

1. PURPOSE

The supplier code of conduct defines CampusPharma's requirements on suppliers' practices regarding social, environmental, and ethical responsibility. It also defines associated due diligence measures.

2. INTRODUCTION

CampusPharma shall operate in an ethically, socially, environmentally, and economically sustainable way. We want to contribute to sustainable development, by ensuring that we do not negatively impact people or the planet in any part of our supply chain and by, where it is possible, providing positive contributions to a sustainable society.

CampusPharma expects our suppliers and partners to ensure that these expectations are met by signing this code of conduct.

The requirements in this code of conduct are based on the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct.

- **Section 6** covers the topical requirements on:
 - Human rights and workers' rights
 - Environment
 - Business ethics
- **Section 7** covers our expectations on our suppliers' due diligence practices and routines.

This code of conduct is based on developing sustainability legislation relevant to large European pharmaceutical companies, and related requirements also covering smaller European pharmaceutical companies.

3. SCOPE

The requirements apply to both suppliers' own operations and to their supply chains.

Suppliers are required to forward requirements that are equivalent to this code of conduct to their own suppliers.

4. FOLLOW-UP ACTIVITIES

As part of CampusPharma's internal sustainability due diligence, it is important to ensure that we can follow up on conditions in our supply chains. It is therefore a requirement that suppliers permit and participate in such follow-up activities, which may take place in form of:

- Self-assessment questionnaires
- Audit of suppliers (by CampusPharma or representatives)
- Dialogues and supplementary document reviews as relevant to understand compliance to this code of conduct.

5. NON-COMPLIANCES

Should a non-compliance regarding the requirements defined in this code of conduct be identified, suppliers shall be responsible for setting up a corrective action plan.

For severe deviations, immediate actions must be taken to ensure immediate safety for affected workers, other rightsholders or the environment. Severe deviations are defined as forced labour, child labour, working conditions that pose a danger to life, serious environmental harm, large-scale corruption and attacks on environmental and human rights defenders.

Serious environmental harm is defined as damage caused by polluting activities that have a severe adverse impact on people, water areas or ground water, species and habitat.

Large-scale corruption is defined as involvement in bribery, embezzlement, trading in influence, abuse of functions, illicit enrichment, laundering of proceeds of crime, concealment or obstruction of justice:

- a) as part of a scheme that involves a high-level public official, and
- b) that results in or is intended to result in:
 - a gross misappropriation of public funds or resources, or
 - grave or systematic violations of the human rights of a substantial part of the population or of a vulnerable group.

6. TOPICAL REQUIREMENTS REGARDING SUSTAINABILITY

Human rights and workers' rights, environmental protection, and business ethics.

6.1 Human rights and workers' rights

CampusPharma expects our suppliers to respect and comply with the internationally renowned set of human rights¹ and all applicable national legislation concerning human rights and workers' rights. Due diligence for upholding these requirements along the value chain shall be carried out by the supplier in accordance with section 7. Should a conflict between national or local regulations and the internationally renowned set of human rights arise, the stronger protection for rightsholders should take precedence.

6.1.1 Freedom of association and the right to collective bargaining shall be respected

- a) Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively.
- b) The employer shall adopt an open attitude towards the activities of trade unions and their organisational operations.
- c) Workers representatives shall not be discriminated against and have access to carry out their representative functions in the workplace.
- d) Where the right to freedom of association and collective bargaining is restricted under law, the employer shall facilitate, and not hinder, the development of parallel means for independent and free association and bargaining.

6.1.2 Employment shall be freely chosen

- a) There shall be no forced, bonded or involuntary prison labour.
- b) Workers shall not be required to lodge "deposits" or their identity papers with their employer and shall be free to leave their employer after reasonable notice.

¹ A range of topics regarding human rights are elaborated in detail in a large number of international conventions, international law and similar documents. For the purpose of this human rights policy, we define "internationally renowned set of human rights" as the Universal Declaration on Human rights (UDHR), the International Covenant on Civil and Political Rights (ICCPR), the International Covenant on Economic, Social and Cultural Rights (ICESCR), as well as the Convention on the Rights of the Child and the core eight ILO conventions (convention number 29, 87, 98, 100, 105, 111, 138 and 182). Our requirements are based on and aligned with the EU's Corporate Sustainability Due Diligence Directive, the ETI base code and the Swedish procurement agency's model requirements for sustainable supply chains.

6.1.3 Child labour shall not be used

Child labour is defined as any kind of activity or work which is harmful to the intellectual, physical, social or moral development of persons under the age of 18 and undermines their education, preventing them from going to school, constraining them to abandon schooling too soon or requiring them to work and study at the same time.

