

Human Rights Declaration

medac Gesellschaft für klinische Spezialpräparate m.b.H. according to § 6 para. 2 "law on corporate due diligence obligations in supply chains"

1. Our human rights responsibility

medac improves the quality of life of its patients with therapies that are affordable, of the highest quality and available at all times - this is the shared responsibility of all employees of the parent company and its subsidiaries and operating sites.

For medac, responsibility means acting ethically and responsibly as an employer and as an employee, and thus actively contributing to the corporate culture. For this reason, we also invest in sustainability, because it is the cornerstone for future generations. One building block of our sustainability concept is the protection of human rights and environmental protection along the supply chain and within our own company.

2. Our commitment to the protection of human rights

As an internationally active company with 6 subsidiaries, 4 operating sites and over 2000 employees, medac has a high level of responsibility for all employees and society. We are aware of this responsibility.

With this declaration of principles, we are committed to complying with human rights and sustainability standards along our supply chain and thus demand compliance from our employees and our business partners. The standards we have defined are regularly reviewed by the Human Rights Officer and our Human Rights Committee and further developed in line with relevant changes.

3. Our continuous approach

We see the protection of human rights and compliance with environmental rights as one of the cornerstones of our business activities.

The medac Management Board oversees our group-wide program to respect human rights. Operational implementation is determined by clear responsibilities: Our Human Rights Committee is composed of representatives from a wide range of functions such as Compliance, Risk Management, HSE, Purchasing and the respective officers from the divisions. This committee works closely with the specialist departments responsible for implementing the measure and regularly consults with those responsible, who provide their expertise for the risk assessment. The committee meets regularly.

In addition, our Code of Conduct (CoC) is a binding guideline for all medac employees and managers worldwide and is based on our core values of commitment, responsibility, and respect. It is supplemented by the guideline for auditing business partners with which medac ensures that every business partner or service provider follows the high ethical principles of conduct according to which medac works. This includes screening for involvement in corruption, money laundering and violations of antitrust law or human rights.

We operate an occupational health and safety management system in accordance with DIN ISO 45001:2018 (SGA-MS). This management system is part of our medac HSE management systems and is considered together with the Energy Management System in accordance with DIN EN ISO 50001:2018 (EMS) and the Environmental Management System in accordance with DIN EN ISO 14001(EMS).

Our Risk Management System, which has been successfully established for many years, also enables us to identify human rights and environmental risks in our processes.

4. Our risk analysis process

a) Risk management and risk analysis

The risk analysis takes place once a year and, if necessary, on an ad hoc basis for our own business area and for our direct suppliers along the supply chain. Possible triggers can be a report from our permanent screening, the onboarding of a new supplier or any other risk that becomes known. The systematic approach is based on the factors of country of origin, industry, and product groups.

Based on the results, the risks are weighted and prioritized, followed by the identification of high-risk suppliers or areas of the medac Group that require further in-depth analysis.

If medac becomes aware of violations by indirect suppliers, it takes appropriate measures to remedy or prevent the resulting effects. The measures are adopted and followed up by the Human Rights Officer and the Human Rights Committee.

b) Preventive and remedial measures

To prevent, remedy or minimize human rights risks, each division takes appropriate preventive measures in its own business and in the supply chain.

In cases where our business activities have caused or contributed to human rights violations, we strive to take effective remedial action. This also applies to cases that we have uncovered and that are related to our business activities. Depending on the nature of the violation, we will implement such remedial measures on a case-by-case basis, both for our own business activities and for the supply chain.

We have set ourselves the goal of monitoring the effectiveness of our measures and the risk analysis process and optimizing them where necessary. In order to minimize potential serious human rights risks in our supply chains in connection with our business activities, we have binding contractual clauses on compliance with human rights.

c) Complaints mechanism

Our established whistleblower system gives both external and internal persons the opportunity to report any human rights and environmental violations within the company or at suppliers. These are then checked immediately and, if they are valid, appropriate remedial measures are defined. We investigate every complaint from internal or external stakeholders in an appropriate manner. If such a complaint is substantiated, we will take effective remedial action. We carefully review all complaints to improve our business processes and take corrective and/or improvement measures where necessary.

Complaints can be directed to: <https://www.bkms-system.com/medac>

d) Documentation and reporting procedures

medac will document and report all relevant human rights due diligence activities in accordance with applicable laws. Further information will be provided in the non-financial reports as part of the annual financial statements.

5. Human and environmental risk areas

medac uses software and questionnaires, which are also used for internal risk analysis, to monitor existing and onboard new suppliers. The following risk areas are covered:

- Environmental protection and conservation of natural resources
- Working hours and wages
- Occupational health and safety
- Collective bargaining and freedom of association
- Abuse and forced labor
- Fundamental human rights
- Anti-bribery and anti-corruption actions and measures against antitrust violations
- Equal rights and treatment of employees
- Responsibility in the supply chain regarding economic, environmental and social aspects
- Child labor

We see priority human rights risks in the working conditions of our international suppliers and, for example, in dealing with environmental risks such as waste management in the manufacture of pharmaceuticals.

medac will publish deviating priority risks in the next update of the policy statement.

6. Continuous development and expectations of employees and suppliers

We strive to carefully monitor regulatory developments in relation to human rights for our business processes and our supply chains. We are constantly optimizing our processes within the company in terms of sustainability and involve our suppliers in this process to live up to our claim to a holistic approach. This means that we also expect full compliance with our principles of conduct from our suppliers, as well as from all employees of the medac Group, i.e., including all national and international operating sites and subsidiaries at all hierarchical levels.

In cases where international human rights are restricted by local laws, we endeavor to promote the principles behind the international standards without coming into conflict with local laws. Where local laws go beyond international standards, we will comply with them.

We will regularly review and adapt the policy statement to reflect current changes and processes. We report on our approach and progress as well as the commitments we have made regarding human rights on our website.

We incorporate the results of our risk analyses into relevant business processes, particularly in our supplier management.

Implementing human rights monitoring in the business processes of a globally active company and in the supply chains is a complex task. We are determined to listen and learn from other organizations and stakeholders as we continue to optimize our processes.

Wedel, January 01, 2024

Frank Lucaßen, CEO

