



Code of Conduct

PREFACE

Dear Sirs/Madams,

Dear colleagues,



Over the past 20 years, Cheplapharm has developed into a leading specialty pharma platform for established branded and niche products worldwide. Our broadly diversified and attractive portfolio has grown to encompass 150 different drugs marketed globally in some 145 countries. This makes us an important partner to the research-based pharmaceutical industry in ensuring global availability of long-established pharma brands.

Our success is built upon our reputation as a trustworthy, reliable and responsible company that complies with the law, respects human and labour rights and is committed to social responsibility and to sustainably managing its environmental impact and the limited resources of our planet. Violations of not only of legal requirements but also of generally accepted rules and standards can have negative consequences both for the individual employee and for Cheplapharm and can cause long-lasting damage to our reputation. We believe that our sustainable success depends on the trust of our stakeholders. Strengthening their trust and maintaining it long term is one of our top priorities.

This Code of Conduct summarises our core values and what we expect of our employees.

Edeltraud Lafer
Chief Executive Officer

SCOPE OF APPLICATION

Based on our values, business principles and standards, this Code of Conduct outlines the global standards we uphold to ensure **compliance, integrity and responsibility in our actions and dealings**.

This Code of Conduct applies to all our employees¹ regardless of their role. We expect all our employees to act in compliance with the law and this conduct in professional contexts.

The content of this document is also available under “Our Responsibility” in the “About Cheplapharm” section of our website.

The Code of Conduct is hierarchically above all other company policies and guidelines. It is the heart and soul of our business ethics. All other guidelines, policies and standard operating procedures must be in line with it.

HOW IS THIS CODE OF CONDUCT TO BE USED?

Many situations arise in day-to-day working life that are difficult to assess for employees. This Code of Conduct helps to make decisions that are consistent with Cheplapharm’s corporate values.

This document provides some practical guidelines that may serve as a first orientation. As described in the following section, you can also contact the competent points of contact personally with any questions you may have.

If any of our company policies conflicts with local law, or if you are unsure of your obligations with respect to any issue covered in this Code, please contact your manager or our General Compliance Officer for help.

All provisions of this Code are binding unless statutory provisions take precedence over them.

¹ Unless explicitly stated otherwise, this Code uses the generic masculine throughout for ease of reading. This always includes all genders.

QUERIES AND MESSAGES

Our personnel and organisational development programme is an important tool to implement the objectives of this Code. To allow Cheplapharm to ensure compliance with laws and policies, we need the attention and willingness of all stakeholders to point out potential compliance breaches.

Our primary goal is to prevent harm to Cheplapharm and its employees, as well as to external stakeholders, such as patients, business partners and investors.

To this end, we provide a wide range of ways to report violations of this Code of Conduct or of legal regulations, but also of generally accepted rules and standards. Even the mere suspicion of a violation should be reported. It is important to note in this context that the person reporting a suspicion or concern will not suffer any disadvantage or recrimination as a result of making a report in good faith, whether the suspicion turns out to be justified or not. Cheplapharm considers it important to resolve unclear situations and to get to the root of even the slightest suspicion of non-compliant or unethical behaviour. Examples include attempted bribery, fraud or violations of the German Anti-Money Laundering Act [*Geldwäschegesetz – GwG*].

You can at any time make a confidential or anonymous report or get in touch with a person you trust. The information and evidence you provide will then be passed on to persons who are required by law to maintain secrecy and who we guarantee will act in full confidentiality.

RESPONSE TO NON-COMPLIANCES

Any non-compliance with the guidelines set out herein can lead to severe consequences for individuals and our entire company. Therefore, any employee will face consequences in the event of a non-compliance, irrespective of their position, job role or seniority. In addition to employment-law steps in cases of proven misconduct, such consequences also include claims for damages, if any, and the laying of criminal charges.

All criminal acts will be reported to the police. Statutory reporting obligations must be observed.

