



Schwabe Group
From Nature. For Health.



Business Partner Code of Conduct - EN

Schwabe Group
Version 01 / Compliance



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Introduction

Our founder, Dr. Willmar Schwabe attached great importance to good manufacturing practices when he founded our company in 1866. In doing so, he set standards in pharmaceutical manufacturing and laid the foundations for the sustainable success of the **Schwabe Group** (hereinafter as applicable "we", "us", "our(s)").

Today, when we offer our customers well-researched, high-quality medicines and healthcare products and dietary supplements that meet their needs, we are continuing this legacy. As a family-owned company, we have a long legacy of responsible business and customer appreciation, as set forth in our Schwabe Family Charter.

We are committed to an ethically, socially, and ecologically responsible corporate governance. Integrity and sustainability are essential components of our corporate philosophy and values. We expect our employees to observe the principles of integrity and sustainability and to integrate them into our corporate culture. We expect the same behavior from our business partners. We strive to continuously optimize our business activities in terms of sustainability and call on our business partners, including all stakeholders along the value chain, to contribute to this in the sense of a holistic approach.

This Business Partner Code of Conduct ("**Code**") highlights essential rules of conduct that are consistent with the values and beliefs of the Schwabe Group. We expect each of our business partners, such as our suppliers, service providers, consultants, sales representatives, brokers, (wholesale) distributors, agents, intermediaries and other contractual partners ("**Business Partners**") to comply with this Code and the rules of conduct described herein.

The Code and the resulting rules of conduct are based on national laws and regulations as well as international conventions such as the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the labor standards of the International Labor Organization.



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What we expect from our business partners

1. Ethical and Legally Compliant Business Practices

Business Partners adhere to their ethical and legal responsibilities in all their business activities. They comply with the applicable laws, legal acts, and regulations of the countries in which they operate. Business Partners apply high standards of integrity in their business activities.

1.1 Compliance with Anti-Corruption Laws

The Schwabe Group's position with regard to all applicable anti-corruption laws is clear: We do not participate directly or indirectly in bribery and corruption, nor do we accept, promise or grant any form of unjustified, inappropriate or otherwise improper benefits.

Business Partners who work for or on behalf of the Schwabe Group or have other business activities with the Schwabe Group must not under any circumstance offer, promise, grant or approve any personal benefits (in particular of a monetary nature such as payments and loans, but also gifts over a longer period of time or other incentives) in return for preferential treatment in business dealings. Business Partners or their employees must not demand or accept such benefits in return for preferential treatment in business dealings. We expect that business partners also avoid any appearance of corrupt or improper behavior.

As anti-corruption laws are more restrictive in how businesses interact with public officials, Business Partners have to be particularly mindful when acting for or on behalf of the Schwabe Group with public officials or related persons. Business Partners must ensure that their employees act in accordance with applicable anti-corruption laws and are sufficiently informed about them.

1.2 Compliance with Code When Working with Healthcare Professionals

The quality of our products speaks for itself and gives us a reputation in our market. The Schwabe Group's customers rely on the recommendations of healthcare professionals and trust that they are given in good faith.

Business Partners working for or on behalf of the Schwabe Group or engaged in other business activities with the Schwabe Group must refrain from any form of improper payment or the granting of improper benefits that could cause healthcare professionals to recommend our products in exchange for these improper payments or benefits, or otherwise unfairly favor the Schwabe Group.

Business Partners must not pass on false information about their own or our products in connection with Schwabe Group business activities.



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1.3 Conflicts of Interest

Within the Schwabe Group, it is the duty of every employee to make business decisions in the best interests of the Schwabe Group and not on the basis of his or her own personal interests. It is essential to avoid even the appearance of influenced by an employee's personal interests or relationships in the course of professional activities or decision-making in a professional context. We expect the same from our Business Partners.

Business activities or decisions that could lead to a conflict between the private interests of the Business Partner's employees or persons close to them on the one hand and the business interests of the Schwabe Group on the other must be avoided. Such conflicts of interest as well as situations that give the appearance of a conflict of interest in connection with the Schwabe Group must be reported to us immediately.

1.4 Fair competition

In all regions and countries in which the Schwabe Group operates, we are committed to fair, free and equitable competition between all participants. In line with this commitment, our Business Partners must also comply with fair, free and equitable competition and with the relevant national and international laws that protect and promote competition. These include, in particular, the laws on protection against unfair business practices, against restrictions on competition, and such sources of law that deal with the relationship between competitors and customers. In particular, Business partners must not collude with competitors or engage in other activities that violate antitrust or competition laws, such as influencing prices and terms, allocating sales territories and customers, or otherwise improperly impeding fair, free, and equitable competition.

