

THE SUPPLIER CODE OF CONDUCT

Our Values – Your Values





Our Values – Your Values

The Supplier Code of Conduct

Dear reader,

Boehringer Ingelheim is a world leader in innovative pharmaceutical and animal health products and therapies. We produce safe and high quality products and go beyond mere compliance with the law to uphold high ethical and environmental standards. The values of our Leitbild: Respect, Trust, Empathy and Passion are at the center of everything we do.

Boehringer Ingelheim suppliers are an integral part of this commitment to success. Boehringer Ingelheim recognizes and expects adherence to exemplary ethical and professional conduct both within the Company and from its business partners.

Boehringer Ingelheim endeavors to select business partners who operate their businesses with professionalism and integrity, share our social and environmental values, and acknowledge our quality and safety culture.

We expect them to promote these responsibilities – also along their own supply chain.

Boehringer Ingelheim developed this Supplier Code of Conduct based upon its internal Employee Code of Conduct, the Pharmaceutical Supply Chain Initiative's (PSCI) Pharmaceutical Industry Principles, the 10 Principles of the United Nations Global Compact, the Responsible Care program as well as Boehringer Ingelheim's Values and Principles.

With this brochure we would like to present our Supplier Code of Conduct and establish it as a binding basis for successful cooperation, in line with our Leitbild:

Our Values – Your Values.

Michael Betke-Hornfeck
Chief Purchasing Officer

Table of content

1. Our Values

PAGE 4

2. Your Values

PAGE 5

3. Our Expectations

PAGE 6

4. The Supplier Code of Conduct

PAGE 7-14

4.1. Ethical Business Practices

PAGE 7-10

4.3. Health, Safety & Environment

PAGE 12

4.2. Labor & Human Rights

PAGE 11

4.4. Management Systems

PAGE 13

4.5. Raising Questions or Concerns

PAGE 14



*The Boehringer
Ingelheim Supplier Code of
Conduct was initially adopted
by Boehringer Ingelheim's Board
of Managing Directors and
entered into force in 2016.*

1. Our Values

At Boehringer Ingelheim, our Vision and Values have always formed the basis of our success. We believe that society and business are best served by responsible business behaviors and practices, and consideration of sustainability. Sustainable Purchasing @ Boehringer Ingelheim integrates requirements, specifications and criteria in the overall Purchasing and Supplier Selection process that are compatible and in favor of the protection of the environment and social progress. They support economic development, namely by seeking resource efficiency, improving the quality of our products and services and optimizing costs. Sustainable Purchasing @ Boehringer Ingelheim strives for the most positive environmental, social and economic impacts possible across the entire life cycle of our products to minimize adverse impacts.



2. Your Values

The Boehringer Ingelheim Supplier Code of Conduct expresses expectations for how business is to be conducted between Boehringer Ingelheim and all its suppliers, including those acting on behalf of Boehringer Ingelheim. A fundamental philosophy of respect for all humans, animals, the environment, society and suppliers underlines Boehringer Ingelheim's commitment to ethical behavior.

Boehringer Ingelheim shares this Supplier Code of Conduct with suppliers to enhance a common understanding of our business requirements, which comprise an important component of supplier selection and evaluation. Identified suppliers are obliged to complete assigned trainings, which may include, but are not limited to this Supplier Code of Conduct and compliance trainings, within a specified time. Failure to comply with our expectations will result in the reassessment of future business relationships.

3.

Our Expectations

Boehringer Ingelheim expects all its suppliers and subcontractors to replicate these expectations further down the supply chain. Suppliers allow Boehringer Ingelheim, or a qualified third-party auditor chosen by Boehringer Ingelheim, the right to evaluate their compliance with these standards.

Therefore, suppliers are expected to:

- Operate in full compliance with all applicable laws, rules, guidelines and industry codes.
- Firmly adhere to ethical principles for labor and human rights, environment, health and safety, and management systems.
- Integrate, communicate and apply these principles in their own Third Party programs.
- Recognize the importance of diversity and inclusion by strict adherence to all local laws, regulations and policies specific to equal opportunity and non-discrimination.
- Ensure the workplace is free from violations of the law including any type of prohibited discrimination.
- Be aware and respectful of cultural differences, beliefs and the challenges associated with interpreting and applying these Principles globally. Understand that the methods for

meeting these expectations may vary and must be consistent with the local laws, values and cultural expectations of the different societies of the world.

