDİR?**

E-Atık [elektronik atık] elektronik cihazların kullanım süreleri tamamlandığında ortaya çıkan atıktır.

**NELER E-ATIKTIR?**

- Kâğıt ve büyük ev aletleri (elektrikli süpürgeler, ütüler, emek - kahve makineleri, çamaşır-bulaşık makineleri, fırınlar, elektrikli sobalar v.b.)
- Tüketici aletleri (radyo setleri, televizyon setleri, video kameralar, müzik aletleri gibi)
- Elektrikli ve elektronik aletler (matkaplar, testerele, diğer makineleri gibi)
- IT ve telekomünikasyon cihazları (yazıcılar, kişisel bilgisayarlar, notebook bilgisayarlar v.b.)
- Dyoncıklar (elektronik frenler, video oyun el kumandası v.b.)

**Elektrikli-elektronikli atıklarınızı nasıl bertaraf edebilirsiniz?**

Kullandığınız elektrikli elektronik atıkları çöpe atmayın. Biriktirdiğiniz elektrikli elektronik atıkları SOÇ departmanına getirin, ilzneli geridönüşüm teseline gönderilsin.

**bilim**  
I L A Ç

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# OUR ENVIRONMENT-FRIENDLY PRACTICES

## Energy Saving

- We have deployed high efficiency state-of-art air-cooled chillers with frequency inverter at our Çerkezköy Processing Facility. With this investment, we have reduced energy consumption for cooling by an average of 15%, paving the way for around 245,000 kWh (TL 56,000) in annual energy savings.
- Besides saving energy through the refrigerating group investment undertaken in our Çerkezköy Processing Facility, we minimized the environmental impact caused by the cooling systems in all of our processing facilities by starting to use the ozone-friendly refrigerant fluid, R410, which has an extremely low environmental impact.
- We installed and commissioned a state-of-the-art granulation tower with a capacity of 1,200 liters and very low energy consumption in order to meet the increasing production volume at our Gebze Processing Facility. A granulation tower comprised of wet granulation, a wet sieve, dryer with a fluid bed and dry sieve that work in conjunction with each other based on the principle of gravity, rather than separate equipment such as the pulp blender, furnace, granulator, sieve, etc. Hence, we expanded the group of products processed at our Gebze facility and shortened production time. This reduced the amount of energy consumed per unit product when compared to previous years.
- We decided to undertake the necessary investments for a high-capacity tablet film coating machine, a blister machine and a suspension filling machine in an effort to meet the increasing production volume of our Çerkezköy Processing Facility's in a cost-efficient manner and in a shorter space of time.
- We decided to carry out an investment for a new tablet film coating machine with a perforated pan, in an effort to meet our Gebze Processing Facility's increasing production volume in an energy-efficient manner.

## Waste Reduction

- An environmental project carried out by our employees at Çerkezköy Processing Facility lowered solvent (solvents are used in the film coating boiler) consumption by 35 tons per year.
- We began to recycle non-hazardous blister packaging waste – which is non-recyclable since it is composite waste – in cooperation with a company licensed by the Ministry of Environment and Urbanization. Hence, we recovered nearly 27.2 tons of aluminium and PVC/PVDC materials in 2012.
- A total of 3,000 packages of A4-sized paper were saved through the Document Management System (DMS), which was actively used in 2012.

## Water Saving

- We installed flow restrictors at various locations at our Çerkezköy Processing Facility where domestic water is utilized.
- In sustainability-related contests held on special days, we awarded the winners with presents with a theme of raising environmental awareness.

## Reduction of Emissions

- We reduced solvent consumption and VOC emissions through the improvement of the film coating process at Çerkezköy Processing Facility.
- We raised thermal efficiency by replacing the conventional heat exchanger with a plate type heat exchanger.

## Raising Employees' Environmental Awareness

- We prepared a training module for environmental management system within Bilimk@mpüs –our electronic training environment – and ensured that each of our employees participated in this training program.



Tolga Baştağ  
WWF-Turkey General  
Manager

In its research and scientific studies, the WWF reached the conclusion that our planet had approached a breaking point in the last 30 years. In order to survive, we are now taking more from nature than what nature can give to us. Keeping abreast of this critical situation, Bilim Pharmaceuticals continued the support that it has extended to WWF-Turkey since 2009 by becoming a Golden Sponsor of the campaign entitled "Türkiye'nin Canı" (Turkey's Life), which was launched by WWF-Turkey in order to raise awareness on the protection of our biological diversity and to broaden activates and initiatives concerned with environmental protection throughout Turkey. Helping people change their lifestyles is as important as the success and sustainability in all of our activities and projects on natural protection. Our ongoing cooperation with Bilim Pharmaceuticals has yielded significant contributions to the sustainability of our natural protection efforts from day one. In this respect, Bilim Pharmaceuticals offers the WWF-Turkey a seat in its annual meetings and conventions, allowing us to deliver our messages to a higher number of people. Bilim Pharmaceuticals also informs the doctors it visits of the WWF-Turkey's efforts and invites them to become members of our foundation. Moreover, it chooses WWF-branded products as gifts that it distributes to its customers, employees and/or suppliers in some specific periods of the year, an example of its commitment to reducing its carbon footprint. As a foundation that supports the use of natural resources without exceeding ecological boundaries, we appreciate Bilim Pharmaceuticals' efforts to reduce its ecological footprint and to transform its processes by paying regard to the 'environmental' concept.

# OUR ENVIRONMENT-RELATED TARGETS

## Our Environmental Targets for the Çerkezköy Processing Facility for 2013

The environmental targets for Çerkezköy Processing Facility, are as follows:

- To realize electricity consumption at a maximum of 0.122 kWh per box
- To realize natural gas consumption at a maximum of 0.0075 m<sup>3</sup> per box
- To realize water consumption at a maximum of 0.65 liters per box
- To realize the amount of hazardous process waste of a maximum at 0.330 g per box
- To realize a maximum rate of loss of materials in production at 1.30%
- To provide at least 4 hours of training to each of our employees on the ISO 14001 Environmental Management System
- To realize the rate of loss of materials in production at a maximum of 1.24%
- To provide at least 4 hours of training to each of our employees on the ISO 14001 Environmental Management System

## Our Environmental Targets for the Gebze Processing Facility for 2013

The environmental targets for Gebze are as follows:

- To realize electricity consumption at a maximum of 0.168 kWh per box
- To realize natural gas consumption at a maximum of 0.015 m<sup>3</sup> per box
- To realize water consumption at a maximum of 0.98 liters per box
- To realize the amount of hazardous process waste at 1.560 g per box