1.5 Anti-Money Laundering

It is the Schwabe Group's goal to conduct business exclusively with Business Partners of integrity. Business Partners must comply with all applicable laws relating to the prevention and avoidance of money laundering. Transactions made with the Schwabe Group must be traceable, and the funds used for this purpose must originate exclusively from legitimate sources. The Schwabe Group has implemented internal processes and measures to prevent and avoid money laundering, including audits and queries of its Business Partners. Business Partners must ensure through appropriate processes and measures that they likewise only work with trustworthy contractual partners who conduct legitimate business activities with funds from legal sources.



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1.6 Compliance with foreign trade regulations

Business Partners must comply with all applicable import and export restrictions, trade sanctions, and export control laws. The Schwabe Group does not work directly or indirectly with individuals or companies that have been placed on sanctions lists by governments.

1.7 Confidentiality, Security, and Privacy

Business Partners must comply with applicable data protection laws. This requirement applies to the protection of personal data if business partners collect, store, process, transmit or pass on corresponding data on behalf of the Schwabe Group.

Business Partners must preserve the confidentiality of the Schwabe Group's confidential information, business secrets or other sensitive information. It may not be disclosed to third parties or made accessible to such third parties, without the Schwabe Group's prior written authorization or it can be proven that the information is in the public domain.

Further, Business Partners must protect and respect all intellectual property rights, including patents, trademarks, copyrights, trade secrets, and other know-how of the Schwabe Group, its employees and its Business Partners.

2. Social responsibility

The Schwabe Group places the highest value on ensuring that people are provided with a fair, respectful and safe environment that is free from discrimination. Business Partners respect human rights, create fair working conditions and comply with applicable regulations to protect health as well as a safe workplace.

2.1 Respect for human rights

For the Schwabe Group, respect for human rights is an essential component of conduct with integrity. Therefore, the Schwabe Group is committed to the prohibition of all forms of forced labor, slavery, child labor and human trafficking. We also expect Business Partners to uphold human rights in accordance with the Universal Declaration of Human Rights, the Human Rights Conventions of the United Nations, the standards of the International Labor Organization (ILO) as well as all applicable laws. Business Partners must not engage in human rights violations either directly or indirectly within their supply chain.



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2.2 Freedom of Association and fair working conditions

The Schwabe Group and its Business Partners must respect employees' rights to freedom of association and freedom of expression. Employees are free to form or join associations to protect their interests without suffering any disadvantages as a result.

The Schwabe Group and its business Partners must treat all persons with respect and fairness, respecting equal treatment and free from discrimination. They must pay attention to fair working conditions within their own organization as well as in the supply chain. This includes compliance with mandatory local hours laws and regulations, the payment of appropriate wages and the provision of other mandatory benefits under applicable laws. Business Partners must pay the applicable statutory minimum wage.

2.3 Health and safety in the workplace

The Schwabe Group and its Business Partners are responsible for a safe and healthy working environment and are committed to avoiding and minimizing risks to which employees are exposed in the working environment. By actively establishing and applying appropriate measures and continuously improving them, Business Partners take the necessary precautions against accidents, damage to health and other impairments that may arise in the operational and occupational context. Business Partners ensure that they and their business partners comply with applicable health and safety standards and that their employees are regularly informed about these and - where legally required - trained.

3. Ecological responsibility

The Schwabe Group is aware of its ecological responsibility and attaches importance to comprehensively counteracting environmental risks and negative effects on the climate. Business Partners are also aware of this responsibility to use resources sustainably and carefully to protect the environment and climate within their business processes and along their supply chains.

3.1 Environmental and climate protection

Business Partners must be committed to protecting the environment and climate. They must implement appropriate measures within their sphere of influence to prevent and minimize potential damage to the environment through precautionary measures. They must support the use of modern, efficient and environmentally friendly technologies and comply with all applicable environmental laws and standards.



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3.2 Handling emissions, waste and difficult substances

In accordance with applicable laws and standards, Business Partners must implement necessary and appropriate processes and measures to reduce harmful emissions, avoid waste, and use natural resources in a careful, sustainable, and responsible manner.

4. Quality and product safety

Our primary goal is to always manufacture high-quality products and to meet the highest quality and product safety standards. We demand the same from our Business Partners.

4.1 Quality

Business Partners must comply with generally accepted, contractually agreed and legally required quality requirements and standards within their own organization and along their supply chain. We expect our Business Partners to act in compliance with applicable laws and regulations, governmental ordinances and requirements, and relevant national and global industry guidelines at all times when providing and labeling their goods and performing services.

