



GALENICA

Code of Conduct - *Supplier*

Galenica's Supplier Code of Conduct clarifies what rules and guidelines we expect our suppliers to follow regarding sustainability and ethics.





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7 Introduction

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Introduction

The pharmaceutical industry is moving in a more sustainable direction. The trends we see involve improved production processes with reduced environmental impact, increased resource efficiency, and an industry with high ethical standards that comply with laws and regulations to prevent irregularities and corruption. At the societal level, we see sustainability initiatives being welcomed by the industry in the form of support and incentives (such as the Swedish Pharmacy Association's label "Välvald"). The same can be said for the political world, where political frameworks and legislation influence towards more sustainable development and production of pharmaceuticals.

A key aspect for the industry is being transparent and forward-looking in its approach. On our journey towards a more sustainable industry, we need to welcome sustainable initiatives with vigour and a can-do attitude and encourage our stakeholders to follow us all the way.

At Galenica, it's imperative that the world around us trusts us and that there be no doubt as to where we stand in terms of values, professionalism, sustainability management, and ethical guidelines. In light of that, we have chosen to report on our ongoing efforts towards becoming a sustainable option in the industry. It is important that our suppliers follow the same core values. Galenica's Supplier Code of Conduct clarifies what we expect from our suppliers based on Galenica's internal Code of Conduct.

At Galenica, we care for both people and the environment. Galenica want to be part of both pursuing and advocating sustainable development. We strive for continuous improvement and we continue our journey hand in hand with our suppliers.



About Galenica

Galenica is a privately owned pharmaceutical company based in the Öresund Region. We develop, manufacture, and launch our own pharmaceuticals as well as provide contract development services to our customers. Galenica's journey started in 1999 by two pharmacists with a vision to be a flexible, Swedish pharmaceutical partner in pharmaceuticals and formulation, focusing mainly on small and medium-sized companies. Along with developing our own pharmaceuticals, this is Galenica's business today.

Pharmaceutical development in the Öresund Region

Since its start, Galenica has been located in the Medeon Science Park in central Malmö, Sweden. Our premises consist of about 4,000 square metres, encompassing a lab, production space, and offices. The success of Galenica is entirely due to the expertise of our people. We have about 70 employees with broad academic knowledge and industrial experience. We develop and create innovative pharmaceutical products for patient health and guide our partners in their pharmaceutical development from idea to market. This includes pharmaceutical and analytical development as well as the production of trial material. We combine state-of-the-art equipment with strong personal commitment, extensive pharmaceutical experience, and expertise in formulation development.

Our Vision

"A Swedish pharmaceutical company that pioneers innovative products that are the preferred choice of customers, patients, and health professionals alike."

Our Business Concept

"Galenica will leverage its expertise and commitment to develop innovative pharmaceuticals for the global market that generate significant customer and patient benefits."

Why a Supplier Code of Conduct?

A Supplier Code of Conduct sets out rules and guidelines for suppliers regarding sustainable work and ethical conduct. The starting point for the Galenica Code of Conduct is the UN Global Compact and its 10 principles for sustainable conduct.

Galenica's suppliers are evaluated based on two aspects. We have extensive procedures for evaluating our suppliers' regulatory and quality aspects to achieve the highest possible patient safety. In addition, all suppliers from 2023 will be evaluated based on social, ethical and environmental aspects via our supplier audit process. The work is carried out continuously and thus both new and existing suppliers are evaluated.

It is important to drive sustainability efforts in cooperation with our suppliers through continuous follow-up and communication.

Who is covered by the code?

The Galenica Supplier Code of Conduct applies to you as a Galenica supplier. The Code is an important part of the long-term cooperation where we advocate for suppliers who share our goal of sustainable development. Through shared knowledge of Galenica and our suppliers' sustainability work, we create prerequisites for active responsibility throughout our entire value chain.