- Integrate the principles into a continual improvement approach that improves awareness, sensitivity and inclusiveness, to advance performance over time.
- Recognize that applicable law is not replaced by the Supplier Code of Conduct.

This Supplier Code of Conduct sets forth the ethical and aspirational goals of Boehringer Ingelheim. In the event that there is contractual language between a supplier and Boehringer Ingelheim, which irreconcilably conflicts with the foregoing language of this Supplier Code of Conduct, then the contractual language between the Supplier and Boehringer Ingelheim shall govern in the event of any dispute.



4. The Supplier Code of Conduct

4.1. Ethical Business Practices

Suppliers shall conduct their business in an ethical manner and act with integrity.

Business Integrity

All bribery, corruption, extortion, money laundering and embezzlement are prohibited. Suppliers shall not confer benefits, offer and pay or accept bribes or other unlawful incentives (e.g. facilitation payments) or participate in other illegal inducements in business or government relationships. Nor shall any intermediate (e.g. sub-contractors, distributors, agents, advisers, consultants or any other business partners) be used to commit or support any of these activities. Suppliers shall take action against bribery, corruption, extortion, money laundering and embezzlement in all its forms.

Suppliers shall implement robust fraud prevention and reporting programs.

Suppliers are required to report to Boehringer Ingelheim all occurrences of fraud (actual or under investigation) involving Boehringer Ingelheim business, regardless of materiality.

Gifts, Meals, Entertainment

Suppliers doing business with or seeking to do business with Boehringer Ingelheim should not provide any gift, gratuities, hospitality, meal or entertainment to a Boehringer Ingelheim employee, government/regulatory official or any other business partner in any situation in which it might influence, or appear to influence, the employee's or regulator's decision in relation to the business partner.

In other situations, modest gifts, meals or entertainment may be offered to a Boehringer Ingelheim employee if they are not cash or cash equivalents, are consistent with customary business practice, not frequent or expensive, and do not violate any law.

Boehringer Ingelheim employees are forbidden to solicit or request, directly or indirectly, anything of value from any supplier doing business or seeking to do business with the company.

Fair Competition

Suppliers shall conduct their business consistent with fair and vigorous competition and in compliance with applicable antitrust laws. Suppliers shall employ fair business practices, including accurate and truthful advertising.

Identification of Concerns

Suppliers shall encourage all its workers and subcontractors to report concerns or illegal activities without threat of reprisal, intimidation or harassment, and shall investigate and take corrective action if needed.

Animal Welfare

Suppliers shall join Boehringer Ingelheim in embracing the “three Rs” of animal use (i. e., Reduction, Replacement and Refinement). In addition, suppliers should, whenever scientifically valid and acceptable to regulators and prior to resorting to animal studies, seek possible alternative (non-animal) methods, thereby minimizing the number of in-vivo studies performed. Moreover, suppliers shall also join Boehringer Ingelheim in embracing the “fourth R” for “Responsibility”, which requires highest standards of all who use animals within facilities or perform animal work on behalf of Boehringer Ingelheim.

Nagoya Protocol

Boehringer Ingelheim supports the goals of the United Nations Convention on Biological Diversity ([UN CBD](#)) and the [Nagoya Protocol](#) and is willing to address the aspects of biodiversity relevant to its activity in its business and supply chain. Thus Suppliers represent and warrant that any materials of plant, animal or microbial origin or traditional knowledge, which are subject to applicable laws on access and benefit sharing of genetic resources, or subject to access measures on genetic resources in accordance with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their utilization to the United Nations Convention on Biological Diversity supplied to Boehringer Ingelheim, will meet the requirements of said Protocol as transcribed in the country of origin of said materials.

Conflict Minerals

Suppliers shall ensure that products supplied to Boehringer Ingelheim do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups that commit serious human rights abuses.

Privacy and Data Protection

Suppliers shall respect individuals in a manner consistent with privacy and data protection laws. They shall at all times use personal data (e.g. from patients, employees, customers) in compliance with protection requirements.

Suppliers shall protect confidential information, including personal data, processed for or collected from Boehringer Ingelheim, and act to prevent its loss, misuse, theft, fraud, improper access, disclosure or alteration, including unauthorized communication and/or publication of information acquired from or on behalf of Boehringer Ingelheim.