Business Partners must take the respective measures required for an appropriate quality management system. Factors that could negatively influence the quality of their goods or services as well as their intended use are to be addressed by our Business Partners immediately. Business Partners must inform us promptly of any changes in the manufacturing or delivery process, insofar as these changes may have an impact on the goods or services provided or rendered to the Schwabe Group.

4.2 Product safety

Business Partners are obligated to implement those protective and control measures within their area of responsibility that are necessary and appropriate to ensure the safety of their products as well as ours. Business Partner must notify the Schwabe Group immediately of any security concerns.

We trust our Business Partners to review business relationships with their business partners and other third parties as soon as they receive indications of involvement in the sale or distribution of improper products. We expect our Business Partners to investigate and verify plausible indications of product safety restrictions or violations within their business unit and along their supply chain. Furthermore, we expect that any violations identified in this context will be appropriately responded to and remedied.



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4.3 Good manufacturing practice for medicinal products

Business partners who are subject to the requirements of "Good Manufacturing Practice for Medicinal Products" must in particular

- have the required manufacturing authorizations, permits and registrations or comparable approvals with respect to the materials, products and/or services supplied to the Schwabe Group,
- Ensure that all data conducted for activities to provide materials, products and/or services to the Schwabe Group are accurate, controlled, protected from tampering or loss, and consistent with all applicable health authority standards and industry expectations for data integrity,
- Take measures to ensure the security and integrity of the supply chain, including but not limited to measures to protect against tampering and counterfeiting of the materials or products,
- Work with the Schwabe Group on the implementation of new or modified standards or expectations of health authorities in a timely manner prior to regulatory implementation.

5. Implementation of the requirements towards and by the business partner

Compliance with this Code is a matter of course for the Schwabe Group and the basis for a trusting, long-term and successful business relationship.

5.1 Binding nature and compliance with the Code

We, the Schwabe Group, consider the provisions of this Code to be a binding and essential part of the business relationship between us and our business partners. The rules of conduct set forth herein must be observed and complied with by our business partners. The Schwabe Group reserves the right to make necessary and occasion-related adjustments to this Business Partner Code of Conduct and will inform its business partners of such in good time.

5.2 Due diligence obligations of the business partners

Our Business Partners undertake to make the contents of this Code, or a Business Partner's own comparable code, available to their employees as well as to such agents, suppliers and subcontractors who perform work for the Schwabe Group in a manner that is comprehensible to them and to take the necessary precautions for compliance with and implementation of the requirements. Our Business Partners shall endeavor to oblige their business partners, agents and subcontractors to also comply with the rules of conduct set forth in this Code, or a Business Partner's own comparable code.

We expect our Business Partners to identify risks for possible violations of laws or the rules of conduct set forth in this Code and to take appropriate measures to prevent them. In the event of suspected violations and to safeguard supply chains with increased risks, Business Partners will



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inform the Schwabe Group promptly and directly about the identified risks and violations as well as the measures taken.

5.3 Evidence and remedies

Our Business Partners agree that if there is sufficient suspicion of violations, the Schwabe Group is entitled to request the Business Partner to provide evidence of compliance with the Code (e.g., by submitting appropriate documentation).

If violations are identified, appropriate remedial action shall be considered by the Schwabe Group. If the Business Partner fails to comply with the request to provide evidence of compliance with the Code or fails to comply with the remedial measures within a reasonable period of time, the Schwabe Group is entitled to terminate the business relationship including all related contracts. In the event that Schwabe terminates the relationship with a Business Partner, such termination shall be in accordance with the applicable contractual obligations between the parties and applicable law.

5.4 Repeated or serious violations

A repeated or serious violation of this Code entitles the Schwabe Group to terminate the business relationship including all related contracts with the respective Business Partner. In the event that Schwabe terminates the relationship with a Business Partner, such termination shall be in accordance with the applicable contractual obligations between the parties and applicable law. A serious violation occurs if non-compliance with the rules of conduct of this Code leads to significant consequences for the Schwabe Group, its employees, customers or business partners.

5.5 Complaint and reporting procedures

In order to adequately counteract any risks or violations of applicable laws or this Code and to be able to respond appropriately, the Schwabe Group relies on the reporting of such information. For this purpose, all Business Partners and their employees as well as customers, competitors and third parties may e-mail to report a Code violation, an improper request or to ask a question regarding the Code: compliance@schwabe-group.com

Every tip-off will be taken seriously and followed up. Persons who submit tips via this channel will be protected from retaliation or other adverse treatment by the Schwabe Group.