Any person who personally witnesses such acts or obtains knowledge of them from third parties should contact their manager. Alternatively, both **Cheplapharm employees** and **third parties** can report incidents or suspected incidents to Cheplapharm's General Compliance Officer – also anonymously if preferred – in various languages through our whistleblower system:

General Compliance Officer:

Anna Rautenberg

Email: lc-compliance@cheplapharm.com

Telephone: +49 3834 3914 140

Ms. Rautenberg is the internal person of trust and entrusted with the receipt of information on violations.

Digital whistleblowing system:

Reports can be submitted through our digital whistleblowing system at any time, in German or English, anonymously or with contact details. Access to our whistleblowing system is available at any time at cheplapharm.integrityline.com from any device.

Reporting and response process

All information and evidence received will be treated strictly confidential and assessed only on a case-by-case basis. The information is checked for plausibility and then classified according to the severity of the reported violation. Therefore, any information on breaches should be presented in as much detail as possible. If you have sensitive documents that support or document a potential violation of the rules, please enclose them with your report.

Similar to an emergency call, when reporting an incident you should have the following five questions in mind: Who? What? When? How? Where? If a person concerned is influenced or biased in any way, this should be specified when submitting the report.

As part of the research into the matter, the exact nature and the time and place of the incident will be determined. In this context, we will also record details of all persons involved and of all steps already taken. The entire process will be documented. Moreover, we will derive consequences and precautionary steps to be taken from such a case. After the investigation of the content of the notification has been completed, the information about the incident and the details of the person submitting the report will be stored in a directory. If you report a complaint anonymously and without reference to your data, no personal data about you will be collected.

In individual cases, especially if it is essential to protect legitimate interests (e.g., in the case of indications of more than minor criminal offences), the obligation to maintain confidentiality before authorities or public bodies may be restricted.

Do you have any questions about our Code of Conduct or about how to respond to violations? Then please contact our Compliance Officer or our management. Furthermore, Cheplapharm has issued guidelines with regard to the whistleblowing system and the process of investigating violations that are available to employees for further information.

OUR BUSINESS MODEL

Cheplapharm is a globally leading pharma platform for established branded and niche products headquartered in Greifswald, Germany. Our Code of Conduct is governed by German law, generally accepted international guidelines and our values of **reliability, responsibility, partnership, integrity** and **transparency**.

As a globally operating pharmaceutical company with a rapidly growing platform approach, we invest in well positioned and established pharmaceutical brands and distribute them worldwide. And as we are often the only provider of vital drugs, we make an important contribution to the security of supply and thus the health and quality of life of our patients. In doing so, we bear a particular responsibility towards our patients. We acknowledge this responsibility by the particularly high quality demands that we place on our products, employees and business partners.

Our **patients' well-being** is our top priority. We have made it our mission to offer products that meet highest quality and safety requirements to allow both patients and our business partners and employees to benefit from the success of our Company. We aim to act responsibly in serving patients' needs.

OUR SUSTAINABILITY STRATEGY

Cheplapharm is a globally leading pharma platform for established branded and niche products. We have a broadly diversified and attractive portfolio of 150 different drugs. Cheplapharm invests in well positioned and established pharmaceutical brands and distributes them worldwide. And as we are often the only provider of vital drugs, we make an important contribution to the security of supply and thus the health and quality of life of our patients.

Cheplapharm has a highly scalable asset-light business model. We do not engage in research and development and have outsourced the manufacture of our products to a diversified

network of more than 125 CMOs and suppliers, most of which are based in Europe. Moreover, our products are distributed for the most part² through a comprehensive global network of trusted distribution partners in some 145 countries which we have been working with for many years. So while our direct ecological footprint is small, we attach particular importance to upholding high environmental, social and corporate governance standards over our entire value chain.