Confidentiality

Suppliers shall protect confidential information of Boehringer Ingelheim. Suppliers requiring the exchange of confidential information with Boehringer Ingelheim are required to execute a confidentiality agreement with Boehringer Ingelheim in advance. Suppliers shall ensure, and be prepared to demonstrate, that they have appropriate safeguards in place to protect personal and other confidential information.

Unauthorized use, disclosure or loss of Boehringer Ingelheim confidential information must be reported immediately to the Boehringer Ingelheim Office of Ethics (see section [RAISING QUESTIONS OR CONCERNS](#)).

Accuracy of Business Records

All financial books and records must conform to generally accepted accounting principles. Records must be accurate in all material respects. Records must be legible, transparent and reflect actual transactions and payments.

Intellectual Property

Intellectual property rights shall be respected; transfer of technology and knowhow shall be done in a manner that protects intellectual property rights.

Trade Compliance

Suppliers must comply with all applicable import and export control laws, regulations and sanctions of the country where Supplier resides, the United States, and any other country where transactions are conducted, including but not limited to import, export, re-export, transfer or disclosure. This includes any kind of transaction of goods, software, technology or technical assistance, which might be subject to trade restrictions, regardless of the way of transfer. Suppliers shall cooperate with Boehringer Ingelheim regarding determination of applicable export control restrictions. In addition, Suppliers shall operate in full compliance with other applicable trade and customs laws.

Conflict of Interest

Suppliers should avoid any interaction with any Boehringer Ingelheim employee that might conflict with that employee acting in the best interests of Boehringer Ingelheim. For example, suppliers should not employ or otherwise make payments to any Boehringer Ingelheim employee, other than in accordance to the respective Boehringer Ingelheim contracts. If a supplier employee has a family relation to any Boehringer Ingelheim employee or if a supplier has any other relationship with a Boehringer Ingelheim employee that might represent a conflict of interest, the supplier should disclose this fact to Boehringer Ingelheim.

Clinical Trials

When engaged in clinical trials on behalf of Boehringer Ingelheim, all clinical trials shall be conducted in accordance with the global standards of Good Clinical Practices, applicable local regulatory requirements and follow the ethical principles. It is therefore crucial that these trials are conducted with the utmost regard to health and safety of volunteer participants while respecting the interest of science and society.

Human Biospecimens

The use of Human Biospecimens (HB) and associated data (i.e. donor related data) is crucial to the development of new drugs and diagnostic products, which enable the detection, prevention, diagnosis, intervention, treatment and cure of diseases. Boehringer Ingelheim is committed to the responsible use of HB and associated data by being compliant with applicable legal, regulatory and internal provisions of Boehringer Ingelheim's Corporate Policy, as well as the Business Practice Acquisition and Use of Human Biospecimens. Boehringer Ingelheim will apply high ethical, legal, quality, privacy and data protection standards to all acquisition, collection, storage and analysis procedures undertaken. Suppliers are expected to comply with all applicable laws, rules and regulations on HB and are required to assure the informed consent (and assent, where appropriate) for HB have been collected.

Product Quality & Supply Chain Integrity

Suppliers involved in the supply, manufacturing, packaging, re-packaging, testing, storage and distribution of materials/products on behalf of Boehringer Ingelheim will ensure compliance with applicable quality regulations and Good Manufacturing Practice, Good Distribution Practice and Good Laboratory Practice requirements for the markets in which the products are manufactured, registered and distributed.

Furthermore, suppliers shall ensure the integrity of their supply chain, avoiding counterfeiting and adulterations to protect patients and products ([WHO](#); [EU Falsified Medicine Directive](#); [US Drug Quality and Security Act](#)).

Marketing and Promotional Practices

All marketing and promotional materials and activities must conform to high ethical, medical and scientific standards, and comply with all applicable laws and regulations. When engaging healthcare professionals, patients or animal healthcare professionals, all suppliers must adhere to relevant industry standards of conduct that apply to them, including but not limited to the European Federation of Pharmaceutical Industries & Associations ([EFPIA](#)), the International Federation of Pharmaceutical Manufacturers & Associations ([IFPMA](#)) and the Pharmaceutical Research and Manufacturers of America ([PhRMA](#)).

