

Code of Business

Conduct & Ethics

Doing business responsibly and with integrity





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Message from the CEO

Dear Colleagues,

In just 30 years, Fagron has developed from being a local player into a leading global company active in pharmaceutical compounding, focusing on delivering personalized medicine to hospitals, pharmacies, clinics and patients in 36 countries around the world.

We are committed to improve personalized pharmaceutical care and to make it accessible worldwide. Every day, our employees across the globe are focusing on delivering the best possible personalized medicine. Together, we create the future of personalizing medicine!

It is our ambition to further expand our leading market positions in Europe, North America and Latin America through organic growth and strategic acquisitions. For that growth to be sustainable, we need to be clear on how we conduct business.

Sustainable growth requires that we act according to applicable laws and regulations and that we observe the highest standards of business ethics. We are a performance-driven company, passionate about our business and achieving our goals.

This means **seizing opportunities and developing our business daily with fairness, integrity and with respect for the law and this Code.**

This Code describes what is expected from all our employees – individually and as a team – in every market and at all levels in the organization.

This Code empowers and gives guidance to all employees in recognizing and dealing confidently with our day-to-day challenges. Adherence is an integral part of how we conduct our business. Its success relies upon your commitment. Your commitment to familiarize yourself with this Code; to discuss possible dilemmas with your colleagues, manager or Human Resources; to be transparent and to speak up in good faith when you perceive possible violations of this Code.

Rafael Padilla

Chief Executive Officer



“Fagron is a great and successful company. Combining our expertise and passion with taking responsibility for our values and this Code, will pave and secure the way for future success!”





One Global Fagron

**Together,
We create the future
of personalizing medicine.**





Our Values

Our values define who we are and what we aim to be. They reflect the way we should operate both internally and externally. Our values give us standards to measure ourselves by, particularly in our dealings with customers, suppliers, our own people and the wider world.

We expect you to make the values your own. Think about how the values apply to your work and incorporate them in your day-to-day job.



Customer is Number 1



Speed of Execution



Entrepreneurship



Creativity



Quality



Lab



Pharmaceutical Compounding



Technology



Genomics



Our **Family** Rules

Our family rules define how we collaborate and interact with each other. They offer us focus on how we approach challenges and processes.

Humility ●

Simplicity ●

● **Analytic**

Autonomy ●

● **Responsibility**

● **Transparency**



Our Leadership

Fagron leaders are expected to embody our values and family rules, continuously develop themselves to reach their full potential, and serve as role models for the business.

Our Fagron Leadership behaviors act as a guideline for all Fagron leaders. A Fagron leader:

- Shows **humility** through empathy and active listening.
- Shows **simplicity** by providing direction and clarity while being adaptable.
- Creates a culture of **autonomy** by empowering and trusting their team.
- Demonstrates **analytical thinking** by defining a way forward through critical thinking and data driven decisions.
- Takes **responsibility** for their own and team's actions and development through self-awareness and providing constructive feedback.
- Provides **transparency** through consistent, understandable and clear communication.

Diversity and Inclusion

We continuously build and foster a culture that enables all our employees to become the best version of themselves.

Embracing Diversity & Respecting Others

Our people are our most important assets. We work together as one big team and value the unique contribution that every person brings to Fagron.

We treat our colleagues with respect and fairness, and we believe that we accomplish more when people from different backgrounds and with different talents come together.

We do not tolerate any form of discrimination, intimidation, abuse, or any form of unreasonable, unwanted and offensive behavior that creates a hostile, humiliating or intimidating work environment. Read more about unwanted behaviors on page 29.



Working Together

Working together with Colleagues

We strongly believe in the power of collaboration and its vital role in achieving success.. We foster a culture of teamwork, where colleagues are encouraged to engage in transparent and clear communication, to share knowledge and support one another. By promoting a collaborative work environment, we enable our employees to harness their collective expertise, creativity and dedication to drive innovation and deliver exceptional solutions to meet the needs of our customers.

We acknowledge that relationships can occur in the workplace. We understand that we are all human beings and emotions are part of our everyday. However, we expect our employees to remain transparent and inform their HR responsible if a relationship occurs. This needs to be known in order to protect all employees and adjust reporting lines accordingly. With the purpose to ensure equality.