Forming the basis of our sustainability strategy are our corporate values of reliability, responsibility, integrity and transparency. We embrace these values through our reliance on strong, resilient partnerships and our commitment to a close dialogue with our stakeholders.



These values sit underneath our Code of Conduct, which is hierarchically above all other company policies and guidelines. It is the heart and soul of our business ethics. All other guidelines, policies and standard operating procedures must be in line with it.

² Only in Germany and France does Cheplapharm distribute its products itself.

PATIENT SAFETY

Cheplapharm is committed to providing branded products of high quality to patients. At Cheplapharm, we are committed to patient safety. We help to ensure that our products meet the appropriate level of safety, quality, efficacy and performance. We conduct manufacturing operations in compliance with the relevant regulatory requirements. Cheplapharm requires its suppliers and partners to adhere to the same high standards. We oversee our supply chains and conduct audits to monitor compliance with these standards. Our employees involved in the life-cycle management of products are responsible for conducting work in compliance with all applicable procedures related to their job function.

Cheplapharm is committed to promoting appropriate communication with patients and patient groups. This includes the development of all necessary information for patients and healthcare professionals and to monitor all our medicines for side effects.

To stay on top of reports and inquiries regarding availability and side effect reports, we search medical literature and other sources on an ongoing basis. If we become aware of unknown side effects, we advise the competent authorities and co-operate with them in the subsequent procedure.

All our employees are encouraged to report complaints, adverse events or similar experiences with our medicinal products immediately via a reporting system established specifically for this purpose. As part of Good Manufacturing Practice (GMP), all employees undergo annual training updates in this regard.

Furthermore, we take on the responsibility of keeping our patients safe by pre-empting and preventing unexpected and unintended events related to our products, e.g., by taking measures to minimize the risk of counterfeit drugs and by provision of tailored information if queried by patients, health professionals and others.

CORPORATE RESPONSIBILITY

Our company management is based on the principles of sustainable business. Cheplapharm's corporate values are binding on all employees. Our beliefs can guide employees in their day-to-day conduct and help them make the right choices at all times. We have clear rules of conduct to strictly prevent violations.

Moreover, it is the responsibility of all executives to monitor activities to raise awareness and understanding about compliance matters and to ensure compliance within their sphere of responsibility.

Non-compliance with company policies is not tolerated and can result in disciplinary actions up to and including termination of employment.

We undertake to ensure transparency and, in line with this premise, proper reporting and accounting. Furthermore, we inform our stakeholders about our sustainability strategy and the underlying goals, actions and achievements.

BASIC PRINCIPLES OF COOPERATION

We treat everybody with dignity and respect. We offer all of our employees equal opportunities in employment, continued development and remuneration. We guarantee that this principle is maintained regardless of ethnic origin, sexual identity, gender, religion or other factors. To this end, we cultivate a corporate culture that values integrity and contributes to creating a constructive, motivating and successful working environment.

Integrity

The success of our company is based on our integrity. To us, integrity means a high degree of alignment between our values and our entrepreneurial activity. Integrity means taking responsibility, being honest and doing the right thing.

Therefore, our main aims include having strong values and compliance systems, supervisory structures as well as a strict anti-bribery and corruption policy: Cheplapharm is committed to complying with all applicable laws and regulations. Violations of legal regulations or of this Code of Conduct can have negative consequences for the individual employee and for Cheplapharm. For this reason, violations will not be tolerated but persistently persecuted. To prevent violations, our employees familiarise themselves with the laws and regulations that apply to them and observe the relevant internal company guidelines.

Respect of human rights

Cheplapharm has undertaken to fully respect human rights. The protection of human rights a holistic task for us. As a globally operating company, we are aware of our responsibility for the protection of human rights along our entire value chain.

Avoiding child & forced labour

Cheplapharm prohibits and condemns work involving child or forced labour. We do not operate any production facilities of our own and distribute our products only to a limited extent.