Diversity in Business Relationships

Boehringer Ingelheim recognizes that diverse talents and perspectives are vital to achieve success, particularly in serving the needs of all of our customers. Boehringer Ingelheim seeks to obtain high quality goods, services and materials from companies that are owned and staffed by individuals who are minorities, women, veterans, disabled, and/or lesbian, gay, bisexual or transgender, or others who represent global diversity. Suppliers should do the same.

Procedures

Boehringer Ingelheim employees follow a set of guidelines when purchasing goods or services. Any business issues and/or negotiations regarding the proposed purchase are coordinated by Purchasing, with the Boehringer Ingelheim employee providing input and technical assistance as needed. It is important to note that work should only start after a purchase order or a signed contract is received by the supplier. Starting work without having a contractual agreement in place will be at the supplier's own risk. When a purchase order has been issued, any associated invoice must include the relevant purchase order number on the invoice. There are also cases where a formal qualification is required prior to use of materials and services.

Use of Boehringer Ingelheim Name, Trademarks or Logo

Use of Boehringer Ingelheim name, trademarks or other similar information in supplier advertising, media publications or product endorsements is prohibited without the prior written approval of Boehringer Ingelheim.

Media and Public Relations

Boehringer Ingelheim has established policies and procedures for external communications. Only authorized Boehringer Ingelheim officials can issue statements to the media or general public about Boehringer Ingelheim or its products.

4.2. Labor & Human Rights

Suppliers, as well as the suppliers down the supply chain, shall support and respect the protection of internationally proclaimed human rights ([Universal declaration of Human Rights of 1948](#) and [the eight Fundamental Conventions of the ILO](#)) and ensure that they are not complicit in human rights abuses.

Freely Chosen Employment

Suppliers shall not use forced, bonded or indentured labor or involuntary prison labor or other kind of forced labor. Employees shall not be required to surrender their passports or other legal documents or pay a fee to an employer before commencing work.

Child Labor and Young Workers

Suppliers shall not use child labor. The employment of workers below the age of 18 shall only occur in non-hazardous work (as defined in [ILO Convention No. 138 + No. 182](#)) and when young workers are above a country's legal age for employment or the age established for completing compulsory education.

Non-Discrimination

Suppliers shall provide a workplace free of harassment and discrimination. Discrimination for reasons such as race, color, age, gender, sexual orientation, ethnicity, disability, genetic information, religion, veteran status, political opinions, union membership or marital status is not condoned.

Fair Treatment

Suppliers shall provide a workplace free of harsh and inhumane treatment, or the threat thereof, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuses of workers.

Wages, Benefits & Working Hours

Suppliers shall pay workers in a timely manner and according to applicable wage laws, including minimum wages, overtime hours, prohibition on excessive overtime and mandated benefits.

Freedom of Association

Open communication and direct engagement with workers (and/or designated union officials, if applicable) to resolve workplace and compensation issues is encouraged. Suppliers shall respect the rights of workers, as set forth in local laws, to associate freely, join or not join labor unions, seek representation and join workers' councils. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.

Modern Slavery

We are aware that in any country and in most cases in the context of contractors and their subcontractors, so-called modern slavery can occur. Any kind of modern slavery is incompatible with our ethical basics. We expect our suppliers/contractors and their subcontractors to fight against any form of modern slavery.



4.3. Health, Safety & Environment

Suppliers shall provide a safe and healthy working environment, including any company-provided living quarters.

Worker Protection

Suppliers shall protect workers of all genders and age from overexposure to chemical, biological and physical hazards and physically demanding tasks in the workplace and in any company-provided living quarters. Suppliers shall provide appropriate controls, safe work procedures, preventative maintenance and necessary technical protective measures to mitigate health and safety risks in the workplace. When hazards cannot be adequately controlled by these means, suppliers shall provide employees with appropriate personal protective equipment.

A continuous improvement program to identify, measure and take actions to prevent accidents/incidents shall be in place.

Process Safety

Suppliers shall have programs in place to prevent or mitigate unintended releases of chemical or biological agents associated with operations and processes. Programs shall be commensurate with the facility risks.

Emergency Preparedness & Response

Suppliers shall identify and assess emergency situations in the workplace and any company-provided living quarters, and minimize their impact through prevention and by implementing emergency plans and response procedures.

Hazard Information

Safety information relating to hazardous materials*, including pharmaceutical compounds and pharmaceutical intermediate materials shall be available to educate, train and protect workers from hazards.