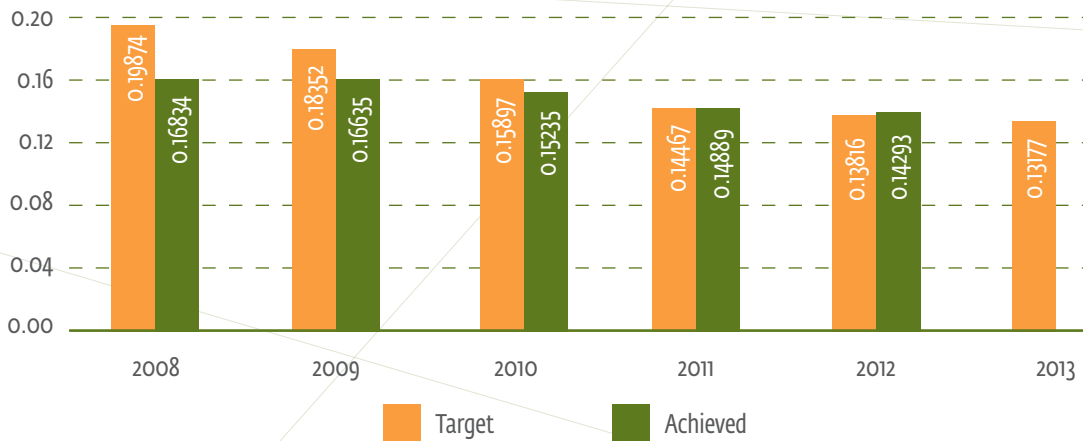
# MATERIALS USED IN PRODUCTION

Material	Number	Kg	Liters	Total
Glass		3,538,000		3,538,000
Labels	77,894,405			77,894,405
Raw materials		4,467,703	85,778	4,467,703 kg + 85,778 liters
Parcels		559,000		559,000
Boxes		2,931,403		2,931,403
Plastic		48,000		48,000
Prospectus	168,974,420			
PVC-Folio		382,263		382,263

Due to the nature of our sector, we cannot use recycled products in our raw materials or primary and secondary packaging materials. All materials in production processes are for single use only.

# ENERGY CONSUMPTION

## Electricity Consumption



	2008		2009		2010		2011		2012		2013
	T	A	T	A	T	A	T	A	T	A	T
Electricity consumption (kWh/box)	0.19874	0.16834	0.18352	0.16635	0.15897	0.15235	0.14467	0.14889	0.13816	0.14293	0.13177
Gebze	0.22741	0.19197	0.23919	0.20683	0.19731	0.18984	0.17491	0.17633	0.16052	0.17788	0.16820
Çerkezköy	0.20554	0.18832	0.18795	0.18646	0.18139	0.17072	0.16698	0.19219	0.18911	0.15384	0.12204
Ayazağa	0.03869	0.03515	0.03377	0.03448	0.03356	0.03321	0.03273	0.02876	0.02686	0.02770	0.02822

### Reasons why electricity consumption at our Gebze facility exceeded the target in 2012:

- The operating hours of the air-conditioner terminals serving the laboratory fields in Block B, including the pilot production, were increased;
- The total number of free-cooling days between January-April 2012 amounted to 3 weeks less than 2011;
- The average cooling requirements between May and August increased when compared to the previous year.

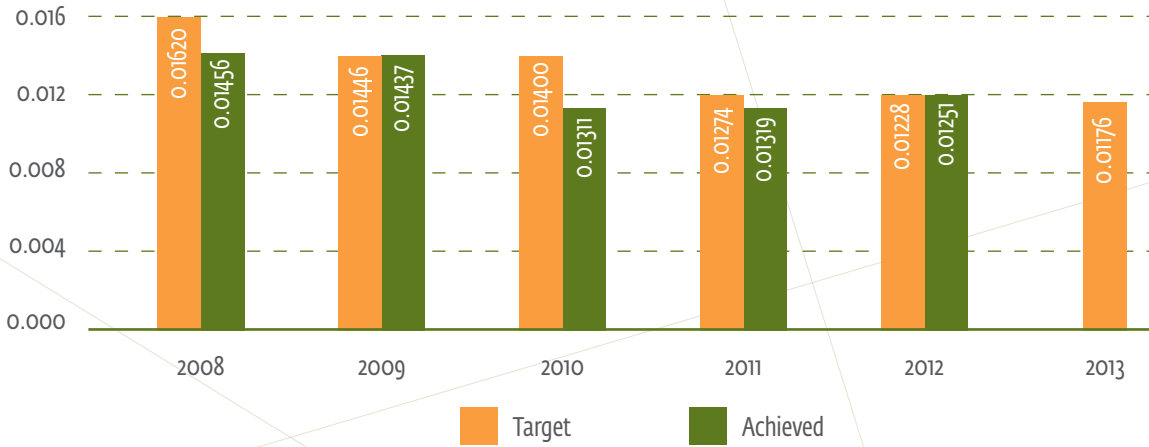
Due to the reasons set out above, electricity consumption was higher than the budgeted projections.

### Total Electricity Consumption in 2012

	kWh	MJ
Gebze	17,297,803	62,272,094.4
Ayazağa	878,532	31,62,715.2
Çerkezköy	4,323,101	15,563,164

Our Gebze and Çerkezköy plants are located in the Gebze and Çerkezköy organized industrial zones. These industrial zones procure their energy from EnergySa. EnergySa acquires 79% of the electricity it produces from natural gas combined cogeneration, 19.2% from hydroelectric power plants and 1.8% from wind power. Hence, these industrial zones meet 21.2% of their total energy need through renewable energy resources.

## Natural Gas Consumption



Performance Indicators	2008		2009		2010		2011		2012		2013
	T	A	T	A	T	A	T	A	T	A	T
Natural gas consumption (m³/box)	0.01620	0.01456	0.01446	0.01437	0.01400	0.01311	0.01274	0.01319	0.01228	0.01251	0.01176
Gebze	0.01804	0.01606	0.01773	0.01721	0.01695	0.01607	0.01577	0.01588	0.01479	0.01554	0.01545
	0.01819	0.01781	0.01765	0.01762	0.01686	0.01476	0.01268	0.01086	0.00965	0.00892	0.00754
Ayazağa	0.00399	0.00360	0.00361	0.00358	0.00351	0.00354	0.00340	0.00692	0.00639	0.00639	0.00432

### Total Natural Gas Consumption in 2012

	kWh	MJ
Gebze	15,108,510	54,390,636
Maslak	2,073,321	7,463,955.6
Çerkezköy	2,508,012	9,028,843

The electricity consumption per box was higher than the target, as natural gas consumption at our Gebze facility exceeded the target in 2012.

tained by the Gebze Organized Industrial Zone in reserve. Likewise, this reservoir provides water for residential users and cultivated areas in the region, as well as the Gebze Organized Industrial Zone.

The Gebze Organized Industrial Zone is currently undertaking a preliminary project to provide garden irrigation water to industrial establishments by installing an advanced treatment system to the exit of its current central water treatment facility.

When this project is implemented in the coming years, we will get the chance to obtain our garden irrigation water from the exit of the Gebze Organized Industrial Zone's central water treatment facility.