Core Values

- Team Spirit
- Quality
- Competence
- Action



Galenica is a value-driven business whose values shape not only our day-to-day work but also the company's long-term strategy. The content of the Supplier Code of Conduct is divided according to the values: *team spirit*, *quality*, *competence* and *action*.

Team Spirit

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Active work against discrimination, as well as respect for each other and for human rights.

- **Anti-discrimination**
- **Respect for each other and human rights**

Quality

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Quality means having a good and safe working environment and a transparent approach in accordance with good business practice, as well as compliance with applicable regulations.

- **Health and safety**
- **Business practices**
- **Anti-corruption and bribery**

Competence

Page 14

Our most important competence is our workforce. Employees must have good working conditions and right to collective bargaining and freedom of association.

- **Salary and competence development**
- **Collective bargaining**
- **Freedom of association**

Action

Page 16

Action means having both business goals and sustainability goals. As an employer, we must take responsibility through transparent and clear action within sustainability.

- **CSR (Corporate Social Responsibility)**
- **Sustainability**

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Framework

- **United Nations Global Compact**
- **Assessment framework**

United Nations Global Compact

The UN Global Compact focuses on four areas: human rights, labour, environment and anti-corruption. The network practices the United Nations ten principles for sustainable development in order to inspire and help companies in their social responsibility and sustainability work.

The framework and the ten principles are well known and cover all aspects of corporate social and environmental responsibility. Galenica have therefore chosen to use these as our base in our internal Code of Conduct and our Supplier Code of Conduct.

The 10 principles can be found on page 19 of our Supplier Code of Conduct.

