



Schwabe Group
From Nature. For Health.



Policy statement on the protection and respect of human rights - EN

Schwabe Group
Version 01 / Compliance



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Preamble

When Dr. Willmar Schwabe founded our company in 1866, he attached great importance to good and clean working methods. In doing so, he set standards in pharmaceutical manufacturing and laid the foundations for the sustained success of the Schwabe Group (hereinafter, as applicable, "Schwabe Group", "we", "us", "our").

By offering our customers well-researched, high-quality medicines and healthcare products that precisely meet their needs, we are continuing this legacy. As a family business, we have long enshrined our self-image of responsible and respectful interaction in our Family Charter.

We are committed to ethically, socially and ecologically responsible corporate governance. Integrity and sustainability are key 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 encourage our business partners, including all stakeholders along the value chain, to contribute to this in the sense of a holistic approach.

We regard the protection of human rights as a central element of our corporate responsibility. We base our commitment to respecting human rights on the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We are committed to respecting internationally recognized human rights and upholding them in our business activities and along our value chains. In particular, this includes the prohibition of child and forced labor, the prohibition of all forms of slavery and discrimination and the strengthening of freedom of association. We are also committed to compliance with occupational health and safety, the payment of appropriate wages and the prohibition of environmental pollution, forced eviction and the use of security forces if their use entails the risk of human rights being disregarded or restricted.

This declaration illustrates our fundamental commitment to respecting human rights, which is already reflected in other company guidelines. These include our Code of Conduct and our Business Partner Code of Conduct.

The principles set out here apply to our own business activities and all employees of the Schwabe Group. Furthermore, we also expect our suppliers and other business partners to commit to complying with the principles set out here and to implement appropriate processes to respect human rights. This also includes providing information on how the aforementioned principles are complied with upon request. We always comply with applicable national law. In cases where international human rights are restricted by local laws, we strive to promote the principles behind the international standards without coming into conflict with local laws. Where local laws go beyond international standards, we will comply with them.

The health and safety of our employees is our top priority. By implementing uniformly high standards at all our locations, we are continuously working to create a safe and healthy working environment. Our employees take part in regular training courses to promote safety-conscious behavior.

As a company in the pharmaceutical industry, we are subject to strict product safety regulations. Compliance with the legal and internal requirements for Good Manufacturing Practice (GMP), Good Clinical Practice (GCP), Good Distribution Practice (GDP) and product safety are key issues for us. For decades, the Schwabe Group has had effective processes in place to ensure the quality and safety of our products for patients (e.g. pharmacovigilance).



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1. Implementation of measures to fulfill due diligence obligations

In order to ensure comprehensive observance of human rights in its own company or business unit and at suppliers, the Schwabe Group has established the following procedures with the help of Osapiens software to manage the following obligations in accordance with the requirements of Section 6 para. 2 sentence 3 no. 1 of the German Act on Corporate Due Diligence Obligations in Supply Chains ("LkSG"):

Section 4 para 1 LkSG (risk management): We have established an LkSG-related risk management system.

Section 5 para 1 LkSG (risk analysis): As part of risk management, we carry out an annual risk analysis to identify human rights and environmental risks along our supply chain. The results of the risk analysis are documented.

Section 6 para 3 to para 5 LkSG (preventive measures): Where risks exist, we implement suitable preventive measures.

Section 7 LkSG (remedial action): In cases where we cause or contribute to actual human rights violations through our business activities, we are committed to implementing effective remedial measures.

Sections 8, 9 LkSG (complaints procedure): Possible compliance violations or human rights violations can be reported via our complaints channels in accordance with the LkSG or the Whistleblower Protection Act. We are working to further develop our complaints mechanisms and improve accessibility for internal and external stakeholders.

Section 9 LkSG (measures concerning indirect suppliers): We use our complaints channel to provide information on possible violations by our indirect suppliers.

Section 10 LkSG (documentation and reporting obligation): The results of the risk analysis, reports in our complaints channel and any preventive and remedial measures are documented.

2. Identification of human rights and environmental risks

The risk analysis has identified the following priority human rights and environmental risks in accordance with the requirements of Section 6 para 2 sentence 3 no. 2 LkSG:

- Forced and child labor
- Restrictions on freedom of assembly and association
- Discrimination in any form (e.g. based on gender, age, ethnic and social origin, nationality, religion or ideology, physical or mental disability, sexual orientation)
- Health and safety hazards in the workplace
- Health hazards due to environmental pollution

As a company in the chemical and pharmaceutical industry, we have the opportunity to strengthen the protection of human rights in a variety of ways. However, we are also aware of the potential human rights risks that may be associated with our business activities. We strive to gradually and regularly analyze, document and better understand our risks and their specific connection to our



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company through structured risk assessments in our own business activities, the supply chain and in relation to our products and services. We incorporate / will incorporate the results of our risk analyses into relevant business processes, in particular into our supplier management system. Where risks exist, we implement suitable preventive measures.

3. Further development of human rights due diligence processes

Respect for human rights and the implementation of human rights due diligence obligations in operational processes is an important contribution to improving the human rights situation for the Schwabe Group. For this reason, the Schwabe Group will ensure that the due diligence obligations arising from the LkSG are complied with and constantly adapted to developments in the human rights situation.

Responsibility for compliance with the human rights obligations set out here lies with the Group Executive Team of the Schwabe Group. Global Procurement, together with the Schwabe Group Compliance Team and the responsible Human Rights Officer, is responsible for the operational implementation of our human rights strategy.