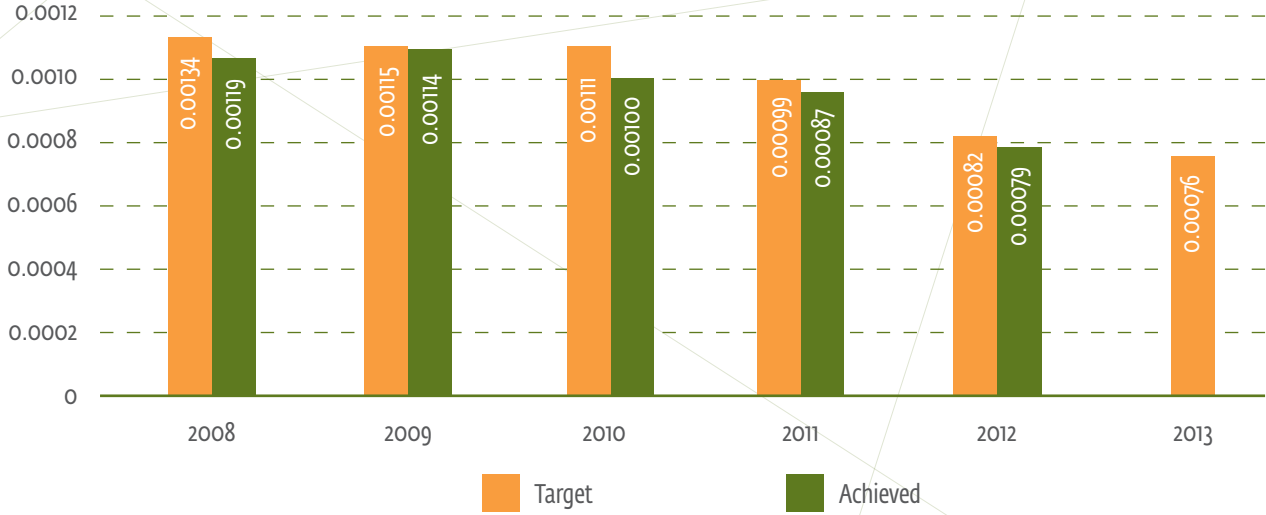
In our Çerkezköy processing facility, water is provided from 17 deepwater wells within the boundaries of the organized industrial regional directorate. Moreover, the use of the Yoncalı reservoir is allocated to the Çerkezköy Organized Industrial Zone, while a tender will be called soon for the construction of the dam.

Rainwater is not collected or reused.

## WATER CONSUMPTION

At our Gebze facility, water is provided from the Yuvacık reservoir through the municipality's water supply network. This water source is used by residential areas in the region as well as the Gebze Organized Industrial Zone. Within the scope of plan B, we drew water for one week in 2011 from the Denizli reservoir which is main-

## Water Consumption



Performance Indicators	2008		2009		2010		2011		2012		2013
	T	A	T	A	T	A	T	A	T	A	T
Water consumption (m <sup>3</sup> /box)	0.00134	0.00119	0.00115	0.00114	0.00111	0.00100	0.00099	0.00087	0.00082	0.00079	0.00076
Gebze	0.00151	0.00133	0.00144	0.00140	0.00139	0.00126	0.00124	0.00110	0.00103	0.00100	0.00098
Çerkezköy	0.00146	0.00144	0.00140	0.00136	0.00127	0.00108	0.00100	0.00082	0.00080	0.00075	0.00065
Ayazağa	0.00029	0.00024	0.00023	0.00020	0.00020	0.00020	0.00020	0.00018	0.00018	0.00019	0.00017

## WASTE MANAGEMENT

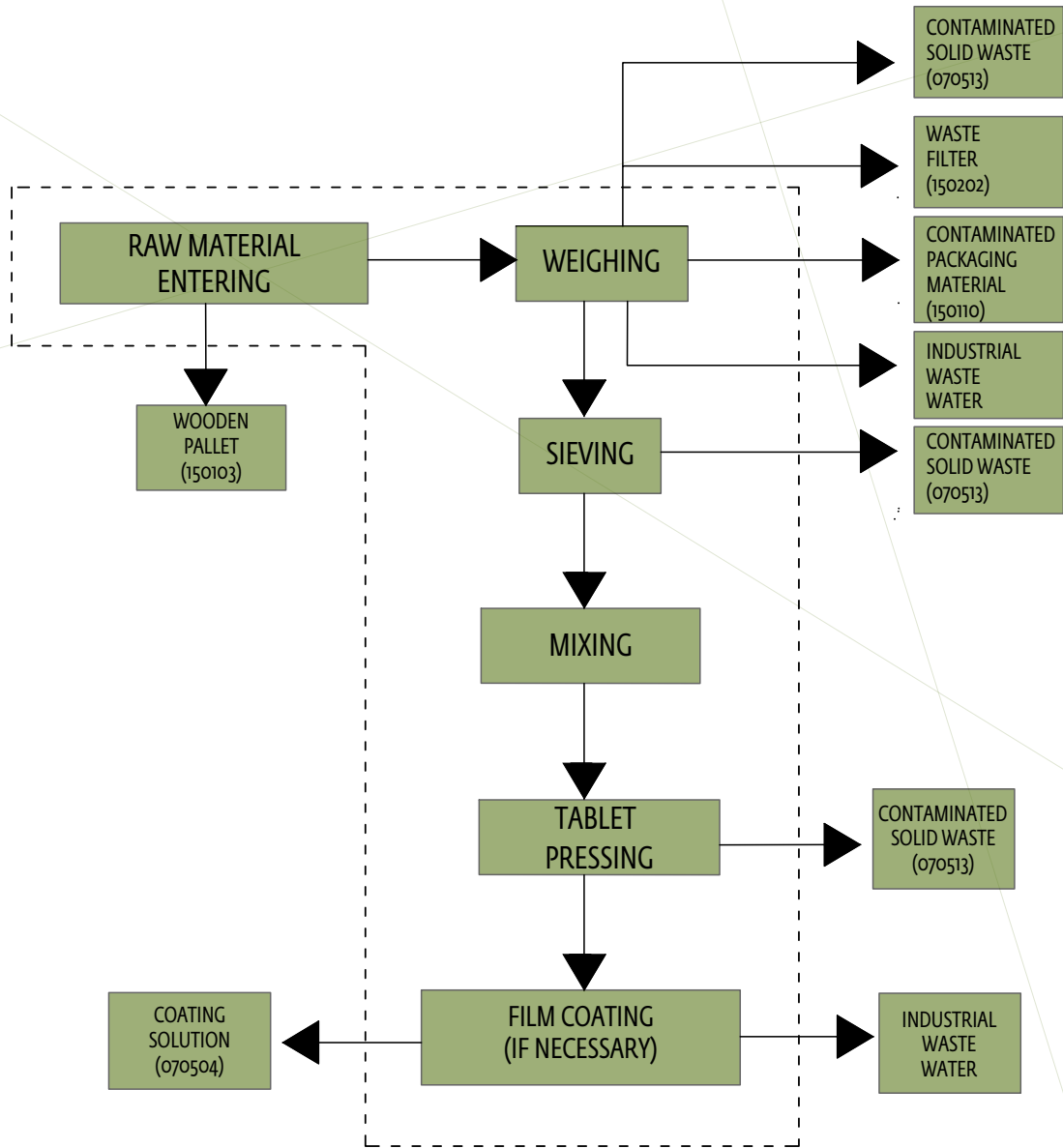
We collect the recyclable waste on a process basis as shown on the sample process flow scheme in **Figure 1** and separate them at the source under such categories as hazardous wastes, industrial wastes, recyclable wastes and recoverable wastes in the scope of our summarized in **Table 1**. We dispose them, giving priority on recycling and recovery, through collaboration with accredited firms licensed by the Ministry of Environment and Forestry in a way that does not harm nature.

Amounts of produced wastes, including their category, are continuously recorded at their source and their monthly trends are kept view of. All hazardous wastes associated with our activities are monitored as a performance indicator: "amount of hazardous waste per box"

We continuously keep our employees, suppliers, business partners and visitors informed about waste management in order to increase the effectiveness of our waste management system.



