

**Dermapharm Holding SE**



SUPPLIER CODE OF CONDUCT OF THE  
DERMAPHARM GROUP

## Foreword

Dear business partners,

Dermapharm is a rapidly growing global pharmaceutical group with a history spanning more than 30 years. Dermapharm operates four of its own development centres and high-capacity production facilities in Europe, primarily in Germany – a clear reflection of its commitment to Germany and the country's reputation as a manufacturing powerhouse. Large parts of the value chain are kept in house.

Our business strategy is aligned to ensure sustainable corporate growth, offer exceptional products to our customers, provide employees with the best possible working conditions and opportunities for advancement, and act in an environmentally responsible manner.

We conduct our business activities in Germany and abroad in line with clearly defined social, ethical and ecological standards. These standards are derived from legal requirements and ethical values to which we are committed. The behavioural principles to which all employees of the Dermapharm Group must adhere are outlined in our internal Code of Conduct, which can be viewed on the website of Dermapharm Holding SE.

Dermapharm is mindful of its responsibility to lead by example and act in an ethical and professional manner, and it expects no less within the Group and of its suppliers. In concrete terms, we expect our suppliers to conduct their business responsibly and with integrity, to respect internationally recognised human rights and labour standards, conserve natural resources and be committed to protecting the climate and the environment.

The purpose of this Supplier Code of Conduct is to establish a common understanding of how these principles should be practised in day-to-day business. We also expect our suppliers to make a concerted effort to encourage such accountability, including along their own supply chains.

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## 1. Social responsibility: Employee well-being, human rights and employment rights

Suppliers must ensure compliance with internationally recognised human rights and avoid causing or being party to human rights violations. Suppliers must observe the fundamental rights of employees under applicable laws and regulations and recognise the core labour standards of the International Labour Organization (ILO).



### 1.1. Child labour

Dermapharm does not tolerate child labour. Suppliers may not employ children under the legal school leaving age and may not under any circumstances employ children under the age of 14 (or in accordance with national law if the minimum age is higher).



### 1.2. Forced labour and any other form of modern slavery

Dermapharm does not tolerate any form of involuntary work or work exacted under threat of penalty or other sanctions, including compulsory overtime and work obligations. We therefore also expect our suppliers to take measures to avoid forced labour, any form of modern slavery or other forms of domination or oppression in the workplace.



### 1.3. Health and safety in the workplace

We expect our suppliers to provide a safe and healthy working environment for their employees and to comply with all applicable occupational health and safety legislation. In addition, appropriate measures must be implemented to prevent work-related accidents and health hazards and to continuously improve the working environment.



### 1.4. Discrimination

During the entire employment cycle (from the recruitment phase to the termination of the employment relationship), employees may not be discriminated against on the basis of ethnic and/or national origin, skin colour, social background, health status, disability, sexual orientation, religion or ideology, political views, gender, age, physical abilities or other reasons prohibited by

law. We expect our suppliers to promote equal opportunity in employment and comply with the applicable legal provisions at all times. Equal treatment also extends to equal pay for equal work.



### 1.5. Fair wages and fair working hours

Employees must be paid in accordance with applicable national and local laws, including minimum wage requirements, overtime pay and mandatory fringe benefits (e.g. social security contributions). Working hours must be in line with applicable law.



### 1.6. Freedom of association

Within the scope of applicable law, we expect our suppliers to respect the rights of employees to freely associate, form and join trade unions, appoint employee representatives, form a works council and actively participate in collective bargaining. Employee representatives are not discriminated against or subject to reprisal for forming, joining or being a member of a trade union, and they are afforded the opportunity to exercise their representative functions in the workplace.



### 1.7. Respecting land rights

When acquiring, developing, building on or otherwise using land, we expect our suppliers to observe the prohibition on unlawful eviction and dispossession of land, forests and bodies of water, particularly where their use secures a person's livelihood.



### 1.8. Deploying security personnel

If a supplier deploys private or public security personnel to safeguard business projects, it must adequately instruct and monitor such personnel to ensure that they do not resort to torture, cruelty, unreasonable violence, inhuman or degrading treatment, endanger life or limb or restrict the freedom of association and collective bargaining.

## 2. Ecological responsibility: Sustainability, environmental and climate protection

As a highly efficient manufacturer of branded pharmaceuticals and other healthcare products with a mission to improve our customers' living conditions, Dermapharm is particularly concerned with operating a sustainable and environmentally friendly business in compliance with all applicable national and international legislation, regulations and standards for the protection of the environment and the climate. We also expect our suppliers to demonstrate environmental accountability and comply with the laws and regulations applicable in the country in which products or services are manufactured or provided.