Working Together with Business Partners

We are committed to ensuring that our business partners, such as suppliers and distributors, apply the same standards regarding anti-bribery and anti-corruption. As outlined on our [Investor site](#) in our Business Partner Code of Conduct.

Fagron adheres to all antitrust laws and regulations which aim to ensure effective and fair competition. **We particularly aim at preventing anticompetitive agreements or concerted practices which have unfavorable effects on other competitors or customers and suppliers.**

Violations of antitrust law may have severe consequences under civil law and lead to severe sanctions under criminal and/or administrative law for both the company and the individuals involved in the conduct.

We expect our business partners to take responsibility in actively preventing bribery, corruption or other improper behavior in line with the Fagron policy.

Our employees are also expected to take this policy into account when collaborating with business partners and to stay vigilant and aware of any possible violations of this policy.



Working Together with Customer's



With patients as our most vulnerable and valuable customer, Fagron adheres to all laws and regulations which are designed to protect every patient. **We**

continuously monitor updates to local laws and regulation via our qualified pharmacists and responsible personnel to ensure patient welfare is at the center of our company. We believe that the welfare and dignity of the patient are to be valued above everything else. We are in the practice of finding solutions to every patient's healthcare needs and we recognize that any violation of legal standards may cause serious damage.

Quality and safety are core considerations at every stage of the research, development, manufacturing, storage, and distribution of our products. Fagron commits to monitor the safety, quality and performance of our products in accordance with all applicable internal and external standards.

We also commit to communicating honest product information to our clients. Promotional activities and communication must not be inaccurate or misleading and must be compliant with all applicable medical, regulatory and legal standards.



Sustainable Engagement

We find being a good employer important, and we are structurally measuring our employee's sustainable engagement and requesting transparent feedback from our employees to understand our employees' needs and set the right priorities. Sustainable Engagement is the intensity of the connection between employees and Fagron.

We measure sustainable engagement based on three main factors:

- How involved do employees feel in decision-making processes.
- How many employees feel that they have access to the resources they need in order to be able to perform their work properly.
- How energetic employees feel, based on physical, interpersonal, and emotional well-being at work.

Employee Engagement Score

We are measuring our sustainable engagement by conducting a bi-annual Global Employee Survey. Our goal is to have at least 85% of the employees participate in the survey and achieve a Sustainable Engagement Score of at least 80%.



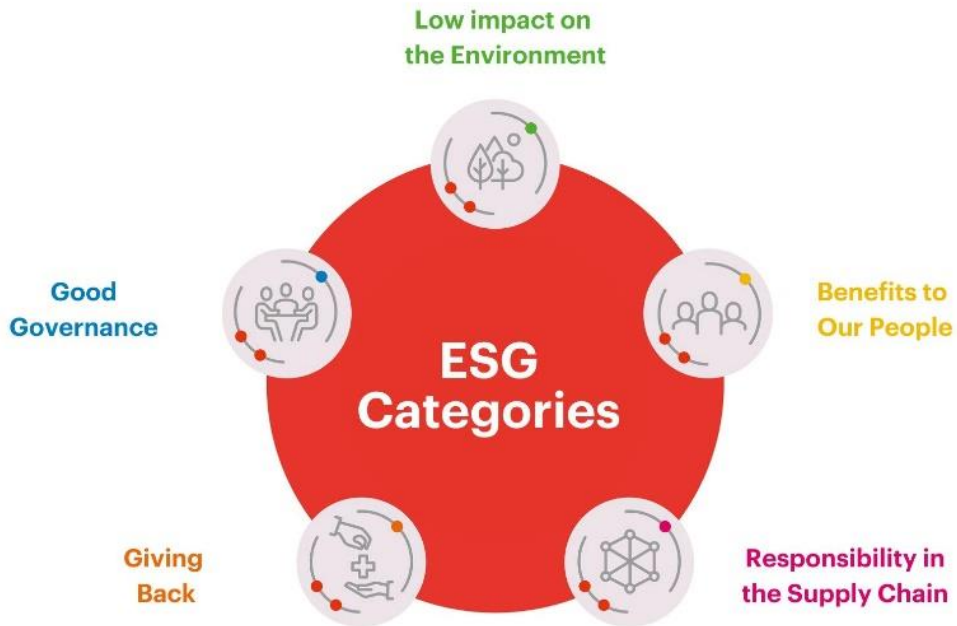


Environment, Social and Governance (ESG)

ESG lies at the core of Fagron’s activities and strategy. With over 3,000 colleagues, Fagron products and services contribute every day to improving people’s health.