*Tablet Production Dry Granulation Process*



No	WASTE DESCRIPTION / CONTENT	TYPE OF WASTE	DISPOSAL METHOD
1	Blister, paper-cardboard and plastic packaging waste containing residues of hazardous substances or contaminated with hazardous waste; Laboratory waste (such as HPLC and GL column waste, TLC plates, capillary tubes, etc), ink rollers and their casing; Injectors needles used in laboratories; Contaminated wood, glass or plastic paint cans;	Contaminated Waste / Contaminated Used Glass	Transported by vehicles licensed by the Ministry of Environment to the companies licensed by the Ministry of Environment for recycling in accordance with the regulation on the control of hazardous waste, or dispatched to the incineration plant
	Sheet metal or plastic raw materials barrels containing residue of hazardous substances or contaminated with hazardous waste; and IBC tanks	Contaminated Sheet Metal Packaging / Contaminated Plastic Packaging	
2	Filter components and oil filters contaminated with hazardous substances	Used Filters	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of hazardous waste
3	Vacuum-raw materials powder waste/tablet-capsule waste	Powder Waste / Tablet-Capsule Waste	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of hazardous waste
	Semi-Finished/Finished Products	Shelf Samples / Stability Products / Semi-Finished / Finished Products	
	Destroyable raw materials (destroyable liquid-powder waste produced during manufacturing); Destroyable products (expired products, products recalled from the market, finished products that are destroyable because of low quality)	Destroyable Raw Materials (Liquid-Powder-Pomade, etc.) Destroyable Finished Products	
	Reducing solvent	Reducing Solvent Waste	
	Coating solution	Coating Solution	
4	Laboratory chemical waste (acid, base)	Acid Waste-Base Waste / Other Chemical Wastes	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of hazardous waste
5	Softening resin	Waste Resin	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of hazardous waste
6	Toner and printer cartridge waste containing hazardous substances Inky waste (ballpoint pens, ink boxes, highlighters-glass markers, board markers, etc.)	Used Toners-Used Cartridges	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of hazardous waste

No	WASTE DESCRIPTION / CONTENT	TYPE OF WASTE	DISPOSAL METHOD
7	Batteries and accumulators Radio and phone batteries	Used Batteries	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for incineration in accordance with the regulation on the control of used batteries and accumulators
		Used Accumulators	
8	Waste oil	Waste Oil	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for recycling in accordance with the regulation on the control of waste oil
9	Tires of vehicles and forklifts	Used Tires	Recycled by companies licensed by the Ministry of Environment in accordance with the regulation on the control of worn out tires
10	Electrical-electronic waste (IT and telecommunication waste, monitoring and control devices and instruments, automation systems, lighting devices and instruments, large white goods, small household electrical appliances, consumer tools, etc.)	Electrical-Electronic Waste	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for recycling in accordance with the regulation on the control of hazardous waste
11	Fluorescent lights and other waste containing mercury	Fluorescent Waste – Mercury Containing Waste	Transported by vehicles licensed by the Ministry of Environment to companies licensed by the Ministry of Environment for recycling in accordance with the regulation on the control of hazardous waste
12	Injectors and other waste collected from the room of the on-site doctor which are contaminated with blood, body fluids or drugs	Medical Waste	Transported by licensed medical waste transportation vehicles for disposal at the incineration plants licensed by the Ministry of Environment in accordance with the regulation on the control of medical waste
13	Waste from the garden, cafeteria, washbasins and toilets	Domestic Waste	Disposed of by regular storage plants licensed by the Ministry of Environment in accordance with regulation on the general principles of waste management and the regulation on the control of solid wastes
14	Glass – paper – cardboard – metal – wooden waste; Clean PVC, aluminium folio	Recoverable Waste	Recycled by companies licensed by the Ministry of Environment in accordance with the regulation on the control of packaging waste and within the scope of the communiqué on the recovery of some non-hazardous wastes
15	Clean blister, sticky back label paper; Clean caps, galoshes	Industrial Waste	Disposed of by incineration plants licensed by the Ministry of Environment in accordance with regulation on the general principles of waste management

## Waste Recovery

In the scope of the Regulation on the Control of Packaging Wastes, we have been collaborating with ÇEVKO, an authorized institution in recycling activities, for the collection of our packaging waste at a specified quota since 2005. For packaging waste which we have been offering to the market, the recycling rate rose from 38% in 2011 to 40% in 2012. The recycling rate for the packages of products sold in 2012 was 40%.

### Amounts of Recovered Waste (kg)

	2011	2012
Type of recovered packaging waste / Plastic	39,533	63,840
Type of recovered packaging waste / Paper-Cardboard	293,830	424,440
Type of recovered packaging waste / Glass	46,473	32,400
Type of recovered packaging waste / Scrap palette	58,430	62,670

### Recovered Waste (kg)

	2012
Plastic	12,017
Paper-Cardboard	884,853

## Wastewater

As the central treatment facility was commissioned at the Gebze Organized Industrial Zone in early 2011, the industrial wastewater treatment and the domestic wastewater treatment systems installed at our Gebze Plant were closed in April. We began to collect our industrial and domestic wastewater associated with our activities in the reservoirs of our old treatment facility, now disused, and direct the wastewater through a canal directly to the central treatment system of the Gebze Organized Industrial Zone.

The central wastewater treatment system of the Gebze Organized Industrial Zone is comprised of chemical and biological treatment units. Our wastewater is analyzed by the Gebze Organized Industrial Zone twice monthly for compliance with the criteria of water admittance to the central wastewater treatment system of the Gebze Organized Industrial Zone. The results of this analysis, performed by accredited environmental laboratories in accordance with the requests of the Gebze Organized Industrial Zone in 2012, are provided below.

Date	COD (Chemical Oxygen Demand) (mg/l)	Suspended Solids (mg/l)	Sulphur (mg/l)	pH (mg/l)
24.01.2012	958	124	1	7.17
06.02.2012	1,168	163	1	7.73
08.03.2012	1,042	134	1	7.2
26.03.2012	1,216	120	1.2	6.96
23.05.2012	1,136	94	1.2	7.3
06.06.2012	1,896	166	1.5	7.23
12.06.2012	1,024	76	1.4	7.45
02.07.2012	142	85	1	7.31
16.07.2012	382	115	1.2	6.7
30.07.2012	2,860	80	1.1	8.16
21.08.2012	838	60	1.3	7.04
04.09.2012	1,408	101	1.1	7.22

Domestic and industrial wastewater is processed through our wastewater chemical pre-treatment facility at our Çerkezköy processing facility, and drained to the Çerkezköy Organized Industrial Zone's Chemical and Biological Treatment Facility. Likewise, our wastewater is analyzed by the Çerkezköy Organized Industrial Zone for compliance with the criteria of water admittance to the central wastewater treatment system of the Çerkezköy Organized Industrial Zone.

The waste water at Gebze Processing Facility is first discharged to Gebze Organized Industrial Zone Central Treatment System by complying with the waste water discharge criteria. The treated water is then discharged to Yumrukaya Stream.

In accordance with the discharge criteria of the central wastewater treatment system of the Çerkezköy Organized Industrial Zone for the receiving environment of the exit water, the wastewater at our Çerkezköy processing facility is discharged into the Çorlu stream. The Çorlu stream carries the wastewater into the Ergene River which drains into the Meriç River before finally being carried to the Saroz Gulf.