Moreover, our products are distributed for the most part³ through a comprehensive global network of trusted distribution partners in some 145 countries which we have been working with for many years. Although the risk of this is low, we acknowledge the need to rule out child and forced labour along our entire value chain.

Please report any suspected cases to your manager or our General Compliance Officer without undue delay.

Freedom of association, trade unions and works councils

The protection of the freedoms of association and to organise as provided for under the German Constitution [*Grundgesetz*] is a matter of course for Cheplapharm. We respect trade union organisations and reward the commitment of our employees who work for the benefit of employees in our democratically elected works council. Constructive cooperation is and remains important to us.

Right to minimum wage

We comply with the statutory minimum wage rates and expect our business partners to do the same.

RULES FOR THE WORKPLACE

As a company with a global presence, Cheplapharm is legally required to provide a healthy, safe and environmentally friendly workplace. What we understand by a safe and healthy working environment is a workplace where precautions are in place to prevent physical and psychological injury and/or any risks in this regard are identified and mitigated. Moreover, Cheplapharm promotes a working atmosphere characterised by cooperation, based on respect and trust, and by individual and organizational competence in preventing and reducing work-related stress. Providing such a working environment means more than merely complying with laws and regulations.

It underpins our ambition to build an organisation recognised for its uncompromising integrity. Therefore, we implement consistently high standards at all our locations and foster a culture of safe working practices, clearly defined responsibilities and involving all interested parties.

³ Only in Germany and France does Cheplapharm distribute its products itself.

Equal opportunities and non-discrimination

Equal opportunities and non-discrimination are important to us. We value diversity as a precious resource and acknowledge that it is more than just a legal obligation. In a working environment where individuals bring different strengths and perspectives to the table and diversity is embraced, experiences and ideas can be contributed so as to derive the greatest benefit from them. This is proven to improve health and wellbeing and to help reduce staff turnover.

Health and safety at work

To ensure the health and safety of our employees, we need well developed work practices and clearly defined responsibilities. As a medium-sized company with flat hierarchies, Cheplapharm has a culture based on strong team spirit. We treat our employees as well as our patients, partners and suppliers responsibly and with a high standard of integrity and reliability. While we generally believe that workplace safety is everybody's responsibility, we provide a structure around which our employees can perform their safety routines and offer them specific assistance. Moreover, we ensure legal compliance through our organisational structures and management systems.

When we plan and design workplaces, work processes and traffic routes on the company premises, we already apply highest safety standards. Furthermore, we undertake to take psychological stress factors into account in occupational health and safety risk assessments in proportion to their significance for the respective role concerned. With respect to work areas and work scenarios involving an increased risk, we take special precautions.

The requirement to protect mental health is also laid down in law. The initiatives of the federal government, the state governments and of accident insurers, health insurance funds and other healthcare players offer a wide range of information and assistance. If you have any questions, or if you are struggling with a burden, you can also contact your manager or the HSE officers at any time.

ANTI-CORRUPTION, PREVENTION OF CONFLICTS OF INTEREST

Cheplapharm complies with all applicable laws and does not accept fraud, passive or active bribery or corruption or any other form of corrupt practices. This expressly also includes what is known as "expediting payments", i.e., payments that are made to public officials to speed up or perform a routine official act the company is entitled to.

Cheplapharm fights all forms of corruption, observes the relevant anti-corruption guidelines and expects the same from its business partners. Our employees do not bribe in order to

obtain contracts. This applies both to public officials as business partners, such as employees of public hospitals, and to private individuals in Germany and abroad.

Cheplapharm must not offer or give money or anything else of value either as an inducement to make, or as a reward for making, any decision favourable to the interests of Cheplapharm.

It is Cheplapharm's objective to identify conflicts of interest and take steps to eliminate them so that decisions can be made without bias in the spirit of Cheplapharm.

Conflicts of interest may arise in day-to-day business where the interests of Cheplapharm are not aligned with the personal interests of its employees. Conflicts of interest can arise, for example, from an interest in a competitor or business partner, from taking up a secondary occupation or from awarding a contract to close relatives.

