

BACHEM

GLOBAL CODE OF CONDUCT

for Supplying Partners
(Version 2)



A MESSAGE FROM LEADERSHIP

Bachem wants to make a positive impact in the world. Our business is focused on supporting the development of new medicines by offering and delivering high-quality biochemical and pharmaceutical drug products and services to our customers. One of our exceptional contributions to sustainable development is to enable our customers to improve health and promote well-being in society.

As a responsible company, we hold ourselves accountable for how our activities affect the environment and people's lives across our stakeholder landscape and value chain. We are aware of the responsibilities this entails and have aligned our corporate strategy accordingly.

We adhere to high standards of integrity and expect the same from our business partners. At Bachem, we are convinced that environmentally friendly, socially and ethically responsible conduct and economic success are mutually reinforcing. Thus, our commitment to research and science goes hand in hand with our commitment to sustainability: we conduct our business in the light of socially, environmentally, and economically sound principles.

This is both an important value to us and the key to retaining the trust of our stakeholders and building and strengthening reliable partnerships. We, therefore, want to make sure that integrity in business practices and ethical standards are translated into a consistent and appropriate behavior on a global scale across our supply chain.

Our business partners are essential allies in fulfilling these principles. This is why Bachem shares and promotes internationally agreed and group-wide internalized societal and environmental values to its supplying partners. The Bachem Global Code of Conduct for Supplying Partners embodies these standards. We will preferably select and engage with those third-party business partners who pledge themselves to similar principles. We thank you, our valued partner for sharing our commitment.

Roland Schürmann
COO, Bachem Holding



Pascal Degen
VP Global Supply Chain Management,
Management SCM



ABOUT THIS DOCUMENT

This Code defines our ethical and responsible conduct expectations of our supplying partners. To reinforce the standards to which we are committed in our business practices, Bachem developed this third party Code of Conduct founded upon the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization (ILO) standards. This Code is aligned with our core values and principles manifested in the Bachem Code of Conduct.

APPLICABILITY

The Bachem Global Code of Conduct for Supplying Partners (hereinafter abbreviated with CoC for Supplying Partners) applies to legal entities who provide materials and/ or services, including, but not limited to, contractors, consultants, suppliers, vendors, business partners, and other intermediaries (all of whom are herein referred to as “partners”) directly and indirectly to Bachem AG and its affiliated companies (in the following named “Bachem”).

All partners and their employees must adhere to this Code while conducting business with, or on behalf of, Bachem.

GENERAL PRINCIPLES

1. All dealings by Bachem with its partners are executed based on competitive prices, highest suitability, and required quality. We deal with all our partners in a fair, ethical and respectful way. We treat all our stakeholders equally and uphold an inclusive supplier base. Bachem recognizes the value of diversity in our partnership with partners and seeks to engage with small and large businesses eager to provide innovative, high-value solutions regardless of ethnicity, race, nationality, gender identity or expression, sexual orientation, disability, religious beliefs, or political affiliation.
2. By adhering to applicable law, our internal policies and guidelines, and the Bachem Code of Conduct our business practices are aligned with the requirements we set for our partners.
3. The CoC for Supplying Partners does not replace any laws or regulations. It sets out the principles, guidelines, and expectations we express towards our partners in conducting business ethically, responsibly, and with integrity. In addition, Bachem expects partners to fully comply with contractual terms and all applicable laws and regulations of the countries and regions in which they operate.
4. We expect our partners to encourage their workers to report concerns or potentially unlawful practices in the workplace without the threat of reprisal, intimidation, or harassment. Partners will investigate and take corrective action if needed.
5. We trust our partners and expect them to have appropriate business continuity plans for operations supporting business in place.
6. We strive to enhance sustainability in procurement by adopting and incorporating Corporate Social Responsibility (CSR) principles into our procurement processes and decisions as outlined in Bachem’s Sustainable Procurement Commitment. The CoC for Supplying Partners is the foundation of Bachem’s sustainable procurement strategy. In combination with our Sustainable Procurement Commitment, the CoC for Supplying Partners ensures that procurement activities are based on collaborative relationships that create sustainable value for all stakeholders.
7. We expect our partners to be committed to a sustainable procurement approach by adopting and integrating Corporate Social Responsibility (CSR) into their procurement processes. If partners have outsourced parts of their contractual obligations, the standards of this CoC for Supplying Partners shall also apply to third parties (subcontractors) acting on their behalf.
8. We particularly recognize and value the effort of partners going beyond compliance and sustainability commitments that have been externally validated.

