



## COMPANY POLICY

### PREAMBLE

Dr. Falk Pharma endeavors to live up to its responsibility both in economic terms and in relation to ecological, social and ethical aspects. Dr. Falk Pharma also encourages its suppliers (e.g., suppliers of materials, service providers, contract manufacturers, consultants, etc.), to join in the efforts to achieve sustainable development and to uphold the established principles of sustainability, as they are described in this supplier code of conduct and the standards contained therein.

### Dr. Falk Pharma

- takes the view that society and the economy are best served by responsible business behavior and practices. This conviction is based on the understanding that a company must operate in full compliance with all the applicable laws, rules and regulations.
- is aware of the cultural differences and the challenges which are associated with the global interpretation and application of this supplier code of conduct and the standards contained therein. The companies, which support this supplier code of conduct and the standards contained therein, take the view however that the expectations are universal, although they understand that the methods for the fulfillment of these expectations may be different and must be in line with the laws, values and cultural expectations of the various societies around the world.
- takes the view that this supplier code of conduct and the standards contained therein are best implemented by an approach of continuous improvement, which increases the performance of the suppliers over the course of time.

## 1. ETHICS

The suppliers shall conduct their business in an ethical manner and act with integrity. Ethical elements include:

### **Business integrity and fair competition**

All types of corruption, extortion and misappropriation are forbidden. The suppliers shall conduct their business in line with fair and strong competition principles and in compliance with all applicable anti-trust laws. The suppliers shall apply fair business practices, including correct and truthful advertising.



### **Data protection and intellectual property**

The suppliers shall protect confidential information and only use such information in appropriate ways and shall ensure that the privacy of all employees and business partners as well as the applicable rights on intellectual property are protected.

### **Identification of concerns**

All employees of the suppliers should be encouraged to report concerns or illegal activities in the workplace, without being threatened with reprisals, intimidation or harassment. Suppliers should therefore have a 'Whistleblower Policy' in place and be able to provide evidence how this has been implemented. Information shall be treated confidentially. The suppliers will investigate any such reports and, if appropriate, shall take corrective actions and share information with Dr Falk Pharma.

Our complaints procedure is accessible on-line at: <https://prod.osapiens.cloud>

### **Animal welfare**

In the event that animal experiments take place in the business segments of the supplier, alternatives must be considered and used which are scientifically substantiated and accepted by the regulatory authorities. Animals must be treated appropriately and animal experiments must be conducted in accordance with protocols recognized by science that fulfill the regulatory requirements. Necessary animal experiments must be conducted in accordance with the ethical principle of the 3Rs (reduce, replace, refine).

## **2. WORKING CONDITIONS**

The suppliers shall conduct their business in an ethical manner and behave with integrity. The elements of work include:

### **Freely chosen employment**

The suppliers shall not use any forced labor, bonded labor, compulsory labor or involuntary prison labor.

### **Child labor**

The suppliers shall not employ child labor. The term "child" relates to all persons under 15 years of age (or 14 years of age in accordance with the applicable local laws) or who are under the minimum age for employment in a specific country.



### **Non-discrimination**

The suppliers shall ensure that the workplace is free of harassment and discrimination. Discrimination on the grounds of race, skin color, age, sex, sexual orientation, ethnic origin, disability, religion, political allegiance, trade union membership or marital status will not be tolerated.

### **Fair treatment**

The suppliers shall provide a workplace that is free of hard and inhumane treatment, including sexual harassment, sexual abuse, physical punishment, mental or physical coercion, or the verbal abuse of workers and without the threat of any such treatment.

### **Wages, social security benefits and working hours**

The suppliers must pay the workers appropriately, in accordance with the applicable laws on wages.

### **Freedom of association**

Open communication and direct engagement with the workers for the resolution of workplace and remuneration issues are encouraged. The suppliers shall respect the workers' rights to associate freely, to join or not to join trade unions, to seek representation and to take part in works councils, as specified by local legislation. The workers must have the opportunity to speak openly to the corporate management about the working conditions, without being threatened with reprisals, intimidation or harassment.

### **Forced labor**

Dr. Falk Pharma is committed to ensuring that forced labor in all its forms shall not occur in its supply chain. It is expected of suppliers that they also address and combat forced labor in their supply chain, and comply with all laws and regulations which are directed at forced labor. The suppliers must explain to their employees about forced labor in all its forms, such as slavery, servitude, compulsory labor and human trafficking, so that they can recognize and prevent forced labor in their daily work. If forced labor is found, it is expected of the suppliers that they will take the necessary steps to eliminate this, going as far as to terminate the relationships with their suppliers and contractors, if this is the only way to prevent forced labor in the suppliers' supply chain.



### **3. HEALTH, SAFETY, ENVIRONMENT AND QUALITY**

The suppliers shall ensure there is a safe and healthy working environment. Furthermore, the suppliers shall integrate quality into their business processes and shall work in an environmentally conscious way. The elements of health, safety, quality and the environment include:

#### **Worker protection**

The suppliers must protect their employees in accordance with all applicable health and safety regulations.

#### **Quality**

The suppliers must fulfill the generally recognized or contractually agreed quality requirements in order to supply goods and services consistent with the requirements of Dr. Falk Pharma, which provide the required performance standards and are safe for their intended use.

#### **Health, safety, environmental and quality regulations**

The suppliers shall abide by all applicable quality, health, safety and environmental regulations and laws. All necessary permits, licenses and registrations shall be obtained, maintained and kept up-to-date. The suppliers shall fulfill their operational and reporting obligations.

#### **Environment**

The suppliers shall work in an efficient and environmentally conscious way in order to minimize the negative impacts on the environment. The suppliers are obliged to protect natural resources, to avoid the use of hazardous materials as far as possible, and to participate in activities for reuse and recycling.

#### **Waste and emissions**

The suppliers must have systems which guarantee safe handling, transport, storage, recovery, recycling and administration of waste materials, air emissions and waste water discharges. All waste materials, waste water or emissions, which could have a negative impact on the health of human beings and the environment, must be appropriately administered, monitored and treated before their release into the environment. The disposal of all types of waste materials and waste water must be carried out in compliance with the regulations.



### Product safety

Safety data sheets which contain all the necessary safety-related information shall be made available by the suppliers for all hazardous substances and, upon legitimate request, they shall be shared with Dr. Falk Pharma and other parties.

### References

- [United Nations Global Compact](#)
- [Universal Declaration on Human Rights](#)
- [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#)
- [International Labour Standards \(ILO\)](#)
- [Responsible Care Global Charter](#)
- [OECD Guidelines for Multinational Enterprises](#)
- [OECD Guiding Principles for Chemical Accident, Prevention, Preparedness and Response](#)
- [OECD guidance for Multi-National Enterprises \(MNEs\) on responsible business conduct](#)