The volume of wastewater discharged by our Gebze and Çerkezköy processing facilities and our headquarters in Ayazağa into the receiving environment are provided in the following table:

#### Water Discharge (m<sup>3</sup>)

	2010	2011	2012
Gebze	17,600	37,734	34,072
Çerkezköy	10,948	7,494	6,235
Ayazağa	5,395	5,392	5,950

## Management of Hazardous Waste

If a decision is made to destroy material and products which are rejected by QABC, a destruction form is filled. Based on this form, products and/or materials are transferred to project inventories, provided they are kept in the warehouses of the rejected materials within the SAP system. The related information is later conveyed to the Cost Accounting Department. Meanwhile, correspondence setting out the pertaining information is submitted to the Ministry of Finance and the Ministry of Health, and officials from the tax office and the Ministry of Health check the destruction amounts and the reasons for such destruction. Following the official compliance letter, the products and materials are destroyed by the authorized institution (İzaydaş) in the presence of the Notary and officials from the Ministry of Health.

In addition to this process, where a material may be delivered to any recycling company, it is sold as scrap. The Ministry of Health is not notified of such products and materials. We have not encountered any spills caused by our operations.

Based on this new approach, the amounts of hazardous waste per box and targets for 2012 are given in the following tables:

#### Amount of Shelf Sample and Destroyable Hazardous Waste in 2012:

Total amount of shelf sample and destroyable hazardous waste (g/box)	0.75432
Total amount of shelf sample hazardous waste (g/box)	0.19525
Total amount of destroyable hazardous waste (g/box)	0.55907

### Amount of Hazardous Waste Per Box

Performance Indicators	2008		2009		2010		2011		2012		2013	
	T	A	T	A	T	A	T	A	T	A	T	
Process-Based Hazardous Waste (g/box)												
Gebze	1.350	1.340	1.100	1.076	0.900	0.538	0.780	1.0840	1.093	1.042	1.019	
Çerkezköy	1.850	1.843	1.450	1.425	1.190	0.737	1.100	1.6250	1.617	1.580	1.560	
Ayazağa	1.350	1.336	1.200	1.168	0.980	0.507	0.520	0.3820	0.380	0.333	0.330	
	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.0000	0.000	0.030	0.000	
Carbon Monoxide (mg/Nm <sup>3</sup> )												
Gebze	max.100	27.09	max.100	-	max.100	0	max.10	0	max.10	18.50	max.10	
Çerkezköy	max.100	10.3	max.100	10.4	max.100	9.68	max.10	0	max.10	0	max.10	
Sulfur Dioxide (mg/Nm <sup>3</sup> )												
Gebze	max.100	0	max.100	-	max.100	0	max.10	0	max.10	0	max.10	
Çerkezköy	max.100	0	max.100	0	max.100	0	max.10	0	max.10	0	max.10	
Powder (mg/m <sup>3</sup> %3Ref.O <sub>2</sub> )												
Gebze	max.10	0.73	max.10	0.37	max.10	3.66	max.1	<5	<5	2.27	<5	
Çerkezköy	max.10	0	max.10	0.38	max.10	0	max.1	7.2	<5	1.82	<5	

## GREENHOUSE GAS EMISSIONS AND OUR CARBON FOOTPRINT

Greenhouse gas emissions caused by our company's activities in 2009 and 2010 were reviewed under the consultancy of an independent institution. We calculated our greenhouse gas emissions in 2012 based on the metrics set forth herein. The scope was expanded to cover other activities throughout the organization: direct and indirect energy consumption, company vehicles, air miles, personnel transportation services and transportation that is outsourced to third companies between our warehouses and distribution outlets. Greenhouse gas emissions arising during the supply of input materials, which are used in our production and distribution services in the supply chain within the Scope 3, are excluded.

Due the new regulation covering reference prices in the pharmaceutical industry, changes in repayments lists and the increase of input costs in foreign currency, and as a result of the Ministry of Health fixing the reference exchange rate, we were forced to limit the investment that we had aimed to make in order to reduce greenhouse gas emissions.

We expect the regulation covering reference drug prices to continue being applied in 2013.

### Greenhouse Gas Emissions by Year

	2009 CO <sub>2</sub> (tonnes)	2010 CO <sub>2</sub> (tonnes)	2011 CO <sub>2</sub> (tonnes)	2012 CO <sub>2</sub> (tonnes)
Scope 1	12,107	11,558	13,333.18	14,839
Scope 2	10,778	9,680	11,555.07	11,896
Scope 3	2,815	1,954	3,297.32	2,240
<b>Total</b>	<b>25,700</b>	<b>23,192</b>	<b>28,185.57</b>	<b>28,975</b>

### Emissions of Substances That Consume Ozone According to Weight

Location	Refrigeration gas	Amount of refrigeration gas added in 2012 (kg)	CO <sub>2</sub> e (tonnes)
Ayazağa Headquarters Air cooling refrigerating group, 1x1.45 MW	Freon R 22	136.00	246.16
Gebze Processing Facility Water cooling refrigerating group, 3x3 MW	134 A	-	-
	R410 A	-	-
Çerkezköy Processing Facility Water cooling refrigerating group, 1x1.45 MW	Freon R 22	160.00	289.60
<b>Total</b>		<b>296.00</b>	<b>535.76</b>

### Scope 3 Greenhouse Gas Emissions in 2012

	CO <sub>2</sub> e (tonnes)
Flights for business	1,464.27
Service vehicles (diesel)	403.54
Transfer of products from facilities to pharmaceutical warehouses (diesel)	372.48
<b>Total</b>	<b>2,240.29</b>

### NOx and SOx emissions caused by natural gas, gas oil and LPG in our facilities

#### Gebze Processing Facility

Parameter (kg/hour)	Hot water boiler 1	Hot water boiler 2	Steam boiler 1	Steam boiler 2
SOx	0	0	0	0
NOx (NO + NO <sub>2</sub> )	0.213	0.299	0.428	0.362

#### Çerkezköy Processing Facility

Parameter (kg/hour)	Steam boiler 1	Steam boiler 2		
SOx	0	0		
NOx (NO + NO <sub>2</sub> )	0.490	0.450		

According to the Ministry of Environment legislation, the emission volume of exhaust containing organic pollutants and the emission volume of exhaust containing volatile organic

compounds is measured every 2 years. Accordingly, the next measurement will be performed in 2013.

## BIODIVERSITY

***Both facilities went through Environmental Impact Assessment during establishment and the negative environmental impacts arising from the activities of these facilities were evaluated.***

Our facilities were established at Organized Industrial Zones (OSB). One of the foundation targets of OSBs is to provide waste management and to minimize and keep the possible negative impacts on biodiversity under control.

Both facilities went through Environmental Impact Assessment during establishment and the negative environmental impacts arising from the activities of these facilities were evaluated. The issued report stated that our facilities would have no negative impact on flora and fauna.

We continuously monitor our emissions and discharges with accredited independent organizations, which are licensed by Ministry of Environment and Forestry of the Republic of Turkey. This way, we ensure that our emissions and discharges are well within the legal limits.

## LEGAL COMPLIANCE

Both of our processing facilities received the Environment Permit, which is obligatory following the amendment to the pertaining legislation in 2012.