ETHICAL BUSINESS PRACTICES

Partners shall ethically conduct their business and act with integrity

Anti-Bribery and Anti-Corruption

- Partners must not engage in or permit any form of corruption, extortion, or embezzlement. They are expected not to offer bribes or other unlawful incentives to anyone and not accept the same.
- Partners shall not offer or grant any unwarranted or inappropriate services or rewards in exchange for business.

Fair Competition

- Partners shall conduct their business consistent with fair and vigorous competition and in compliance with all antitrust regulations.
- They shall employ fair business practices that include accurate, transparent, and truthful advertising and pricing.

Data Privacy and Information Protection

- Partners must ensure that effective organizational and security measures are implemented to safeguard the personal, proprietary, and confidential data and information of Bachem, its employees, and business partners.
- Confidential information is not to be used for any other than the agreed purpose and shall not be disclosed to third parties without prior written agreement by Bachem.
- In the case of the exchange of confidential information, Bachem reserves the right to sign a confidentiality agreement.
- Any information related to an identified or identifiable person must be collected and processed in compliance with applicable data privacy laws (e.g., Swiss Federal Act on Data Protection, EU General Data Protection Regulation)

LABOR AND HUMAN RIGHTS

Partners shall be committed to protecting the human rights of workers and treating them with dignity and respect.

Respect, Inclusion, and Non-discrimination

- Partners shall treat all employees with dignity and respect at all times.
- Discrimination towards employees on any grounds including but not limited to race, color, age, gender identity or expression,

sexual orientation, ethnic or social origin, disability, religious beliefs, political affiliation, union membership, pregnancy, parental or marital status is not tolerated.

- Workers should be provided with a workplace free of discrimination, harassment, victimization, and any other form of inappropriate behavior or abuse (physical or verbal) at all times.

Safe and Healthy Work Environment

- Partners must provide a working environment that minimizes health and safety risks and supports accident prevention, and ensures the health and safety of all personnel and all others affected by their activities.
- Workers shall receive the necessary guidance, training, and supervision to protect themselves and their surroundings against hazards inherent in your processes and products.

Slavery, Forced Labor and Human Trafficking

- All work must be performed under and in accordance with contracts that have been entered into voluntarily.
- Partners shall not use any kind of forced labor, including bonded, indentured, or involuntary prison labor, or engage in any form of slavery or human trafficking.

Child Labor and Young Workers

- Partners shall not produce or manufacture goods or services using any form of illegal child labor.
- The employment of young workers below the age of 18 shall only occur in non-hazardous work and when they are above a country's legal age for employment and the age established for completing compulsory education.

Wages, Benefits and Working Hours

- Partners shall compensate workers according to applicable wage laws.
- Workers must be informed regarding their employment conditions concerning their wages before entering employment.

Freedom of Association

- We expect our partners to uphold the freedom of association and the right to collective bargaining by meeting or exceeding applicable laws.

ENVIRONMENTAL STEWARDSHIP

We expect our partners to operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment.

Resource conservation and climate protection

- Partners are expected to safeguard natural resources (e.g., water, sources of energy, and raw materials) and use them economically and responsibly.
- Negative impacts on the environment and climate should be minimized or eliminated at their source or through appropriate practices (e.g., modification of production, maintenance, facility processes, materials substitution, conservation, recycling, and material reutilization).
- We expect our partners to improve their environmental performance by implementing appropriate measures continuously.
- We take it as given that our partners include considerations regarding their contribution to climate change mitigation

into their daily decisions and long-term strategies (e.g., through establishing greenhouse gas (GHG) emission reduction targets, selecting low-GHG products and services, and other initiatives).

Waste and Emissions

- Partners shall have processes and systems to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions, and wastewater discharge.
- Any waste, wastewater, or emissions with potentially adverse impacts on human health or the environment shall be measured, tested, controlled, and (if required) treated prior to release into the environment.
- Partners are required to install systems to prevent or mitigate accidental spills and/or releases into the environment.
- We encourage our partners to take concrete steps to minimize or eliminate waste across their operations and supply chain.

MONITORING AGAINST OUR STANDARDS

Ensuring the principles of sustainable development in our supply chain is essential to Bachem. To strengthen valued business relationships, we take the liberty to invite our partners to EcoVadis sustainability self-assessments or request audits to ensure their compliance. We will demand corrective actions if there is obvious room for improvement. Bachem reserves the right to discontinue any relationship for not adhering to international principles, failure to correct contempt, or displaying patterns of non-compliance with the standards outlined in the present document.

