

Supplier Code of Conduct



SUSTAINABLE DEVELOPMENT STARTS WITH RESPONSIBILITY

Sustainability is an important pillar of Tillotts Pharma AG and its affiliates ("Tillotts"), and a fundamental part of its corporate values. These values extend to our relationship with our suppliers of goods and services. We firmly believe that environmental and social aspects must be considered hand in hand and that continuous improvement plays a central role.

Tillotts thereby strictly adheres to applicable national and supra-national legislation and is guided by the following, non-exhaustive, list of international frameworks and guidelines:

- Universal Declaration of Human Rights of the United Nations (UN)
- The 10 principles of the United Nations (UN) Global Compact
- Guiding Principles on Business and Human Rights of the United Nations (UN)
- OECD Guidelines for Multinational Enterprises (OECD)
- The 8 core labour standards of the International Labour Organization (ILO)
- UN Convention against Corruption (UN)
- Article 32 of the UN Convention on the Rights of the Child (UN)
- International Covenant on Civil and Political Rights (UN)
- International Covenant on Economic, Social and Cultural Rights (UN)

Tillotts expects its suppliers to acknowledge the above guidelines and frameworks, in addition to applicable laws and regulations. Suppliers shall adhere to the Supplier Code of Conduct (the "Code") and are expected to promote and implement the principles within their own supply chains. The Code does not replace local law. The areas of Ethics, Human Rights and Labour, Health, Safety & Environment and Governance and Management Systems are described in more detail on the following pages.



“ Our commitment to Net Zero is driven by a profound belief in our intrinsic responsibility as a company. ”

"We recognise that our ecological impact is both an ethical imperative and a key factor shaping our long-term resilience and stakeholder value. This pledge reflects our dedication to creating a sustainable future that is environmentally, economically, and socially positive."

Thomas A. Tóth von Kiskér
Chief Executive Officer

As a leading international speciality pharmaceutical company headquartered near Basel, Switzerland and with more than 400 employees worldwide, Tillotts Pharma AG, including all its subsidiaries, is proud to announce its commitment to sustainability through a net-zero commitment by 2050.

This is a crucial step in our journey towards a more sustainable future. We are convinced that this will not only contribute to the fight against climate change but will also ensure the long-term success of Tillotts Pharma. A centrally managed group-wide climate transition plan, to which all affiliates belong, and which is monitored annually, is used for realisation. Each affiliate is obliged to contribute its individual share as defined in the plan.

Ethics



Bribery and Corruption

Our suppliers shall reject all forms of corruption, bribery, extortion and fraud and take appropriate measures to prevent them. No unauthorised payments, gifts or other benefits that could improperly influence business decisions may be offered, demanded or accepted. All business activities should be conducted transparently, comprehensibly and in accordance with applicable anti-corruption laws and national and international regulations.



Animal Welfare

Suppliers are expected to ensure animal welfare by treating animals respectfully and minimizing stress and pain. Animal testing shall be conducted only if legally required or scientifically unavoidable, in line with applicable laws and internationally recognized regulations and standards, including the 3R (Replace, Reduce, Refine) principles.



Confidentiality and Data Protection

Suppliers shall treat Tillotts' confidential information with the utmost care. Confidential data may only be used for its originally intended and contractually agreed purpose. To ensure adequate data protection and information security, suppliers shall implement appropriate technical and organizational measures.

Personal data must be handled fairly, lawfully and transparently; used only for specific, legitimate purposes; kept accurate

and up to date; limited to what is necessary; and retained only for as long as required. Processing of personal data is permitted only in compliance with applicable data protection laws. Suppliers must also ensure that their subcontractors and third parties meet these requirements. Personal data breaches must be reported without undue delay.



Conflicts of Interest

Suppliers are expected to recognise potential conflicts of interest at an early stage, avoid them and handle them responsibly. They are expected to make business decisions objectively and without influence. If an actual or potential conflict of interest arises, Tillotts should be informed immediately so that any concerns can be discussed.



Fair Competition and Compliance with Sanctions

Suppliers shall conduct their business in accordance with the principles of fair and free competition and in compliance with all applicable antitrust and competition laws. Unlawful agreements, anti-competitive practices or forms of market manipulation are prohibited. Suppliers shall comply with applicable embargoes, trade and economic sanctions.

Human Rights and Labour



Freely Chosen Employment

Suppliers shall ensure that all labour relationships are voluntary and free from coercion, bonded labour, movement restrictions or involuntary prison labour. Human trafficking is strictly prohibited. Suppliers shall provide lawful contracts and working conditions in accordance with applicable labour laws.

Furthermore, all employees should be treated with fairness and equality, with consideration for personal circumstances including, but not limited to, ethnic origin, skin colour, age, disability, and religion. Suppliers should strive to actively contribute to the promotion of equal rights.



Child Labour

Suppliers shall not engage in child labour and must ensure that all employees have reached the legal minimum working age or the age for completing compulsory education, whichever is higher. Employment of young persons under 18 is permitted only if allowed by local law and if their health, safety, education, and moral development are not compromised. Suppliers are expected to take preventive measures to avoid child labour, including through due diligence and regular checks in their supply chains and must promote access to education and the protection of young workers' rights.



Employee Rights and Freedom of Association

Suppliers are expected to respect the rights of employees to freedom of association, trade union membership and collective bargaining. Open communication and direct cooperation to resolve workplace and wage issues should be encouraged. Where legal restrictions exist, alternative forms of interest representation shall be made possible. Employees are free to discuss their working conditions without having to fear any disadvantages.



Conflict Minerals

Suppliers shall ensure that any procurement of tin, tungsten, tantalum, gold is from legal, conflict-free, and ethically responsible sources. Compliance with international due diligence obligations must be ensured.