No fines have been levied on our facilities. No environmental incidents or accidents, including chemical leakage or spillage, have taken place and no penalties or fines have been imposed by legal bodies in connection with our processing facilities in 2012.





## Statement GRI Application Level Check

GRI hereby states that **Bilim Pharmaceuticals** has presented its report "Corporate Responsibility Report 2012" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see [www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf](http://www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf)

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 15 January 2014

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because **Bilim Pharmaceuticals** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 26 December 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

*Bilim Pharmaceuticals' 2012 Corporate Responsibility Report was prepared in compliance with the GRI G3.1 Sustainability Reporting Principles and the Global Compact's Communication on Progress (COP) Reporting. The following table is an integrated indicator index table that brings together the indicators of both standards. Status of reporting concerning all indicators has been specified.*

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
1.1	Statement from the most senior decision-maker of the organization.	GC Statement of Continued Support	Fully	*Message from the CEO *Message from the Chairman of the Board	3-6	
1.2	Description of key impacts, risks, and opportunities.		Fully	*Message from the CEO *Our Sustainability Management *Our Risk Management *Our Strategic Planning *Risk Based Supply Approach	5-6, 26-27, 29-32, 106	
2.1	Name of the organization.		Fully	*Cover Page		
2.2	Primary brands, products, and/or services.		Fully	*About Bilim Pharmaceuticals *Our Field of Work *Our Processing Facilities	11-20	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.		Fully	*About Bilim Pharmaceuticals *Our Management Structure	11-13, 22-25	
2.4	Location of organization's headquarters.		Fully	*Our Processing Facilities	13	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		Fully	*About Bilim Pharmaceuticals *Foreign Markets	11, 42-44	
2.6	Nature of ownership and legal form.		Fully	*Shareholding Structure *Board of Directors	22-23	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		Fully	*About Bilim Pharmaceuticals *Foreign Markets	11, 42-44	
2.8	Scale of the reporting organization.		Fully	*Bilim Pharmaceuticals At a Glance *About Bilim Pharmaceuticals *Our Processing Facilities *Shareholding Structure *Operational and Financial Information *Number of Employees *Our Investments	7-8, 11-18, 22, 40-44, 54-58	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.		Fully	*Board of Directors	22-23	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
2.10	Awards received in the reporting period.		Fully	*Our Awards	38	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.		Fully	*Cover Page * About the Report	9	
3.2	Date of most recent previous report (if any).		Fully	September 2012		
3.3	Reporting cycle (annual, biennial, etc.)		Fully	Annual		
3.4	Contact point for questions regarding the report or its contents.		Fully	* About the Report	9	
3.5	Process for defining report content.		Fully	* About the Report *Our Stakeholders	9, 34-36	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.		Fully	* About the Report	9	
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).		Fully	* About the Report	9	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.		Fully	* About the Report	9	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.		Fully	* About the Report *Greenhouse Gas Emissions and Our Carbon Footprint	9, 134	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).		Fully	* About the Report	9	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.		Fully	* About the Report	9	
3.12	Table identifying the location of the Standard Disclosures in the report.		Fully	*GRI ve GC Index	138-152	
3.13	Policy and current practice with regard to seeking external assurance for the report.		Fully	* About the Report	9	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.		Fully	*Our Management Approach *Demographic Data of Our Employees / Age Breakdown at Managerial Level	22-25, 55-57	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.		Fully	*Our Management Approach	22-23	
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.		Fully	*Our Management Approach	22-23	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.		Fully	*Our Management Structure/Our Boards *Our Stakeholders *Employee Participation and Representation	22-25, 34-36, 88-91	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).		Fully	*Board of Directors *Pay Management and Retirement Policy	22-23, 62-63	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.		Fully	*About Bilim Pharmaceuticals *Our Management Approach *Our Journey of Excellence *Our Ethical Management *Compliance with Law and Fair Competition *Fighting with Bribery and Impropriety	11-13, 22-23, 33, 50-51	
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.		Fully	*Our Management Approach *Our Recruitment Procedures *Evaluation of Competencies *Our Contribution to the Development of Our Employees	22-23, 58-62, 64-76	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.		Fully	*Our Management Approach *Our Mission, Vision and Values *Our Quality Management *Our Reputation Management *Our Ethical Management *Our Sustainability Management *Our Economic Added Value *The Value We Attach to People *Our Responsibility to the Ecological Environment *Our Ethical Management *Our policies are available in our webreport	20-21, 22-23, 27-33, 39-51, 52-120, 121-136	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.		Fully	*Our Management Structure *Our Strategic Planning *Our Risk Management *Our Sustainability Management *Our Ethical Management	22-25, 26-27, 29-32, 33	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.		Fully	*Our Management Structure	22-23	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.		Fully	*Our Strategic Planning *Our Risk Management *Occupational Health and Safety *Product Responsibility *Environmental Management	26-27, 93-98, 98-106, 107, 121-136	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.		Fully	*About Bilim Pharmaceuticals *Our Memberships *Our Quality Management *Our Journey of Excellence *Our Sustainability Management	11-18, 27-28, 29-32, 37	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.		Fully	*Our Memberships	37	
4.14	List of stakeholder groups engaged by the organization.		Fully	*Our Stakeholders	34-36	
4.15	Basis for identification and selection of stakeholders with whom to engage.		Fully	*Our Stakeholders	34-36	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.		Fully	*Our Stakeholders *Bilim Pharmaceuticals Community Volunteers *Employee Participation and Representation *Our Customers/Customer Satisfaction *Our Suppliers and Collaborations *Community Investment	34-36, 81-87, 88-91, 101-105, 105-109, 109-120	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.		Fully	*Our Stakeholders *Our Quality Management *Our Sustainability Management *Our Economic Added Value *The Value We Attach to People *Our Responsibility to the Ecological Environment	27-33, 34-36,39-51, 52-120, 121-136	
Economic						
Management Approach			Fully	* Our Mission, Vision and Values *Our Management Approach *Our Strategic Planning *Our Quality Management *Our Reputation Management *Our Ethical Management *Our Risk Management *Our Sustainability Management	20-21, 22-25, 26-27, 27-33	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		Fully	*Our Economic Added Value	40-42	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	GC7	Fully	*Our Management Approach *Our Strategic Planning *Our Risk Management *Risk-Based Supply Approach *Our Responsibility to the Ecological Environment / Environmental Management - Our Environment Friendly Practices - Enerji Consumption - Greenhouse Gas Emissions and Our Carbon Footprint	22-23, 26-27, 106, 122-124, 126-127, 134-135	
EC3	Coverage of the organization's defined benefit plan obligations.		Fully	*Our Economic Added Value / Our Investments *The Value We Attach to People / Pay Management and Retirement Policy	41, 62-63	
EC4	Significant financial assistance received from government.		Fully	*TÜBİTAK Projects *Government Grants Received *Investment Deduction Practice	48-50	
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	GC1	Fully	*Pay Management and Retirement Policy	63	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.		Fully	*Our Suppliers and Collaborations	105-109	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	GC 6	Fully	*Our Recruitment Procedures *Pay Management and Retirement Policy	58, 63	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.		Partially	*Our Economic Added Value / Our Investments *Our Work on Research and Development *Community Investment	41-48, 109-120	Not applicable / We do not have any infrastructure services.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.		Fully	*Bilim Pharmaceuticals At a Glance *About Bilim Pharmaceuticals *Our Risk Management *Our Responsibility to the Ecological Environment	7-8, 11-13	
<b>Environmental</b>						
Management Approach		GC Environmental Commitment	Fully	*About Bilim Pharmaceuticals *Our Processing Facilities *Our Values *Our Management Approach *Our Risk Management *Our Quality Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Responsibility to the Ecological Environment	11-18, 20-21, 22-25, 26-33, 121-136	
EN1	Materials used by weight or volume.	GC 8	Fully	*Materials Used in Production	125	
EN2	Percentage of materials used that are recycled input materials.	GC 8, GC 9	Fully	*Materials Used in Production	125	
EN3	Direct energy consumption by primary energy source.	GC 8	Fully	*Energy Consumption - Greenhouse Gas Emmisions and Our Carbon Footprint	126-127, 134-135	
EN4	Indirect energy consumption by primary source.	GC 8	Fully	*Energy Consumption - Greenhouse Gas Emmisions and Our Carbon Footprint	126-127, 134-135	
EN5	Energy saved due to conservation and efficiency improvements.	GC 8, GC 9	Fully	*Our Environment Friendly Practices *Energy Consumption *Greenhouse Gas Emmisions and Our Carbon Footprint	123-124, 126-127, 134-135	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	GC 8, GC 9	Fully	*Our Environment Friendly Practices *Energy Consumption *Greenhouse Gas Emmissions and Our Carbon Footprint	123-124, 126-127, 134-135	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	GC 8, GC 9	Fully	*Our Environment Friendly Practices *Energy Consumption *Greenhouse Gas Emmissions and Our Carbon Footprint	123-124, 126-127, 134-135	
EN8	Total water withdrawal by source.	GC 8	Fully	*Water Consumption	127-128	
EN9	Water sources significantly affected by withdrawal of water.	GC 8	Fully	*Water Consumption	127-128	
EN10	Percentage and total volume of water recycled and reused.	GC 8, GC 9	Fully	*Water Consumption *Waste Water	127-128, 132-133	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	GC 8	Fully	*Biodiversity	136	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	GC 8	Fully	*Biodiversity	136	
EN13	Habitats protected or restored.	GC 8	Fully	*Biodiversity	136	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	GC 8	Fully	*Biodiversity	136	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	GC 8	Fully	*Biodiversity	136	
EN16	Total direct and indirect greenhouse gas emissions by weight.	GC 8	Fully	*Greenhouse Gas Emmissions and Our Carbon Footprint	134-135	
EN17	Other relevant indirect greenhouse gas emissions by weight.	GC 8	Fully	*Greenhouse Gas Emmissions and Our Carbon Footprint	134-135	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	GC 7, GC 8, GC 9	Fully	*Our Sustainability Management *Our Environment Friendly Practices *Energy Consumption *Greenhouse Gas Emmissions and Our Carbon Footprint	29-32, 123-125, 126-127, 134-135	
EN19	Emissions of ozone-depleting substances by weight.	GC 8	Not applicable			We have no significant emissions of ozone-depleting substances.
EN20	NOx, SOx, and other significant air emissions by type and weight.	GC 8	Fully	*Greenhouse Gas Emmissions and Our Carbon Footprint	134-135	



