

## Supplier Code of Conduct for Fertin Pharma A/S

Ethical, social and environmental responsibility is an integrated part of the long-term business strategy and Code of Conduct of Fertin Pharma A/S and its affiliates ("Fertin").

With the purpose of ensuring responsible conduct, this *Supplier Code of Conduct* ("SCoC") summarizes Fertin's supplier requirements. Fertin commits its suppliers to respect human rights, labor rights, health and safety principles and environmental and climate impacts, as well as conducts business according to the ethics described in this SCoC.

Fertin recognizes that impact is generated across the value chain, and therefore considers the responsibility of managing ESG-risks also to be a corporate priority of our suppliers.

It is Fertin's ambition to develop a responsible and profitable business together with our customers and partners, characterized by commitment and credibility. This ambition requires certain levels of compliance regarding ESG- and Sustainability, defined in this SCoC as set out in following requirements which are in accordance with the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises, as well as the International Labor Organization and United Nations conventions<sup>1</sup>.

### **Climate & Environment**

Fertin expects its suppliers to adhere to the following requirements with respect to the climate and environment:

**Climate impact:** Suppliers shall have climate protection as a core element of their business strategy (e.g. targets and/or company values). Suppliers shall assess the impacts and risks that climate change has on their business and supply chains and adapt both to

climate change. Suppliers shall set targets to reduce the greenhouse gas (GHG) emissions caused by their operations directly (scope 1) or indirectly (scope 2) and those caused in their value chains (scope 3). Fertin expects its suppliers to have ambitious reduction targets set at the latest by 2025 and integrate quality-controlled methodologies for GHG-accounting. Upon request and if available, suppliers shall be able to provide Fertin with the carbon footprint of their organization and of a product which is representative for the supplier's business. Suppliers shall undertake reasonable efforts to increase the overall use of renewable energy on a yearly basis and set targets for transitioning 100% of their purchased electricity to renewable sources.

**Environment & Use of Natural resources:** The supplier shall assess any significant environmental impact from their operations and establish and follow procedures that reflect their environmental responsibility. The supplier shall comply with national and international environmental legislation and regulations and work actively to reduce actual or potential negative or harmful impacts. Suppliers shall undertake reasonable efforts to have clear environmental targets, strategies, and policies in place. Fertin supports the implementation of environmental management systems, to identify and mitigate environmental risks and impacts of their operations and along their value chains. Suppliers shall preserve and protect and prevent the exploitation, destruction, or neglect of natural resources, such as sources of energy, water, forests, soil, raw materials, etc.

**Water consumption:** Suppliers shall undertake reasonable efforts to have a management system in place to reduce or maintain a low water consumption in their own operations. This includes monitoring of site water usage and

quality of discharge, as well as wastewater treatment and the improvement of water recycling. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to contributions of water-scarcity and specific areas threatened by water scarcity as defined by the World Resource Institute.

**Waste & Responsible use of Resources:** Suppliers shall monitor and handle their waste generation in accordance with local legislation and take extended responsibility over their generation of packaging waste. Moreover, the supplier must set targets for waste reduction, circular initiatives, and recycled or recyclable materials, to support circularity and responsible resource consumption. Suppliers shall ensure that the management of waste from their operations is in line with government regulations and with the requirements defined by the 'Basel Convention', especially if the waste is transported or traded across borders. Suppliers must be vigilant on resource scarcity and set targets and processes for responsible use of resources, as well as for minimizing the overall generation of non-recyclable waste across.

**Emissions of wastewater, Local Air, Noise & Light:** Suppliers shall undertake reasonable efforts to ensure the safe and compliant handling, storage, transportation, reuse, recycling, and disposal of all types of solid and liquid wastes. Suppliers shall also undertake reasonable efforts to ensure that wastewater effluents are below regulated levels and give special attention to the handling of substances containing mercury or which are persistent organic pollutants (POPs) as well as to the handling of wastes, air emissions, or wastewater that could contain mercury or POPs. Supplier shall