Wages, Benefits and Working Hours

Suppliers are expected to provide a fair and safe working environment. This includes appropriate working hours in accordance with applicable national law, and fair remuneration practises including that the remuneration amount is at least equivalent to the statutory minimum wage.



Respect for the Rights of Indigenous Communities

Suppliers are expected to respect the rights and interests of indigenous communities in all business activities. This includes upholding their right to self-determination, preserving cultural identity, and protecting traditional lands and resources. The free, prior and informed consent of indigenous groups is encouraged to be obtained before initiating projects that could affect their territories, way of life or rights. Suppliers must not engage in activities that lead to the displacement, discrimination or exploitation of indigenous communities.



Fair Treatment and Non-discrimination

Suppliers shall provide a respectful and non-discriminatory working environment. Any form of harassment, abuse, violence or degrading treatment, including sexual harassment, corporal punishment and coercion, is strictly prohibited, as is the threat thereof.

Health, Safety & Environment



Occupational Safety, Health Protection and Well-being

Suppliers shall have a safe and healthy working environment. This also includes appropriate risk assessments, emergency plans or other protective measures to prevent occupational accidents and health risks. Safety information on hazardous substances, including pharmaceutical compounds and intermediates, should be provided and actively used for training, instruction and protection of employees. Suppliers are also expected to implement good operating practices and promote a culture of safety.



Compliance with Environmental Standards

Suppliers shall comply with all applicable environmental laws and obtain necessary permits, licences, and registrations. Waste, wastewater, and emissions, including active pharmaceutical ingredients, must be managed, treated, and controlled in accordance with best available techniques before any release into the environment. Suppliers should adopt sustainable practices to reduce environmental impact.



Safe Management of Processes and Emergency Preparedness

Suppliers shall have robust management systems to systematically identify, assess and minimise risks, especially in chemical, biological and pharmaceutical processes. This includes compliance with best practices, regular safety inspections and training for employees to ensure safe and responsible process management. Suppliers should also systematically identify and assess potential emergency situations.



Climate Protection and Biodiversity Conservation

Suppliers should assess and disclose their greenhouse gas emissions (Scope 1, 2 and 3 according to the Greenhouse Gas Protocol) and set reduction targets that are in line with the 1.5-degree target of the Paris Climate Agreement. They should take measures to reduce emissions and promote the switch to renewable energies. Suppliers should support their own suppliers as far as possible in implementing appropriate climate protection measures. To protect biodiversity, suppliers should apply sustainable practices and ensure that the use of natural resources does not contribute to the deforestation or destruction of ecosystems. Compliance with international agreements such as the Convention on Biological Diversity is encouraged.

Governance and Management Systems



Compliance with Legal, Customer-specific and Quality Requirements

Suppliers shall identify and comply with all relevant laws, regulations and contractual standards. Suppliers must meet highest standards of quality and safety to ensure safe medical application. All processes, products and services should be subject to rigorous controls to ensure quality, safety, and regulatory compliance across the entire supply chain.



Transparency and Traceability

Suppliers should implement appropriate procedures and systems to fulfil their corporate due diligence obligations across their supply chain. Upon request, suppliers should promptly disclose clear, accurate and timely information about their supply chains, particularly regarding the topics covered in this Code, unless legal constraints prevent it. This disclosure should make it possible to recognise risks at an early stage and to act responsibly.



Training and Qualification

Suppliers should, in line with this Code, have a training programme that equips its management and employees with the knowledge and skills needed to meet this Code's requirements.



Risk Management

Suppliers shall systematically identify, assess and manage risks in all relevant areas. This requires effective mechanisms avoiding, reducing, preventing and mitigating risks, that are regularly reviewed and updated.



Grievance Mechanisms and Reporting

Suppliers are expected to establish accessible, secure, and clearly communicated reporting channels, such as a whistleblower hotline, for employees, sub-suppliers, and other stakeholders to report potential violations confidentially and without fear of retaliation. Wherever possible, these channels should be managed independently to build trust.

Reports should be handled confidentially, thoroughly assessed, and followed by appropriate corrective actions with transparent documentation. Suppliers should also conduct stakeholder analyses to engage those most affected and ensure the effectiveness of grievance mechanisms. Suppliers not yet meeting all requirements are expected to commit to continuous improvement. Tillotts supports reporting concerns regarding the violation of this Code by making its own whistleblower hotline line available to both internal and external stakeholders.

Governance and Management Systems



Ethical behaviour in Research, Development and Marketing in the Healthcare sector

Suppliers shall uphold ethical standards in all research and development activities, especially in clinical trials. This includes, among other things:

- Safeguarding the integrity of scientific research,
- Respect for the rights, safety and well-being of study participants,
- Compliance with all applicable legal and regulatory requirements.

In addition, we expect our suppliers to work with healthcare professionals, healthcare organisations and patient organisations with the utmost transparency and ethical behaviour. Undue influence, inappropriate benefits or conflicts of interest must be strictly avoided.



Documentation

Tillotts expects its suppliers to provide appropriate documentation of compliance with this Code, also to support the possible annual Corporate Sustainability Reporting Directive reporting of Tillotts. Regarding critical violations of this Code, suppliers are expected to report any incidents, investigations, or remedial measures that have been taken.



Review

Tillotts expects acceptance of periodic assessments or on-demand audits for verifying compliance with this Code in cases of reasonable doubt. These audits may include the supplier and, where applicable, its sub-suppliers involved in delivering the contractual product or service. In the event of confirmed violations, Tillotts may take or require corrective actions, suspend the business relationship, or, in serious cases, terminate the agreement.





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