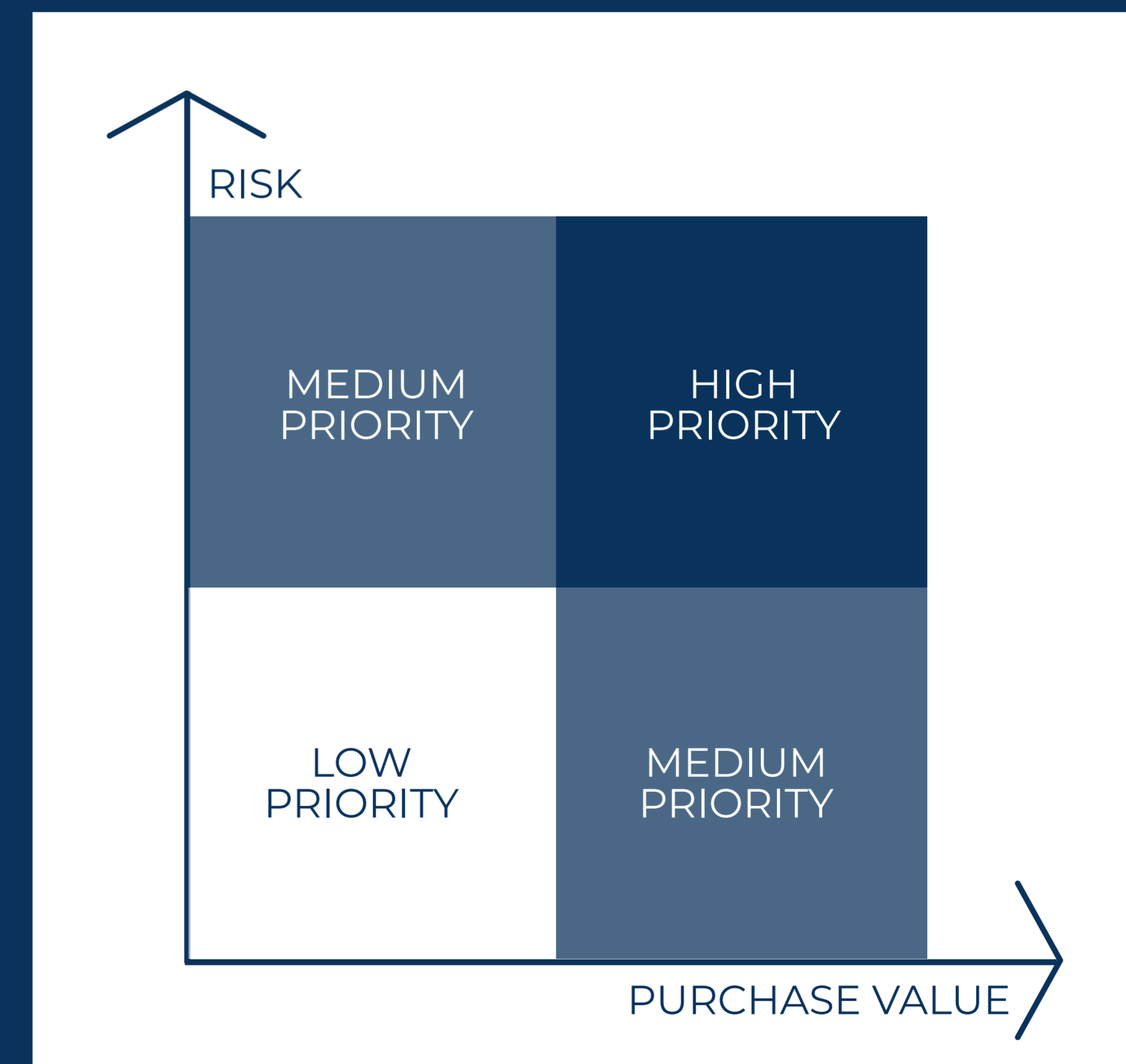


United Nations Global Compact

Assessment framework

Galenica uses a framework to focus on the most significant suppliers and their sustainability risks. The framework balances the two factors risk and purchasing value, where risk takes into account, among other things, geographical location and type of purchase. The purchase value indicates how extensive the cooperation with the supplier is and hence its materiality. The framework makes a first priority assessment of the supplier's potential sustainability risks. Higher potential sustainability risks require greater transparency in the supplier's environmental and ethical work.

Galenica sends out self-assessment forms with questions to new and existing suppliers with the highest potential sustainability risks in order to ensure that partners' operations are conducted in line with our Supplier Code of Conduct. If the answer to the form is inadequate, an action plan is sent unless the supplier has already drawn up one or has planned key actions. Thus, we can maintain an open dialogue with our suppliers and ensure continuous improvement work.



4 Team Spirit

- **Anti-discrimination**
- **Human rights**
- **Forced labour and child labour**

Anti-discrimination

Every individual should have equal opportunities to develop and succeed in working life regardless of gender, gender identity, ethnicity, religion, disability, sexual orientation, pregnancy or age.

Zero tolerance for discrimination of any kind is of utmost importance. We expect that you, as supplier, will not tolerate any form of discrimination at the workplace. The workplace should offer equal opportunities where variety, openness and diversity drive the company forward.

Human rights

It is important that the fundamental human rights under the United Nations' Universal Declaration of Human Rights are respected and applied equally to all your employees. We treat others as we would like to be treated ourselves and work constantly for the equal value of all. Treating each other with respect regardless of company position is important in order to conduct a healthy and equality-oriented business.

Forced/child labour

Galenica is against and distances itself from any form of forced labour, child labour or any other form of compulsory labour. We have zero tolerance for this type of work in our supply chain and expect the same from you as supplier. Any suspicion of human rights violations requires immediate reporting and action afterwards.

What is expected of you as a Galenica supplier:

- ✓ Act immediately if discrimination of any kind occurs in the workplace.
- ✓ Work actively to create an equality-oriented workplace embracing diversity.
- ✓ Respect employees and fundamental human rights.
- ✓ Show zero tolerance for all forms of forced and/or child labour in your value chain.
- ✓ Report directly to the person in charge in case of suspicion of human rights violations.