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<sup>1</sup> References to relevant ILO and United Nations conventions for each area of the code: i UN Convention Against Corruption; ii Universal Declaration of Human Rights; iii ILO Conventions No. 87, 98, 135 and 154; iv ILO Convention No. 1 and 14, ILO Recommendation No. 116; v ILO Convention No. 26, 95 and 131; vi ILO Conventions No. 29 and 105; vii UN Convention on the Rights of the Child ILO Conventions No.; 38, 182, ILO Recommendation No. 146 and UNICEF's Children's Rights and Business Principles; viii ILO Conventions No. 100, 111, 143, 169, 183 and UN Convention on Discrimination Against Women; ix ILO Convention No. 155, 184 and ILO Recommendation No. 164.

handle these substances in line with the requirements defined by the 'Minamata Convention' (mercury) and the 'Stockholm Convention' (POPs). Suppliers shall especially prevent and minimize the release of hazardous substances or active ingredients via spills or via fugitive emissions to the environment. The contamination of soil, air, and water shall be avoided as well as noise and light pollution. Suppliers shall monitor and mitigate emissions into the air, soil and waterways and make more efficient use of resources. Environmental aspects, in terms of pollutive risks, shall be taken into consideration throughout the production and distribution chain, from the extraction of raw materials to the distribution to Fertin.

**Deforestation Soil Use & Forest-Risk commodities:** Suppliers shall ensure the protection of forests and natural ecosystems that are at risk within the supply lines linking to Fertin. Specifically, this includes protection from deforestation (including forest conversion) and land conversion in accordance with the Regulation on Deforestation-free products (EUDR). Suppliers must, if they handle and distribute goods within scope of the EUDR to Fertin, ensure traceability and provide a compliant 'due diligence'-statement. Suppliers shall undertake and document their best efforts to aim for sustainable production when agricultural feedstocks or forestry feedstocks are impacted. Suppliers must implement systems, when using forest-risk commodities (or deforestation-prone products), like palm (kernel) oil, soy or other agricultural or forestry feedstocks, that enables transparency, traceability, and responsibility for forest- and landscape preservation. Suppliers must document reasonable efforts to ensure that by using land, forests, and waters, which are essential to a person's livelihood, the persons may not be unlawfully evicted, and the land or resources may not be taken for the purpose of acquisition, development, or other use. The supplier must also ensure that their business activities do not impact natural resources in a way such that the production of food is significantly impaired, a community

or person is denied access to safe drinking water, or human health is harmed. If suppliers source materials which contain palm (kernel) oil or derivatives of it, suppliers shall ensure that at least 'mass balance'-certified sustainable palm (kernel) oil is sourced. The certification shall be in line with the criteria of the Roundtable on Sustainable Palm Oil (RSPO), or an equivalent scheme.

### **Business ethics**

Conducting responsible and ethical business is not only a core characteristic of Fertin, but also a criterion for being a Fertin collaborator in all levels and entities. Specifically, we oblige our suppliers to the following requirements:

**Corruption & Bribery:** All forms of corruption, bribery, extortion, embezzlement, money laundering and unlawful restrictive trade practices are strictly prohibited. The supplier shall establish and follow effective procedures to prevent corruption, bribery, money laundering and unlawful restrictive trade practices in all their business activities.

**Conflict of Interest:** Suppliers shall disclose to Fertin any situation that could constitute a conflict of interest, such as Fertin employees having professional, private and/or significant financial advantages or interests in any of the supplier's businesses.

**Insider Trading:** Suppliers must keep confidential information confidential, regardless of profitable or transactional opportunities on a company or employee level. Employees at supplier sites, that are at risk of situations of conflicts of interests and insider trading, must be trained in the characteristics of these situations and their risks to ensure that any collaboration with Fertin are kept and maintained in ethical and legislative compliance.

**Privacy and Intellectual Property:** Suppliers shall safeguard and make only appropriate use of confidential information and ensure that all Fertin employees' and business partners' privacy and valid

intellectual property rights are protected.

### **Data Privacy and Data Protection:**

Suppliers' information systems that contain Fertin's confidential information or data shall be appropriately managed and protected against unauthorized access, use, disclosure, modification or destruction. Suppliers shall collect personal information only for legitimate business purposes, use it in a legal, transparent and secure manner, share it only with those who are allowed access, protect it and retain it in accordance with the contractual requirement, security policies and all relevant laws, and obligate third parties with access to personal information to protect it.