- a) There shall be no recruitment of child labour.
- b) The employer shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour, to enable her or him to attend and remain in education until no longer a child.
- c) A worker under 18 may nonetheless have the right to work if he or she meets the age requirements for the type of work in question:
 - For general work, the minimum age is 15.
 - For non-hazardous work, the minimum age may be temporarily set at 14 in countries whose school-leaving age is lower than 15.
- d) Persons under 18 shall not be employed at night or in hazardous conditions.

6.1.4 Discrimination shall not be practiced

- a) There shall be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

6.1.5 No harsh or inhumane treatment is allowed

- a) Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

6.1.6 A safe and hygienic workplace shall be provided

- a) A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- b) Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- c) Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- d) Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- e) Responsibility for health and safety shall be assigned to a senior management representative.
- f) Employees must have access to all necessary protective equipment without having to pay for it themselves.

6.1.7 Fair wages shall be provided

- a) Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

- b) All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- c) Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6.1.8 Regular employment shall be provided

- a) To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
- b) Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or homeworking arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

6.1.9 Working hours shall not be excessive

- a) Working hours must comply with national laws, collective agreements, and the provision of below sub-requirements b) to g), whichever affords the greater protection for workers.
- b) Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.
- c) All overtime shall be voluntary. Overtime shall be used responsibly, taking into account the extent, frequency and hours worked by individual workers as well as by the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- d) The total hours worked in any seven-day period shall not exceed 60 hours, except where covered by clause e) below.
- e) Working hours may exceed 60 hours in any seven-day period only in exceptional circumstances where all of the following are met:
 - This is allowed by national law.
 - This is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce.
 - Appropriate safeguards are taken to protect the workers' health and safety.
 - The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- f) Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.
- g) The company must ensure that the employees have breaks during the working day.

6.2 Environment

Suppliers shall carry out their operations and business activities in a way that minimizes environmental impact.

Due diligence for upholding these requirements along the value chain shall be carried out by the supplier in accordance with section 7.

6.2.1 National regulations

Suppliers shall carry out their operations in a way that is in compliance with all applicable local and national environmental rules and legislation.

Suppliers shall, upon request, provide a copy of the current environmental permit(s) upheld for the manufacturing site producing products for CampusPharma.

6.2.2 International regulations

Suppliers shall carry out their operations in a way that is in compliance with all applicable international environmental legislation, regarding topics such as (but not limited to) biodiversity, trade of endangered species, mercury, persistent organic pollutants (POPs), ozone-depleting substances and the handling, export and import of hazardous waste.

No raw materials from species listed in CITES or as critically endangered, endangered or vulnerable on the IUCN Red List of Threatened Species shall be used.

6.2.3 Resource efficiency

Suppliers shall continuously work towards increased resource efficiency in operations. This requirement applies to material, water, and energy resources.

The use of virgin raw materials shall be reduced through continuous optimization of raw material use, increased recycling and reuse of raw materials, minimization of waste and through offers and solutions in line with a circular economy.

Strategies for efficient water use shall be promoted where applicable.

6.2.4 Substitution

Suppliers shall work to substitute hazardous substances with less hazardous alternatives.

Chemical use shall be controlled or evaluated. Where applicable, substitution and/or implementation of alternative processes shall be carried out to reduce health and environmental hazards and improve resource efficiency.

6.2.5 Pollution prevention and minimization

Emissions that pose a danger to health and the environment shall be reduced or eliminated.

In addition to fulfilling requirements on permitted emission levels according to local environmental permits, CampusPharma expects suppliers to work actively to prevent and minimize emissions regarding:

a) Pollution to air

Suppliers shall work to prevent and minimize emissions to air and not use ozone-depleting substances².

² As defined in the Montreal protocol and the Vienna convention.

Suppliers shall, upon request, provide the most recent report of control of emissions to air, relevant for the manufacturing site producing products for CampusPharma.

Suppliers shall, upon request, indicate in which frequency they carry out controls of emissions to air.

b) Greenhouse gas emissions & Climate impact

Suppliers shall work to promote climate measures that contribute to achieving national and international climate goals.

Suppliers shall measure, and upon request report to CampusPharma, their greenhouse gas emissions in scope 1 and 2 (own operations) according to the Greenhouse Gas Protocol.

Where possible, suppliers shall report their emissions in their scope 3 (CampusPharma's sub-suppliers' emissions).

c) Pollution to water

Suppliers shall work to continuously minimize emissions to water.

Suppliers shall, upon request, report to CampusPharma the measuring points and frequency of measurements used to measure emissions restricted in environmental permits, in applicable waste streams.

d) Pollution to land

Suppliers shall work to continuously minimize emissions to land.

Suppliers shall, upon request, provide the most recent report of control of emissions to land, relevant for the manufacturing site producing products for CampusPharma.

Suppliers shall, upon request, indicate in which frequency they carry out controls of emissions to land.

e) Waste management

Suppliers shall ensure a safe and resource-efficient handling of solid waste.

Waste shall be stored, handled, transported and disposed of in a manner that protects the health of workers, people in surrounding communities and the environment.