GRI G3.1 Indicators		Related GC Indicators**	Reporting Status	Related Part in the Report	Page Number	Explanation
EN21	Total water discharge by quality and destination.	GC 8	Fully	*Waste Water	132-133	
EN22	Total weight of waste by type and disposal method.	GC 8	Fully	*Waste Management	128-134	
EN23	Total number and volume of significant spills.	GC 8	Fully	*Our Responsibility to the Ecological Environment / Legal Compliance	136	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	GC 8	Not applicable			Not applicable / We have no waste shipment.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	GC 8	Fully	*Biodiversity	136	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	GC 7, GC 8, GC 9	Fully	*Our Sustainability Management *Our Responsibility to the Ecological Environment	29-32, 121-136	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	GC 8, GC 9	Fully	*Waste Management	128-134	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	GC 8	Fully	* Our Responsibility to the Ecological Environment / Legal Compliance	136	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	GC 8	Fully	*Our Sustainability Management * Our Environment Friendly Practices - Greenhouse Gas Emmissions and Our Carbon Footprint	29-32, 123-124, 134-135	
EN30	Total environmental protection expenditures and investments by type.	GC 7, GC 8, GC 9	Fully	*Our Sustainability Management *Our Responsibility to the Ecological Environment	29-32, 121-136	
<b>Labor Practices and Decent Work</b>						
Management Approach			Fully	*About Bilim Pharmaceuticals *Our Processing Facilities *Our Values *Our Management Approach *Our Risk Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Stakeholders *The Value We Attach to People *Occupational Health and Safety	11-18, 20-21, 22-25, 26-27, 28-36, 52-97	
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.		Fully	*The Value We Attach to People - Demographic Data of Our Employees	54-58	

GRI G3.1 Indicators		Related GC Indicators <sup>o</sup>	Reporting Status	Related Part in the Report	Page Number	Explanation
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	GC 6	Partially	*Our Recruitment Procedures	58-61	Proprietary information
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		Fully	*Benefits, rights and support practices *Pay Management and Retirement Policy	62-64	
LA4	Percentage of employees covered by collective bargaining agreements.	GC 1, GC 3	Fully	*Our Principles on Employee Rights	53	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	GC 3	Fully	*Internal Communication Activities	90-91	
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	GC 1	Fully	*The OHS Board and OHS Study Team	93	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	GC 1	Fully	*Job-Related Accidents and Efforts to Prevent Accidents *Lost Workforce	95-97	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	GC 1	Fully	*Occupational Health and Safety *Community Investment	92-97, 109-120	
LA9	Health and safety topics covered in formal agreements with trade unions.	GC 1	Not applicable			We have no agreements with trade unions.
LA10	Average hours of training per year per employee by gender, and by employee category.		Fully	*Employee Training *OHS Trainings	71, 94-95	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		Fully	*Our Contribution to the Development of Our Employees	64-87	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.		Fully	*Our Contribution to the Development of Our Employees/ Performance Management - 360 ° Competency Evaluation System - Potential Evaluation - Leadership Development Program - Coaching System	65-67, 72-77	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	GC 1, GC 6	Fully	*Demographic Data of Our Employees	54-58	
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	GC 1, GC 6	Fully	*Pay Management and Retirement Policy	62-63	
LA15	Return to work and retention rates after parental leave, by gender.		Fully	*Our Recruitment Procedures - Ratio of employees who return back to work after giving birth	61	
<b>Human Rights</b>						
Management Approach			Fully	*About Bilim Pharmaceuticals *Our Processing Facilities *Our Values *Our Management Approach *Our Risk Management *Our Quality Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Stakeholders *The Value We Attach to People *Occupational Health and Safety *Our Suppliers and Collaborations	11-18, 20-21, 22-25, 26-27, 28-36, 52-97, 105-109	
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	GC 1, GC 2, GC 3, GC 4, GC 5, GC 6	Fully	*Our Suppliers and Collaborations	105-109	
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	GC 1, GC 2, GC 3, GC 4, GC 5, GC 6	Partially	*Our Suppliers and Collaborations	105-109	Not available / We are working on improving our supply chain management and we will adopt more systematic processes in the future.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	GC 1, GC 2, GC 3, GC 4, GC 5, GC 6	Fully	*Our Ethical Management	33	
HR4	Total number of incidents of discrimination and corrective actions taken.	GC 1, GC 2, GC 3, GC 4, GC 5, GC 6	Fully	*Our Ethical Management *Our Principles on Employee Rights *Legal actions on overtime, harassment or discrimination	33, 53, 91	