Suppliers shall operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment. Suppliers are encouraged to conserve natural resources, contribute to sustainability, avoid the use of hazardous materials where possible and engage in activities that reuse and recycle.

Environmental Authorizations

Suppliers shall comply with all applicable environmental regulations. All required environmental permits, licenses, information registrations and restrictions shall be obtained and their operational and reporting requirements followed.

Waste and Emissions

Suppliers shall have systems in place to ensure the safe handling, disposal, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges. The release of active pharmaceutical products to the environment (**PIE**) is a particular concern and shall be minimized to scientifically sound standards. Any waste, wastewater or emissions with the potential to adversely impact human or environmental health shall be appropriately managed, controlled and treated prior to release into the environment.

Spills and Releases

Suppliers shall have systems in place to prevent and mitigate accidental spills and releases into the environment and to avoid adverse impacts to the local community.

Resource Use, De-carbonization and Traceability

Suppliers shall take measures to improve efficiency and reduce the consumption of natural resources. In addition, suppliers shall establish a system to measure and minimize CO₂ emissions according to **Greenhouse Gas Protocol**. Suppliers shall carry out due diligence on the source of critical raw materials to promote legal and sustainable sourcing.

4.4. Management Systems

Suppliers shall use management systems to facilitate continual improvement and compliance with the expectations of these principles and with respect to all applicable legal requirements.

Commitment and Accountability

Suppliers shall demonstrate commitment to the concepts described in this document by allocating appropriate resources.

Legal and Customer Requirements

Suppliers shall identify and comply with applicable laws, regulations, guidelines, standards and relevant customer requirements, and address identified gaps in a responsible, timely and documented fashion.

Risk Assessment & Risk Management

Suppliers shall have mechanisms to assess and manage risks in all areas addressed by this document.

Documentation

Suppliers shall maintain documentation necessary to demonstrate conformance with these expectations, and compliance with applicable regulations and guidelines. Boehringer Ingelheim may review this documentation upon mutual agreement.

Training and Competency

Suppliers shall have a training program that achieves an appropriate level of knowledge, skills and abilities in management and workers to address these expectations as well as the applicable laws, regulations and generally recognized standards.



Boehringer Ingelheim requires identified suppliers to complete assigned training and/or certify on specific policies, procedures and compliance modules.

Suppliers who are not compliant with any training requirements may receive a notice of non-compliance. Such non-compliance may constitute a breach of this obligation and may affect the agreement and the supplier's relationship with Boehringer Ingelheim, including the ability of Boehringer Ingelheim to conduct business in the future.

Business Continuity

Suppliers are responsible for the development and implementation of appropriate business continuity plans for operations supporting Boehringer Ingelheim business.

Continual Improvement

Suppliers are expected to continually improve by setting performance objectives, executing implementation plans and taking necessary corrective actions and preventive actions for deficiencies identified by internal and/or external assessments, inspections and management reviews.

Communication

Suppliers are expected to have effective systems to communicate the principles of this document to workers, contractors and suppliers.

4.5. Raising Questions or Concerns

Employees of suppliers should contact their own legal/compliance department to resolve internal ethics and compliance concerns. In case this concern might also affect Boehringer Ingelheim as the contract partner of the supplier, Boehringer Ingelheim Compliance must be informed immediately by the supplier.

In case employees of suppliers believe that a Boehringer Ingelheim employee, or anyone acting on behalf of Boehringer Ingelheim, has engaged in illegal or otherwise improper conduct, he or she should report the matter promptly to Boehringer Ingelheim.

Such concerns can also be submitted via Boehringer Ingelheim's "Speak-up" portal, by employees of suppliers and suppliers down the supply chain and even other concerned parties.

This portal ensures confidentiality and – if desired – anonymity of the reporter. It is available at Boehringer Ingelheim's corporate landing page

www.boehringer-ingelheim.com under "About-us" → "Ethics & Compliance" → "Speak Up"

or at the internet landing page of the local contracting Boehringer Ingelheim entity. All employees of our suppliers working directly or indirectly with Boehringer Ingelheim, should be notified about the availability of this portal and trained on its use.



Copyright

© Boehringer Ingelheim GmbH 2020

All rights reserved. No part of this brochure may be reproduced or transmitted in any form or by means, electronic or photocopy, without permission in writing from Boehringer Ingelheim GmbH.