Suppliers shall, upon request, provide CampusPharma with their waste management plan.

6.2.6 Environmental rights

- a) Suppliers shall respect the rights of all people to self-determination and to freely dispose of their natural wealth and natural resources. A people must in no case be deprived of its means of subsistence.
- b) Suppliers shall not unlawfully evict people from their land or unlawfully take over land, forest or water.
- c) Suppliers shall respect indigenous peoples' rights to lands, territories and natural resources that they have traditionally owned, occupied or otherwise used or acquired, including the right to free, prior and informed consent.
- d) Suppliers shall respect all peoples' right to a safe, clean, healthy and sustainable environment. This right is an integral part of the full enjoyment of the right to life, health, food, water and sanitation.

6.3 Business ethics

Corruption, anti-competitive behaviour and taxation

Suppliers shall, in all business endeavours, ensure compliance with applicable bribery and corruption legislation in all countries of operation (including operations of business relationships).

Due diligence for upholding these requirements along the value chain shall be carried out by the supplier in accordance with section 7.

Furthermore:

- Suppliers shall not partake in any form of corruption, such as giving or taking of bribes, embezzlement, trading in influence, abuse of functions, illicit enrichment, laundering of proceeds of crime, concealment or obstruction of justice.
- Suppliers shall not partake in agreements with the aim of distorting competition or abusing a dominant position.
- Suppliers shall refrain from tax arrangements where it is uncertain whether the arrangement is within the framework of the law. The same applies to tax planning that exploits deficiencies in tax rules to artificially shift profits to countries with low or no tax.
- Suppliers shall provide employees with regular and registered business ethics training, and such training shall be repeated for new or reassigned workers.

7. PROCESS REQUIREMENTS REGARDING SUSTAINABILITY DUE DILIGENCE

Suppliers shall have systematic and documented methods of working, i.e. sustainability due diligence processes in place, to ensure compliance and continuous improvements with regard to the requirements set out in section 6 of this supplier code of conduct. The requirements should be communicated to suppliers' sub-suppliers. The supplier should assess the compliance of its' sub-suppliers by appropriate follow-up activities.

Sustainability due diligence refers to the process to identify, prevent, mitigate and remedy actual and potential negative impacts to human rights, workers' rights, the environment, and business ethics.

Sustainability due diligence should be proportional to the risks in the supplier's own operations and its supply chains and shall, at least, include the below elements³:

7.1 Policy and Management

Suppliers shall integrate the sustainability requirements in policies and management systems. The policies shall

- at least cover the scope and sustainability requirements (see section 6) of this supplier code of conduct,
- have been approved at the highest executive level in the company,
- be publicly available,
- be connected to assigned responsibility for the various part of the sustainability requirements.

³ Further guidance on sustainability due diligence can be found in the OECD due diligence guidance for responsible business conduct : <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

7.2 Identification of impacts

Suppliers shall identify and assess actual and potential (risks for) negative impacts to the sustainability requirements that they may cause or contribute to, by:

- Mapping out their supply chain⁴ and own operations.
- Identifying high-risk suppliers and commodities in the supply chain, and high-risk activities in own operations.
- Regularly analysing risks for negative impacts in both own operations and supply chains.

7.3 Mitigation of impacts

Suppliers shall mitigate actual and potential negative impacts to the sustainability requirements that they cause or contribute to, by:

- Forwarding the sustainability requirements, at least corresponding to section 6 of this supplier code of conduct, to its suppliers.
- Having in place a process to carry out a closer risk analysis and/or audits and defining action plans for high-risk suppliers and own high-risk operations which have been identified as per section 7.2.
- Having in place and implement routines to stop identified negative impacts from continuing.
- Having in place procedures to disengage from a supplier or other business relationship as a last resort after failed attempts at preventing or mitigating severe impacts.

7.4 Follow-up

Suppliers shall have in place procedures to track the implementation and effectiveness of the enterprise's due diligence activities, by:

Carrying out periodic assessments of own operations and business relationships, to verify that risk mitigation measures to address the most severe identified risks are being pursued or to validate that adverse impacts have actually been prevented or mitigated.

7.5 Access to complaints mechanism and remedy

- a) Suppliers shall provide a process and channel for stakeholders to inform the supplier about complaints and reports of suspected or actual negative impacts on any of the areas outline in this code of conduct. The process shall also include routines to handle the complaints and provide answers to the stakeholders involved.
- b) Suppliers shall, in cases where they have caused or contributed to negative actual impacts, provide remedy – on their own or in collaboration with other concerned parties – in an appropriate form, by as far as possible, restoring the conditions equivalent to the state before or without the negative impact, e.g. by means of compensation, reimbursement, apology or other appropriate action, in a way that is proportional to the extent and severity of the negative impact.

⁴ Suppliers' sub-suppliers: API manufacturer, finished product manufacturer, logistics partners.