Any conflict of interest can give the appearance of inappropriate behaviour and thus weaken trust in Cheplapharm. Any suspicion of a conflict of interest must therefore be reported immediately to the responsible superior.

Gifts or entertainment may create a conflict of interest. Therefore, we neither accept nor give gifts that could influence or appear to influence our participation in business transactions. Gifts or entertainment in line with common practices and appropriate to the circumstances are permitted, provided that no obligation results or could be deemed to result from them. If you have any doubts, please contact your manager or the General Compliance Officer.

Rules for gifts

- They may only be of a minor value and must be socially acceptable.
- They may not consist of money or money's worth.
- They must not influence or appear to influence any of the parties in the performance of its duties.
- They must not violate the law or generally acknowledged ethical or cultural standards.

For further information about this, please refer to our Anti-Bribery and Corruption Policy.

FAIRNESS OF COMPETITION

We are committed to free and fair competition. We do not participate in collusive agreements with competitors or other market players, do not restrict business partners' or competitors' freedom of competition and do not draw any advantage from a dominant position in the market.

Rather than manipulating, we convince customers with our business model and our products. Therefore, do not engage in conduct that could be viewed as anticompetitive. Any suspicion of a breach of competition law must be reported immediately to the Cheplapharm Compliance Officer.

Our employees must comply with all applicable competition, commercial and antitrust laws and ensure the functioning of a free competitive market.

Employees may not exchange information with competitors nor discuss matters that relate to any of the following issues:

- Prices: product prices, price changes, margins, costs, discounts, pricing, price levels, price differences or similar
- Planned acquisitions, including all price offers (tenders or individual quotes of any kind), elements of offers
- Information that is specific to any particular customer or transaction
- Information about capacity or planned changes of capacity
- Division and/or classification of markets, customers or territories

Do not disclose any trade secrets and do not make agreements of competitive relevance with competitors.

Protection of intellectual property rights

The maintenance, protection and defence of its intellectual property, in particular of its trademark rights, are of great importance to Cheplapharm. This allows us to sustain our competitive advantage as proprietor of long-established and strong brands.

Conversely, in order to comply with fair competition, Cheplapharm has to respect the intellectual property of others and must not infringe the same. We do not engage in any kind of industrial espionage.

Information, data protection and security of information

Protection of privacy and personal data

We protect the privacy and personal data of our employees and our business partners and comply with the legal requirements regarding the treatment of personal data. These include rules governing the use and disclosure of personal data to third parties, access to personal data by third parties and data subjects and technical and organisational measures. Details on the handling of personal data are set out in the company's internal data protection guidelines.

If you have any questions about the treatment of personal data, please do not hesitate to contact our data protection team at datenschutz@cheplapharm.com at any time.

Our contacts for questions about IT security can be reached at ThirdPartySecurity@cheplapharm.com.

The use of social media must not conflict with our general policy on the protection of proprietary information and of our company's reputation. However, we expressly encourage employees to celebrate our achievements with us.

By using a company email account, employees agree to exercise due care and diligence in using this channel in order not to cause or contribute to any material adverse effects for the company.

Protection of confidential information

Cheplapharm protects confidential and sensitive information. This applies to information of the company as well as that of its employees and business partners.

The misuse or unauthorised disclosure of confidential and sensitive information can cause considerable damage, weaken the competitiveness of Cheplapharm, give rise to recourse claims and damage the reputation of Cheplapharm. In order to prevent this, our employees observe the relevant provisions in the company's internal guidelines.

Fairness in taxation

Transparency and integrity are of the highest importance to us, including the proper payment of taxes. Cheplapharm pays taxes where it operates business activities and complies with the locally applicable laws and regulations.

Business partners

A main aim of our sustainability strategy is to ensure the same standards as we envisage and implement for our own company throughout the entire supply chain.