### **Social Responsibility**

Suppliers must respect the human and labor rights of their employees, local communities and vulnerable groups, and ensure they are treated with dignity and respect. This includes the following requirements:

**Labor & Human Rights:** The supplier must support, and respect internationally declared human rights, and treat employees fairly, equally and with respect. This entails the supplier's documentative commitment to the declarations and conventions adhered in this SCoC.

**Freedom of association:** The supplier must respect its employees' right to form or join trade unions as well as the right to collective bargaining and bargaining agreements.

**Working hours:** Working hours, breaks and vacations must comply with national legislation and agreements, as well as international agreements and conventions.

**Wages:** Wages, benefits and overtime compensation shall at the very least comply with national legislation, industry standards and collective agreements, and be paid in due time. Deductions from wages as a disciplinary measure is not accepted.

**Forced labor:** No form of forced labor or labor linked to any form of

punishment is permitted. This requirement pertains to all employees, irrespective of employment conditions. No physical restraining to workstations, no surveillance of employees, and no extorsive behavior to force labor is permissible for Fertin suppliers.

**Child labor:** Fertin does not accept child labor. Every child shall be protected from economic exploitation and from performing any work that may be dangerous, have an adverse effect on the child's education or be harmful to the child's health and development. The term 'child labor' refers to work carried out by a child who is under 15 years of age, or under 14 years of age in those countries specified in Article 2.4 of ILO Convention 138. Young workers under 18 may not work at night or in hazardous conditions.

**Equal treatment:** Regardless of situational circumstances, cultural norms, or local legislation, Fertin does not accept discrimination, intimidation, oppression or harassment in any form. The supplier must be vigilant of groups of risks, such as women, ethnic, sexual, and religious minorities, and across positions of power. Also, the supplier must conduct a risk monitoring and human rights due diligence process, that also takes cultural and national risks into assessment.

**Local Communities and vulnerable groups:** Suppliers shall respect the rights of local communities, including indigenous peoples and other vulnerable and disadvantaged groups. The supplier cannot participate in, be responsible for or in any way relate to circumstances that may be interpreted as land grabbing or unlawful eviction.

### **Health & Safety**

Suppliers shall make adequate provision for the health and safety of their employees, customers, visitors, contractors, and others who may be affected by their activities or occupy themselves within the supplier's proximity. Suppliers shall have Health and Safety programs in place to identify, assess and manage risks to ensure

and improve employee safety and wellbeing. This comprises the following requirements:

**Work environment and safety:** The supplier shall define responsibilities and establish and follow procedures to prevent accidents and work-related injuries. Observations must be documented, and actual incidents must be understood by root cause analysis to be fully remediated. Progress on remediation and rates of incidents and observations must be tracked and documented. The supplier must set targets for incidents, accidents, and observations to manage worker safety. The supplier shall at least comply with the minimum standards according to national and local laws and regulations regarding the general work environment for its employees.

### **Emergency Preparedness, Risk Information and Training:**

Suppliers shall make safety information on identified workplace risks available to employees and contractors. Training on identified risks, and how to avoid incidents, must be conducted regularly, to ensure safety for all employees and contractors. Suppliers shall identify and assess relevant risks and emergency situations in the workplace, public neighborhood and company-provided living quarters. Their potential impact shall be minimized by implementing appropriate protection systems, effective emergency plans, regular drills and response procedures.

### **Governance**

Suppliers shall implement effective management systems and a governance structure to facilitate compliance with all applicable laws and regulations and promote continuous improvement with respect to the expectations set forth in this SCoC. This includes the following aspects:

**Follow-up and enforcement:** It is the supplier's responsibility to ensure that the content of this SCoC is implemented. Fertin expects all suppliers to have appropriate procedures to ensure that their own suppliers of products and services are in compliance with

the content of our SCoC. To ensure that the SCoC is being followed, Fertin reserves the right to conduct audits and expects any distributed self-assessments to be conducted as soon as possible and returned for our supplier risk assessment. If the supplier fails to comply with the terms of this SCoC, Fertin may terminate the business relationship, unless improvements are implemented within an agreed period.

**Replication and risk management in the supply chain:** Risks of resource scarcity, unstable supply lines, and environmental, societal and social impacts should be top of mind for all actors in the value chain. Suppliers must therefore conduct risk management and address the principles set forth in this SCoC further down their supply chain.

Fertin Pharma A/S, May 6, 2024.

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