As a global company with the purpose of creating the future of personalizing medicine, we aim to produce all our products ethically and responsibly. We strive to create long-term value for all our stakeholders: customers, employees, investors, and society.

We do this by lowering our environmental impact, providing benefits to our people, taking responsibility in our supply chain, and giving back to the communities in which we operate. For more information regarding ESG, have a look at our [ESG Policy](#) or have a look on our [website](#).





What is the Code of Business Conduct & Ethics?

Purpose of the Code

This Code guides us by clearly describing the standards to which we hold ourselves, no matter where in the world we live and work. It contains information on how to act legally and ethically during daily business operations.

The Code is the foundation for managing business responsibility in accordance with applicable laws and regulations.

We expect you to respect our values and family rules and to comply with laws and regulations, this Code of Business Conduct & Ethics and other Fagron policies.

Familiarize yourself with the Code and if you are in any doubt, discuss with colleagues or seek guidance from your manager, colleagues or HR.

Who is the Code for?

This Code applies to all employees of the different companies of the Fagron group regardless of the type of contract. It also applies to all individuals working for Fagron that are engaged through a third party.

Whenever local laws and regulations are more restrictive than our Code or other policies, those laws and regulations apply.

Breach of the Code

Employees and all individuals working for Fagron that are engaged through a third party as well as Fagron's business partners are expected to be fully compliant with this policy. For our business partners we also have a detailed Code of Conduct available on our [investor website](#).

Neglecting or violating the law, our Code, any of our policies or ignoring an observed violation can have serious consequences for our company and everyone involved (e.g., personal liability and/or fines as well as reputational damage). Using a third party or other means to avoid this Code is prohibited.

Any breach of this Code will lead to corrective measures that may include termination of the employment or business relationship.



Your Responsibilities

Adhering to this Code

We expect everyone to promote a culture of openness in which we all feel comfortable and safe raising questions, dilemmas and concerns regarding the interpretation of, or adherence to, this Code.

Remaining silent in the event of a possible violation can only worsen a situation and can decrease trust in the organization, but also in you as an individual. Therefore, we encourage you to use one of the reporting channels if you ever have a concern or suspicion regarding a possible violation of the law, this Code or policies.

Creating a transparent and open environment in which concerns or suspicions can be raised without fear of reprisal is essential to our culture as well as in preserving our reputation and ability to operate. **It is the responsibility of all of us to keep each other accountable in adhering to our Code.**

Corrective Measures

Neglecting or violating laws, regulations, our Code of Business Conduct & Ethics and our policies can have serious consequences for Fagron, and every individual involved in the matter. Using a third party or any other means to avoid this Code is prohibited.

Any breach of Fagron's Code or policies leads to measures that may include, depending on the gravity of the violation, the termination of the employment or business relationship.

There may be instances when local laws or customs present different standards to the ones included in the Code of Business Conduct & Ethics, and in that case higher standards always prevail.



When to speak up?

We encourage an open and safe environment for discussing concerns and raising questions in good faith, without fear of consequences. It is encouraged to reach out to one of the available reporting channels (see “How to speak up?”) in case you experience or witness unwanted behaviour in the workplace (e.g., harassment, discrimination, intimidation), out-of-policy practices (based on this Code or other Fagron policies), or breaches of law and regulations.

The Code does not cover every situation you may encounter so use common sense and professional judgment when needed. We provide annual trainings to help you recognize breaches and violations, and to give guidance on how to act upon discovery such breaches or violations. All employees are expected to complete these trainings.

Making an ethical decision about whether to report something or not, can be done by asking yourself these questions:

- Is it legal?
- Would I feel comfortable discussing this with others?
- Would I want to read/hear about this in the news?
- Would I accept responsibility for this decision?
- Would this have negative consequences for Fagron and/or myself?

If your answer to one of the above-mentioned questions is “no”, or if you are still uncertain, you need to seek out guidance via one of the available reporting channels (see “How to speak up?”).