GRI G3.1 Indicators		Related GC Indicators <sup>**</sup>	Reporting Status	Related Part in the Report	Page Number	Explanation
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	GC 1, GC 2, GC 3	Partially	*Our Principles on Employee Rights *Selection of Suppliers *Supplier Inspection *Improvement of Collaboration	53, 105-109	Not available / We will put more emphasis on supplier inspections and are planning to conduct more indepth inspections in the future.
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	GC 1, GC 2, GC 5	Partially	*Our Principles on Employee Rights *Selection of Suppliers *Supplier Inspection *Improvement of Collaboration	53, 105-109	Not available / We will put more emphasis on supplier inspections and are planning to conduct more indepth inspections in the future.
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	GC 1, GC 2, GC 4	Partially	*Our Principles on Employee Rights *Selection of Suppliers *Supplier Inspection *Improvement of Collaboration	53, 105-109	Not available / We will put more emphasis on supplier inspections and are planning to conduct more indepth inspections in the future.
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	GC 1, GC 2	Fully	*Our Sustainability Management	29-32	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	GC 1, GC 2	Not applicable			Our operations do not affect any indigenous people.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.		Fully	*Our Suppliers and Collaborations	105-109	
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.		Fully	*Our Ethical Management *Legal actions on overtime, harassment or discrimination	33, 91	
<b>Society</b>						
Management Approach			Fully	*About Bilim Pharmaceuticals *Our Processing Facilities *Our Values *Our Management Approach *Our Risk Management *Our Quality Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Stakeholders *The Value We Attach to People *Occupational Health and Safety *Our Suppliers and Collaborations *Compliance with Law and Fair Competition *Fighting with Bribery and Impropriety *Bilim Pharmaceuticals Community Volunteers *Community Investment	11-18, 20-21, 22-25, 26-27, 28-36, 50-51, 81-87, 109-120	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		Fully	*Our Risk Management *Our Quality Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Stakeholders *Bilim Pharmaceuticals Community Volunteers *Occupational Health and Safety *Community Investment *Our Responsibility to the Ecological Environment	13-18, 26-36, 81-88, 93-98, 110-120- 121-136	
SO2	Percentage and total number of business units analyzed for risks related to corruption.	GC 10	Fully	*Our Ethical Management *Compliance with Law and Fair Competition *Fighting with Bribery and Impropriety	33, 50-51	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	GC 10	Fully	*Our Ethical Management	33	
SO4	Actions taken in response to incidents of corruption.	GC 10	Fully	*Our Ethical Management *Compliance with Law and Fair Competition *Fighting with Bribery and Impropriety	33, 50-51	
SO5	Public policy positions and participation in public policy development and lobbying.	GC 1, GC 2, GC 3, GC 4, GC 5, GC 6, GC 7, GC 8, GC 9, GC 10	Not applicable			Political lobbying for companies is forbidden by law.
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	GC 10	Not applicable			Political donations by companies is forbidden by law.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		Fully	*Fighting with Bribery and Impropriety	50-51	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		Fully	*Our Ethical Management *Compliance with Law and Fair Competition *Fighting with Bribery and Impropriety	33, 50-51	
SO9	Operations with significant potential or actual negative impacts on local communities.		Not applicable			Our operations do not affect any local communities in a negative way.
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.		Not applicable			Our operations do not affect any local communities in a negative way.

GRI G3.1 Indicators		Related GC Indicators <sup>o2</sup>	Reporting Status	Related Part in the Report	Page Number	Explanation
Product Responsibility						
Management Approach - PR			Fully	*About Bilim Pharmaceuticals *Our Processing Facilities *Our Values *Our Management Approach *Our Risk Management *Our Quality Management *Our Reputation Management *Our Sustainability Management *Our Ethical Management *Our Stakeholders *Product Responsibility	11-18, 20-21, 22-25, 26-27, 28-36, 97-105	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	GC 1	Fully	*Product Responsibility	97-105	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	GC 1	Fully	*Number of Drugs Recalled from the Market *Marketing Principles and Ethics	100, 103-104	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	GC 8	Fully	*Informing Customers	103-104	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	GC 8	Fully	*Informing Customers *Marketing Principles and Ethics	103-104	
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.		Fully	*Müşteri Memnuniyeti *Customer Privacy *Customer Complaints	101-102, 104-105	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.		Fully	*Informing Customers *Marketing Principles and Ethics	103-104	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.		Fully	*Informing Customers *Marketing Principles and Ethics	103-104	

GRI G3.1 Indicators		Related GC Indicators*	Reporting Status	Related Part in the Report	Page Number	Explanation
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	GC1	Fully	*Customer Privacy *Patient Confidentiality	104-105	
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.		Fully	*Number of Drugs Recalled from the Market	100	

\* We have made use of the Practical Guide in the Communication on Progress of the UN Global Compact for the matching of GRI-GC indicators.



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## INDEPENDENT VERIFICATION STATEMENT

### To the readers of the 2012 Bilim İlaç Sustainability Report

#### Introduction

DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (Deloitte) was commissioned by Bilim İlaç Sanayi ve Ticari ve Ticaret A.Ş. (Bilim İlaç) to undertake an independent verification for its Sustainability Report 2012 (The Report). The report was prepared according to the Global Reporting Initiative (GRI) G3.1 Guidelines and the Application Level A Criteria.

#### Responsibility of Bilim İlaç's Management

The Board of Directors and the Management of Bilim İlaç is responsible for the preparation of the Report and the information contained therein in accordance with GRI 3.1 Guidelines. This responsibility includes developing, implementing and safeguarding internal controls of material importance for the preparation of a report that is free of material misstatement. Deloitte was not involved in preparation of any of material included in the Report.

#### Scope of Verification

The objective of Deloitte's verification was limited to provide an independent opinion on the conformance of the Report to the GRI G3.1 criteria for the A Application Level. The verification also aimed to assess the effectiveness of internal controls on sustainability reporting processes and data management systems for collection and consolidation of data for the Report.

#### Verification Methodology

Deloitte's verification was designed to gather evidence on which to base the conclusions. The verification process comprised a series of interviews with management and employees, a review of Bilim İlaç's key systems and processes used for managing and reporting sustainability performance information, collection and evaluation of evidence to support the verification work undertaken, a review of the Report to check whether the Report conforms to the Level A requirements of GRI G3.1 Guidelines.

#### Conclusion


Based on the scope of the verification and the information and data available for review during the verification process, objective evidence was found to support the following conclusions.

In our opinion, the Report included all required GRI G3.1 contents and A Application Level performance indicators which were relevant to operation of Bilim İlaç. Explanatory note was provided for reason where the information of indicator was not presented in the Report. Based on our work performed, nothing has come to our attention that causes us to believe that the Report does not meet the requirements of the A Application Level of the GRI G3.1 Guidelines.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.

DELOITTE TOUCHE TOHMATSU LIMITED Member Firm

İstanbul, November 13 2013

  
Evren Sezer,  
Partner





This report has been prepared with the support of  
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