### 2.1. Minimising harmful environmental impacts

We expect our suppliers to make commercially reasonable efforts to minimise the production of emissions, waste water, waste, soil pollution, noise and light pollution as well as excessive water consumption. In particular, it should be ensured that the aforementioned environmental impacts do not significantly impair the natural foundations for food production and security, impede access to clean drinking water and sanitary facilities or endanger human health.

Suppliers must make every effort to ensure that the handling, storage, transportation, reuse, recycling and disposal of all types of waste and waste water are carried out safely and in accordance with applicable regulations.



### 2.2. Compliance with specific environmental conventions (where relevant)

Where relevant to their business activities, suppliers must treat persistent organic pollutants (POPs) and mercury-containing substances in accordance with the provisions of the Stockholm Convention on Persistent Organic Pollutant and the Minamata Convention on Mercury. This also applies to the handling of waste, emissions and waste water which may contain mercury or POPs. Suppliers must also ensure that waste generated in their operations is managed in accordance with official regulations and the requirements of the Basel Convention, particularly in connection with cross-border shipment or commerce.



### 2.3. Responsible procurement of raw materials (where relevant)

We expect our suppliers to comply with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from conflict-affected and high-risk areas (OECD DDG) and other regulations that may apply to them, such as the EU Conflict Minerals Regulation.

### 3. Integrity and ethical conduct

Meeting our duty of care towards society means ensuring that our suppliers also conduct themselves in an ethically correct manner at all times. Therefore, we expect our suppliers to comply with the applicable national laws and the relevant internationally recognised standards, guidelines and principles in all their business activities and decisions. If national and international standards are conflicting, suppliers should adopt the standard which affords the affected parties the greater measure of protection.



#### 3.1. Avoiding corruption and conflicts of interest

We expect our suppliers to comply with national and international anti-corruption legislation and standards. When dealing with business partners (including customers and suppliers) and government institutions, the interests of the company and the private interests of employees on both sides must be strictly separated. Actions and decisions must be made without extraneous considerations and personal interests.



#### 3.2. Fair competition

We expect our suppliers to comply with applicable anti-trust and competition law. In particular, collusive agreements on prices or conditions with competitors or other forms of anti-competitive agreements are strictly prohibited.



#### 3.3. Data protection and intellectual property

When handling personal data and confidential information, all applicable data protection laws and regulations must be complied with. Suppliers' information systems must be protected by appropriate safeguards against manipulation, loss or unauthorised access by third parties. Rights in intellectual property and trade secrets must be respected and protected.



#### 3.4. Compliance with foreign trade legislation

Suppliers must have appropriate safeguards in place to ensure that transactions with third parties do not violate applicable economic embargoes or trade regulations, import and export controls or provisions to combat the international financing of terrorism.



#### 3.5. Clinical studies and animal welfare (where relevant)

Insofar as unavoidable or required by the authorities, clinical studies and product testing on animals may only be carried out in accordance with international guidelines and all applicable national and local regulations.



## 4. Implementation

We expect our suppliers to advise their counterparties of the content of this Code of Conduct and to endeavour to ensure compliance with the provisions hereof within their own organisations, those of their business partners and along the upstream supply chain.



### 4.1. Regular verification

Dermapharm reserves the right to verify its suppliers' compliance with the requirements of this Code either by its own employees or independent third parties. During the verification, the supplier is expected to cooperate and provide the necessary information.



### 4.2. Complaints procedure

Dermapharm's complaints procedure allows (anonymous) reports of potential human rights violations and violations of environmental protection resulting from the economic activities of a company within its own organisation or that of its suppliers.

The complaints procedure is available to both Dermapharm employees as well as our suppliers. Concerns or illegal activities relating to potential human rights and environmental risks may be reported by e-mail to [compliance@dermapharm.com](mailto:compliance@dermapharm.com) or via the digital whistleblower system.



<https://dermapharm.integrityline.com>

Reports will be treated confidentially in accordance with data protection law requirements. Persons who submit a report will receive confirmation of receipt and appropriate remedial actions will be initiated on a case-by-case basis.



### 4.3. Sanctions for violations of this Code

Dermapharm treats violations of the obligations, requirements and provisions of this Code as a breach of contract and will therefore consider taking appropriate (legal) actions in individual cases. Where necessary, actions to be taken may include conducting audits or due diligence checks, supplier training and instruction, temporarily suspending or even terminating business relations with a supplier. If violations are identified, suppliers will be given the opportunity to take appropriate remedial action.



**5. Revision history**

Document status	approved
Version	1
Review date	23.05.2024
Document owner	Dermapharm Group Governance, Risk & Compliance department



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