Whistleblowing Protection

To safeguard a safe and ethical working environment for everyone working for Fagron, we have put in place a whistleblowing protection mechanism that aims to protect individuals (“the whistleblower”) who report or disclose information in good faith about illegal, unethical or wrongful activities within our company. The protection mechanism is designed to shield whistleblowers from retaliation and other adverse consequences resulting from their disclosure. Examples of adverse consequences are dismissal, demotion, denial of benefits, intimidation, harassment, or discrimination.

A whistleblower can be defined as an individual working for Fagron who reports an incident, concern or violation of the law, our Code of Business Conduct & Ethics and/or policies in good faith. The whistleblower is protected from retaliation if a report is made in good faith. A report in good faith means that the whistleblower had reasonable grounds to believe that the information that is submitted was true at the time of the reporting. If it turns out that the information submitted was not true, but the investigation showed that the report was made in good faith, the whistleblower will still be protected from retaliation. Malicious reports (reports that deliberately have wrong/misleading information) are prohibited and may lead to legal consequences.

The specific laws and regulations concerning whistleblowing protection vary across countries. We encourage you to consult with your local regulations to understand what the whistleblowing protection specifically means for you. However, within Fagron, in addition to complying with local laws and regulations, we ensure that regardless of the chosen reporting channel all reports remain confidential. Reports that are submitted through the Integrity Line can be made anonymously and if it’s needed for the investigation to disclose the identity, we guarantee that the identity will be protected and kept confidential.





How to Speak Up?

There are three ways to confidentially report a concern or violation within Fagron. All concerns and reports are treated with the highest confidentiality and will be maintained confidential to the fullest extent possible.

1: Manager, Supervisor or HR Responsible

We support an open culture where employees must be able to openly discuss concerns and raise questions. The primary point of contact should therefore be your manager or supervisor.

If you feel that you cannot address the matter to your manager, you can always confidentially speak with the local HR responsible of your location.

2: Confidential Counselor

Some companies have a Confidential Counselor. This is someone that you can confidentially talk to and who is available if you want to informally talk about something that happened in the workplace.

The Confidential Counselor is trained to objectively listen to you and if you want to take action, guide you towards the reporting channel that is most appropriate for the nature of your report (option 1 or 3).

If your company doesn't have a Confidential Counselor, it is recommended to speak with the HR responsible of your location.

3: Fagron Integrity Line

The Fagron Integrity Line is our secured whistleblowing tool that allows you to **anonymously** make a report. It is operated by the external provider EQS. EQS is a leading

international provider of regulatory technology specialized in the field of corporate compliance. They ensure the professional control of compliance workflows of whistleblower protection and case management.

EQS maintains technical measures to ensure full data protection and confidentiality (ISO 27001). It allows you to communicate anonymously with the case manager that is investigating your report via an encrypted connection of the whistleblowing tool.

We encourage you to only use the Integrity Line if you cannot raise your concerns in another way.

There are however certain instances, where we encourage you to directly submit a report through the Integrity Line. These include instances, such as, but not limited to:

- Severe human rights violations (slavery, forced labor, abuse, etc.)
- Corruption (demanding or accepting bribes, illegal payments, fraud, etc.)
- Violations of law and regulations (unlawful activities and abuse of law, etc.)

Any report that you submit via the Integrity Line will be initially reviewed through the 4-eyed principle by the Global Compliance & Ethics team (based at GSC in The Netherlands). From there, an investigation plan and case manager will be decided to follow up on the report.

Reports can be submitted via this secured independent link:

<https://compliance.fagron.com>.



Reporting Procedure of the Fagron Integrity Line

Any misconduct, violations of applicable laws and regulation, internal instructions, procedures and policies (hereafter referred to as 'incident') need to be reported as early as possible

Submit a Report

The whistleblower will be asked to answer a few questions to be able to obtain more information about the incident and to describe it in as much detail as possible. A fully described report enables the investigation team to work on the case more timely and effectively. It is strongly recommended to upload any documents, if available, that help prove the incident.

After the report has been submitted, an incident number is provided to the whistleblower that can be used to access the personal and protected inbox to follow-up on the incident without disclosing the identity. The whistleblower is asked to enter a password - **it is important to immediately write down and save the incident number and password, as it is not possible to retrieve it once lost.** The only option to be able to follow-up on the incident will then be to file a new report.