We also expect our business partners to maintain a high degree of integrity, reliability and sustainability and to accept our Supplier Code of Conduct.

A review process ensures that our suppliers meet certain minimum requirements in terms of sustainability criteria and thus contribute to environmental and climate objectives. We

currently procure most of our goods and services supplied to us from companies based in Europe. These companies are subject to high and stringent requirements for the quality and sustainability of pharmaceutical products which we diligently observe, also for companies of other jurisdictions. We are in a position to track our products throughout the entire supply chain and know exactly where and in what conditions they are made.

We closely monitor and verify the safety and quality of the products supplied to us on an ongoing basis. Moreover, we have extensive measures in place that go far beyond the necessary requirements to minimise supply shortages.

In distributing medicinal products, we follow closely the advice and guidance of the World Health Organization (WHO) on “[Ethical criteria for medicinal drug promotion](#)”. Since our medicinal products are distributed and marketed mainly by third-party distribution partners, we set these requirements out in detail in a special section for distributors in our Supplier Code of Conduct. In this section, we set out guidelines that are closely aligned with the WHO criteria for general medicinal drug promotion, promotion of medicinal products to doctors, the use of medical sales representatives, the provision of product samples, participation of scientific symposiums and post-marketing clinical trials. All the detailed requirements described in this regard apply both to distributors and to the entire Cheplapharm Group.

For further details, please refer to our Supplier Code of Conduct, which can be downloaded under “Our Responsibility” in the “About Cheplapharm” section of our website.

Export control, sanctions and customs (Trade Compliance)

Cheplapharm complies globally with all applicable laws and regulations related to export controls, sanctions and customs procedures (Trade Compliance). Cheplapharm’s Export Control examines deliveries and other exports (which may also include transfers of know-how or the use of software) from various perspectives to ensure compliance with applicable laws and regulations. Irrespective of whether a cross-border delivery is involved, dealings with individuals or entities identified on applicable sanctions lists are prohibited as a matter of principle. This includes the employment of personnel. The applicable customs laws and regulations are observed upon each import and export of products and applicable customs duties are correctly determined and paid to the competent fiscal authorities.

With their awareness and active exchange of information, all employees across all divisions of our company contribute to making trade compliance a company-wide task globally.

PRACTICAL GUIDANCE ON HOW TO IMPLEMENT THE GUIDELINES

In your everyday business activities, ask yourself:

- Is the decision or action I am going to take in line with this Code of Conduct?
- Have I understood the risk and the possible implications of what I am doing?
- If necessary, have I sought advice to help me make an informed decision?
- Am I acting with integrity and in accordance with our values?
- Am I leading by example?
- Have I considered any potential impact on Cheplapharm's reputation?
- How will I feel if the action I take today is featured in the newspapers or on television tomorrow?

If any questions arise in relation to this Code of Conduct, if you need advice or become aware of any infringement, please contact your manager or the General Compliance Officer.

Legal Notice

The drafting, maintenance and enforcement of this Code is the responsibility of Cheplapharm's General Compliance Officer. The formal assessment of our compliance status with this Code is regularly reviewed. The aim is to ensure our requirements and practices are effective and to be able to identify potential for improvement.

Please refer all questions about this Code to the General Compliance Officer.

General Compliance Officer:

Anna Rautenberg

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Telephone: +49 3834 3914 140

Issued by

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www.cheplapharm.de

This Code of Conduct applies to all our locations.

To the extent that the guidelines set out herein impose any obligations on the Company, such obligations shall not be deemed contractual obligations and do not give rise to any rights under the contract.

The employment terms to be agreed by contract are set out in the written employment contract of each employee. To the extent that this Code sets out benefits and rights for employees, these are at the discretion of the Company and are also not to be deemed agreed by contract. The Company may unilaterally introduce, amend, cancel or replace this Code at any time.