5 Quality

- Work environment and rehabilitation
- Good business practices and anti-corruption

Work environment and rehabilitation

We expect that you as Galenica supplier take your employees' physical and mental health very seriously. The workplace should be healthy and safe and the efforts to ensure this should be ongoing. As an employer, you should aim to reduce ill-health and sick leaves by preventive, structured and systematic work with, for example, health promotion activities.

As a supplier and employer, you are obliged to take all necessary steps to prevent and remedy risks of ill-health and accidents.

Good business practices and anti-corruption

We want to build our relationship with you as supplier while relying on good business practices. Quality, safety and transparency in your products and services as well as in ours are essential aspects of our relationship.

Galenica has zero tolerance for bribery and corruption, and we assume that you as supplier support these principles. This also includes collusion on prices, cartel formation or abuse of dominant market position. Advantages should not be given in exchange for benefits, and benefits should not be received in exchange for advantages. We advocate that you implement an anti-bribery policy.

We run our business through competition with bids, quotes, procurement and purchases. We also expect that, according to your business model, you have a clear procedure for preventing bribery and corruption during purchases and in the company.

What is expected of you as a Galenica supplier:

- ✓ Ongoing and systematic processes implemented regarding occupational safety and health to prevent ill-health and accidents at the workplace.
- ✓ Secure contact and support for the return to work as well as necessary measures implemented in the event of rehabilitation of one of your employees.
- ✓ Take immediate action when risks and non-compliances are reported.

What is expected of you as a Galenica supplier:

- ✓ Follow legislation and good business practice throughout your operation.
- ✓ Show zero tolerance for bribery, corruption and collusion on prices.
- ✓ Have an open and transparent communication with your customers.
- ✓ Ensure the safety and quality of your products and services.

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Competence

- Salary and collective bargaining
- Freedom of association



Collective bargaining and freedom of association

Employees shall be offered good working conditions, working hours, salaries and benefits in accordance with applicable and local regulations. As supplier, you respect freedom of association and recognise the right to collective bargaining. All employees have the right to form, join and organise trade unions or similar employee organisations and to negotiate with the company collectively.

What is expected of you as a Galenica supplier:

- ✓ Working conditions, hours, salaries and benefits comply with national and local regulations.
- ✓ To recognise and respect workers' right to freedom of association and collective bargaining.

7 Action

- Corporate Social Responsibility (CSR)
- Sustainability

CSR and sustainability

CSR stands for Corporate Social Responsibility; the companies' efforts towards a more sustainable world. This means ensuring that laws are complied with and that global guidelines are accepted and followed. Furthermore, that internationally recognised goals, such as the United Nations 17 Sustainable Development Goals, are complied with to the greatest extent possible.

We follow a clear sustainability strategy founded on health and well-being, climate initiatives and social and ethical aspects. At Galenica, we submit sustainability reports annually according to the Global Reporting Index (GRI) and set annual action plans for our long-term sustainability goals. We regularly introduce and revise our governance documents and policies in order to develop our sustainability aspects in the firm.

We advocate that you as a supplier in Galenica's value chain also work actively according to a clear strategy for your sustainability and environmental work in the form of procedures, processes and set goals.

What is expected of you as a Galenica supplier:

- ✓ To have transparent sustainability work, for example through sustainability reporting.
- ✓ Undertake initiatives to promote greater environmental responsibility
- ✓ Work towards a sustainable product portfolio.
- ✓ Encourage the development and spreading of environmentally friendly technologies and entrepreneurship.

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Take Action!

Reporting and follow-up

We encourage that any suspected deviation from this Supplier Code of Conduct be reported. Together, we engage in a dialogue with the goal of developing and constantly improving as company.

Thank you for your cooperation.

The Ten Principles of the UN Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: Elimination of all forms of forced and compulsory labour

Principle 5: Effective abolition of child labour

Principle 6: Elimination of discrimination in respect of employment and occupation

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery



**Thank you
for your time**



www.Galenica.se

Competence. Action. Galenica. Team Spirit. Quality.