The report will be processed securely by the global authorized persons of Fagron, and the whistleblower will receive a response or a request for further information within 14 days after submitting the report. The response can be accessed with the password through the personal and protected inbox on the landing page of the Integrity Line.

The Investigation Process

Fagron is committed to conducting an investigation that is fair to all involved parties. The following process has been established:

Step 1: The Global Compliance & Ethics Team assesses the submitted report based on a set criteria: credibility of the report (based on content, details and uploaded documentation), gravity of the incident, if disclosed – the ability to protect the whistleblowers identity throughout the process, scope of the incident and involved parties.

Step 2: Based on the initial assessment, a case manager will be appointed by the Global Compliance & Ethics Team to investigate the report. The team remains involved throughout the investigation. In most cases, an internal case manager at the location of the incident will be appointed to start the investigation. The internal case manager is someone who is not identified as an involved party, and who can objectively investigate the report. In exceptional circumstances, and in the absence of an appropriate internal case manager, an external party will be involved to conduct the investigation.

Step 3: The case manager proceeds with an investigation plan that outlines the measures to protect the whistleblower's identity (if disclosed) and to ensure confidentiality of the report. The plan also includes any steps to be taken and information sources that will be consulted



Step 4: The investigation starts. Each investigation is different as the approach depends on the submitted report.

The case manager strives to close the case within 45-days after the initial assessment of 14 days. This period may extend depending on the gravity of the incident.

The Follow-up

We are committed to keeping the whistleblower informed about their submitted report. However, we have to bear in mind that balancing the interest of the whistleblower to receive updates and the need to keep the investigation and outcome confidential is important to protect the investigation and the involved and/or accused parties.

The protection of the investigation process is taken very seriously, and the outcome of the result cannot always be shared or are not always visible to everyone. Especially in the case of disciplinary measures against a person.

Reporting to the Audit Committee

As a publicly listed company, Fagron has the responsibility to update the Audit Committee on a regular basis about the whistleblowing program: incoming reports, investigations and results.

There is a formal procedure in place to ensure that the appropriate outcomes are achieved.

- The whistleblowing program is a fixed item on the quarterly agenda of the Audit Committee.
- The leadership team of Fagron has the responsibility to inform the Audit Committee, where they provide the Audit Committee with a complete list of all submitted reports.
- Together with the Audit Committee, appropriate measures will be decided per case based on the nature and gravity of the case.

In the event that an incoming report indicates a serious risk for our business, the Audit Committee will be informed immediately.

**We expect you to act
honestly, ethically and
in the best interest of
our company.**

We expect you to engage in legitimate business practices only and to hold each other accountable to act with the highest standards of integrity.



Our Business

Corruption & Bribery

A bribe or another form of corruption is never acceptable.

What is Corruption?

Corruption can be defined as any unlawful or improper behavior to gain a business advantage in an illegal way.

Bribery and other forms of corruption, for example, extortion, fraud, embezzlement, money laundering, kickbacks, conflicts of interest, theft, misuse of company assets and the involvement of inappropriate hospitality, gifts or benefits are prohibited and against the Fagron policy.



A Bribe is Never acceptable.

Fagron strictly prohibits any form of bribery. Bribery can be defined as, directly or indirectly, offering, promising or giving anything of value to another person, agency or government official or being offered, promised or given anything of value by another person, agency or government official with the intention of influencing in order to obtain or retain an improper business advantage for Fagron or give or retain an improper business disadvantage for Fagron.

The following situations are included:

- Active or passive bribery of another person.
- Active or passive bribery of a government official.
- Active or passive bribery of a business partner.
- Active or passive bribery of employees and all individuals working for Fagron that are engaged through a third party; and
- Failure of commercial organizations to prevent bribery.



Other forms of corruption

Fagron expects all its employees, at all levels and regardless of their hierarchical position, to comply with the applicable anti-corruption laws.

Employees may not offer, promise, grant or approve any advantages to business partners, clients or any other third party aiming at gaining preferential treatment in the award of contracts or of other kinds of business. Hereafter follows a non-exhaustive list of prohibited corruption practices.

Gifts & Hospitality

Benefits in the form of invitations and gifts are common in relationships with suppliers, customers and other business partners. **If these benefits stay at an appropriate level, they are considered as permissible means of networking.** Benefits that exceed the limits of appropriateness and are misused to influence business decisions are against this policy.

Employees are not allowed to offer (or receive) any gift or hospitality:

- Which could be regarded as illegal or improper, or which violates the recipient's policies; or
- To any public employee, government officials/representatives, political parties and business partners with the aim of gaining preferential treatment.

Fagron acknowledges that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether under all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

The appropriateness of a gift may be checked against the following standards:

- The nominal value must be reasonable. Fagron considers invitations or gifts to be admissible when the nominal value of the gift is of modest value and customary in the normal (local) business practice.
- Circumstances of each individual case (position of those involved, the reason for the benefit, etc.).
- Invitations and gifts cannot be given on a regular basis in a way that the total value of all benefits throughout a year exceeds an acceptable value.
- The gift cannot be a cash gift or a cash equivalent; and
- Trips and plant visits serve legitimate purposes if they are not misused for other goals. It should be based on business aspects, not tourism.

**In case of doubt,
the prior approval
by the (area)
business leader
should be obtained.**



Hosting a Government Official

Specific provisions in anti-corruption laws apply in hosting a government official and any related expenses. Any hosting of a government official, cost of transport or gifts should relate to the business activities of Fagron in an appropriate manner.

Don't Facilitate Payments

Fagron forbids any facilitation payments to government authorities to speed up certain procedures related to government actions, such as visas or other government paperwork, inspections, permits or licenses.

Other examples of facilitation payments are securing procedures related to permits, licenses, and inspections. These are only examples and not a limitative list. In general, any payment to influence government authority or decision-making in any way is prohibited.

Avoiding Conflicts of Interest

A conflict of interest is any activity that is inconsistent with or opposed to Fagron's best interests or that gives the appearance of impropriety or divided loyalty. It affects the ability to make objective decisions.

It may occur that during the execution of work, employees must deal with family members or others with whom they have a significant personal relationship. **A position at Fagron should not be used to obtain favored treatment for employees themselves, family members or others.**

This applies to product purchases or sales, investment opportunities, purchases of shares, hiring, promoting, selecting contractors or suppliers, and any other business matter.

We must avoid any situation that creates a real or perceived conflict of interest with our company. Use of good judgment is required and in case of uncertainty about a potential conflict, employees should seek contact with the (area) business leader or human resources.

Accurate Record Keeping

Employees may never misstate facts, omit critical information or modify reports or transactions in any way to mislead others, and never assist others in doing so. It should be ensured that all records and reports, including customer information, technical and product information, correspondence and public communications are complete, fair, accurate, timely, and understandable.

As a publicly listed company, accurate records are critical to meeting Fagron's legal, financial and management obligations. **Employees must ensure that all payments made or received by Fagron are accurately recorded in Fagron's financial books and records.**

Employees must also ensure that all financial transactions are authorized by appropriate management in accordance with internal control procedures.



Unapproved Charitable Support and Donations

Charitable support and donations are encouraged and acceptable if permission is obtained from the area business leader.

However, employees must be careful to ensure that charitable contributions are not used as a scheme for offering gifts. **Fagron only makes charitable donations that are legal and ethical under applicable laws and practices.**

Side Deals

All the terms and conditions of agreements entered by Fagron must be formally documented. Contract terms and conditions define the key attributes of Fagron's rights, obligations, and liabilities and can also dictate the accounting treatment given to a transaction.

Making business commitments outside of the formal contracting process, through side deals, side letters, or otherwise, is unacceptable.

Employees should not make any oral or written commitments that create a new agreement or modify an existing agreement without approval in accordance with the [Global Authorization Policy](#) (available in the Fagron hub).



Our Protection of Company Assets

Protecting Information

Fagron is committed to respecting the confidentiality of personal information of all its stakeholders, including employees, clients, beneficiaries, consumers and business partners. We maintain policies and processes intended to ensure compliance with all relevant privacy and data protection laws.

We protect the privacy and confidentiality of our job applicants, employees, clients, consumers, business contacts, shareholders and any other third parties' personal information by not disclosing such information to anyone, internally or externally, other than those with a business need for such information and where we are legally permitted to do so.

Confidential Information

Confidential or proprietary information includes information on any aspect of our business, our customers or our suppliers that is not generally known to the public. This includes information such as trade secrets, confidential information of a technical, financial or business nature, or other "inside" information.

Misusing information to which the employee has access by reason of the position, or sharing confidential or proprietary information to competitors, to any other person or entity outside Fagron, or to others within Fagron having no legitimate business need to know, is prohibited.

An insiders agreement letter needs to be signed in case an employee has access to this kind of information to ensure the protection of Fagron's business course and activities.





Insider Trading

Fagron is a publicly listed company and must ensure equal treatment of all investors. This means that all investors are provided with the same information at the same time.

Employees may come across information that is not yet publicly known but could be of value to investors. **Employees may not share non-public information which could influence the decision of an investor to trade or not (see “Confidential Information”).**

The [Corporate Governance Charter \(CGC\)](#), to be found at our investors site, provides rules and conditions for all employees and their relatives related to dealing with company shares and handling in inside information.

External Communications

Fagron is committed to deliver accurate and reliable information to the media, financial analysts, investors and to the public in general.

Therefore, **any public communication that relates to Fagron’s business or products must be pre-approved by Investor Relations.** Any inquiry from the press or financial analyst community must also be referred to Investor Relations (situated at the Global Service Center in Rotterdam).

Submissions to regulatory authorities and all public communications should be complete, fair, accurate, timely and understandable.

Ethical Manufacturing

As our products are one of our most valuable and important assets we are committed to maintaining ethical and responsible manufacturing practices and to offering products that align with the applicable integrity standards.

As an organization, Fagron:

- We ensure that are products are not used in the execution of the death penalty. We do this by either 1) not selling products that can be used for that purpose, or 2) not selling to organizations that are directly involved in the execution of the death penalty
- We strictly adhere to a cruelty-free policy. None of the products that we develop ourselves (Fagron Brands) or products that leave our production facilities are tested on animals.

These principles form the foundation of Fagron's commitment to delivering ethically produced and responsibly manufactured pharmaceutical products.



Our Workplace

We encourage a working environment where every individual is empowered to perform at its best and can innovate and develop. **We continuously build and foster a culture that enables our employees to become the best version of themselves.** Promoting feedback and recognition throughout the whole organization is key to preserving our culture.

We have designed a continuous feedback cycle that enables our employees and leaders to give feedback to each other on a regular basis. The regular check-ins will be gathered and used for the end-of-year evaluation. This effective mechanism enhances the ownership employees have regarding their own development and supports them to set personal goals and discuss career opportunities and training possibilities.


Moreover, we aim to provide our employees (and their families) with an adequate standard of living. Therefore, we have defined a reward strategy that fits the competitive market in which we operate. By benchmarking our wages and benefits, we can ensure that our employees are paid fairly and in line with our strategy.

In addition to a fair and competitive compensation & benefits package, we highly value the employee's work-life balance.

We respect the right to rest and leisure, as employees have the right to take paid vacation days and the right to have a family life (parental leave and equivalent provisions as applicable).

Our company assets must be protected and ensured for efficient use. Company assets, including time at work, work products and equipment, cannot be used for private purposes unless authorized by mandatory laws or separate company policies.

The use of internet and emails for private use is accepted in case of an occasional consultation, for personal reasons and within reasonable limits, provided their content is not contrary to public order or to morality.



We work together as **one big team**, where we embrace diversity, equal opportunities and respect to each other.



Respecting Privacy & Dignity

Fagron is committed to provide all employees with a work environment that is free from violence, intimidation, harassment or other forms of threats.

We adhere to all laws and regulations to preserve and respect the employee's privacy and dignity. Therefore, we have security procedures in place in all our facilities worldwide.

Side Occupation

Unless legal provisions rule otherwise, employees should refrain from side occupations that stand in the way of an adequate fulfillment of his/her job at Fagron.

For side occupations, regardless of if it is for own account or in paid service of others, employees need written approval of the Business Leader or local HR responsible.

Side occupations include board membership of non-associated companies and advisory of profit-oriented organizations, even if no or no fixed remuneration goes with such membership/advisory.

It is prohibited to share non-publicly known information and to act on this in favor of the organization where the employee executes side activities.





Our Protection of Human Rights and Labor Rights

We Do Not Accept Child Labor

We prohibit any use of child labor worldwide. Everyone who is employed by Fagron either directly or through a third party must have reached the country's legal minimum age for employment.

In cases where the legal minimum age in a country is under the age of 18 we pay extra attention to these young employees and the work they perform. **Young workers may not be employed in work which could jeopardize their mental or physical well-being**, such as working overtime, exposure to chemicals, heavy machinery and tools.

We Do Not Accept Slavery and Human Trafficking

We strongly forbid any form of modern slavery and human trafficking. This includes forced labor, such as prison labor, indentured labor, debt labor and military labor.

More information about our standpoint on this can be found on page 31. Our complete Modern Slavery Statement is available on the [Fagron Website](#).

We Do Not Accept Any Form of Unwanted Behavior

Fagron is committed to providing all employees with a work environment that is free of violence, intimidation, bullying, or other forms of threats. **We do not tolerate any form of discrimination, intimidation, abuse**, or any other action that may be considered as intimidating, offensive, or discriminatory.¹

Everyone is treated without any regard to personal characteristics such as age, race, color, ethnicity, religion, sexual orientation, gender identity, political opinion, national extraction or social origin, marital status, disability or any other characteristics protected by applicable laws.

¹ In line with the International Labor Organization (ILO), Declaration on Fundamental Principles and Rights at Work.



Freedom of Association

We support freedom of association and recognize the right to collective bargaining. We aim to create a transparent and open environment, in which **our employees are free to join any organization that reflects the employee's interest. Including becoming a member of a trade union or organization that promotes the interests of the individual.**²

However, to avoid any interference with your work at Fagron, it is important for you to obtain written approval before engaging in any side occupations. You can find more information on this matter on page 28.

Promoting a Safe Work Environment

Fagron adheres to all laws and regulations which are designed to protect the health and safety of our employees. By proactively addressing and remediating identified risks, we strive to prevent or minimize injury and damage to health. We take all work-related injuries and other incidents that pose a risk for employees very serious and adjust our health & safety plans and procedures when necessary or increase training on the topic.

All employees working for Fagron should be able to execute their job in a clean, orderly and safe environment where they feel confident. **We have a zero-tolerance policy for actions that jeopardize the health and safety of our employees and others**



² In line with (1) International Labor Organization (ILO), Collective Bargaining Convention. (2) International Labor Organization (ILO), Freedom of Association

and protection of the Right to Organize Convention. (3) International Labor Organization (ILO), Right to Organize and Collective Bargaining Convention.



Combating Modern Slavery & Human Trafficking

Fagron is committed to preventing any occurrence of modern slavery or human trafficking within our business operations.

We hold the responsibility of being vigilant and thoroughly investigating any potential risks of modern slavery and human trafficking, both within our company and throughout our supply chain.

Zero-Tolerance Approach

Fagron has a zero-tolerance approach to modern slavery and human trafficking. We expect our suppliers to take responsibility in actively preventing any violation of human rights and conduct business in line with our policies.

We find it important to build strong and long-standing relationships with everyone that we are working with. Therefore, we only work with suppliers, customers and third-party vendors whom we are certain to have no modern slavery and human trafficking in their business and supply chain.

To identify, combat and prevent risks throughout our supply chain, **we expect each company in the supply chain to perform due diligence for the next line in the chain.** We commit to act in case there might be any concern of modern slavery or human trafficking.

Measures to Protect Human and Labor Rights

We have put in place measures to raise awareness and assess the effectiveness of preventing any forms of violations in all parts of

our business and dealings with third-party vendors, suppliers, and customers, including:

- Whistleblowing tool for anonymous reporting.
- Periodic awareness training for employees.
- Communication in the annual report with actions taken.

Training our People

It is our responsibility of ensuring that all our employees possess a comprehensive understanding and capability to identify breaches of human and labor rights within our business interactions, be it with customers, suppliers, or third-party vendors.

We are providing all our employees with periodic training to understand these risks, to understand our policies and expectations and to learn how to act upon certain challenges they may face in their day-to-day business.

Our Business Partners

We are committed to ensuring that our business partners, such as suppliers and distributors, apply the same ethical standards.

We expect our business partners to take responsibility in actively preventing modern slavery and human trafficking and to conduct business in line with the [Fagron Business Partner Code of Conduct](#).

Our business partners monitor suppliers and third-party vendors to ensure our policies and expectations are met as outlined in this Code and the Business Partner's Code.

**Take Responsibility,
Embrace Our Code,
Embody Our Commitment.**

Our actions shape our future together.