If partners should have any concerns about illegal or improper conduct by Bachem employees and by other Bachem business partners, they can report any potential ethical violations by sending an e-mail to:

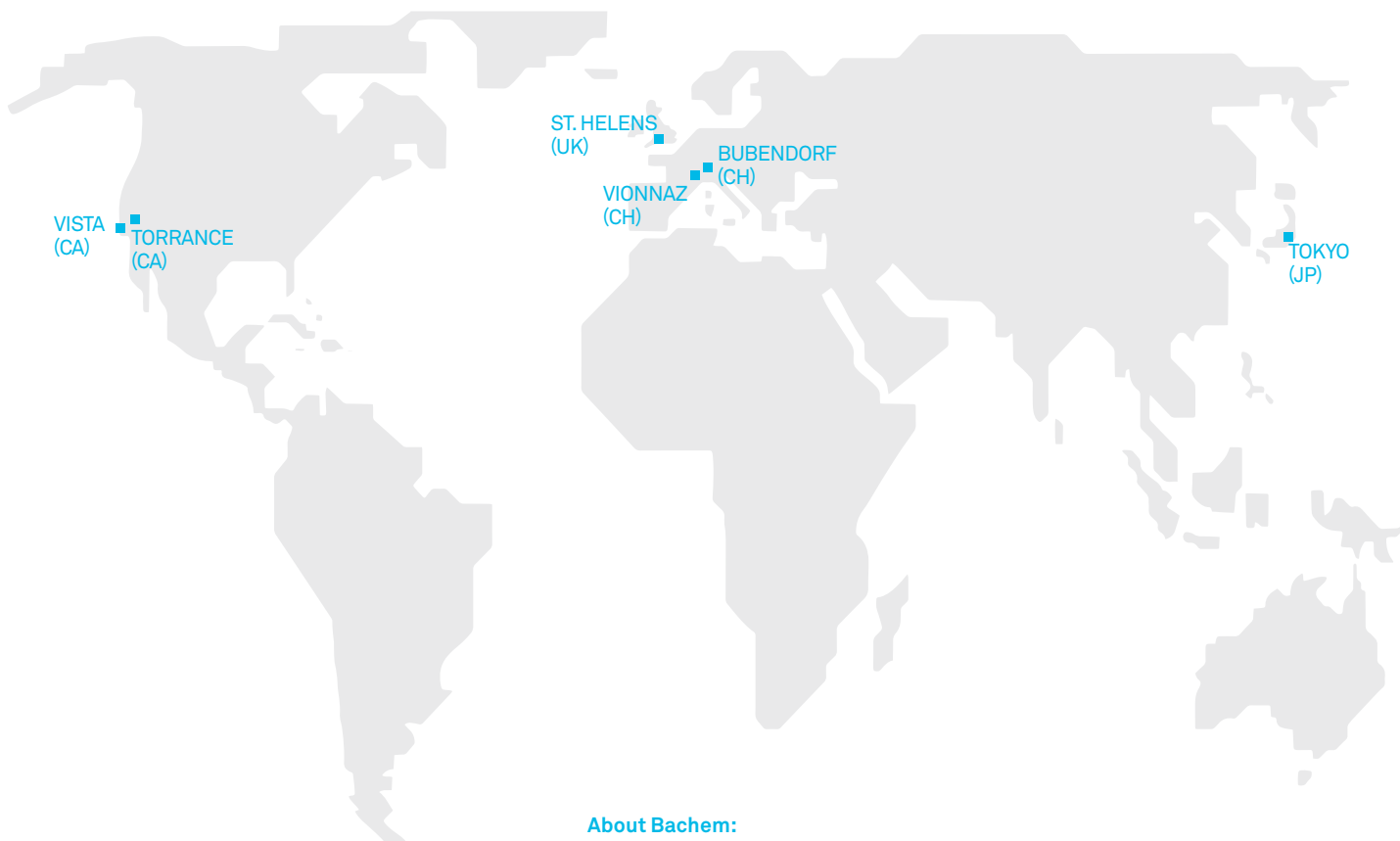
procurement.bbu@bachem.com or purchasing.us@bachem.com

The correspondence will be treated confidentially. Partners may acknowledge the above principles or demonstrate their commitment via compliance with their own code of conduct or company policies that embrace these standards.

BACHEM

GLOBAL BUSINESS

Bachem facilities are located in Switzerland, the EU, and in the USA. All cGMP manufacturing sites are inspected by the US-FDA and national authorities.



About Bachem:

Bachem is a leading, innovation-driven company specializing in the development and manufacture of peptides and oligonucleotides. With 50 years of experience and expertise Bachem provides products for research, clinical development and commercial application to pharmaceutical and biotechnology companies worldwide and offers a comprehensive range of services. Bachem operates internationally with headquarters in Switzerland and locations in Europe, the US and Asia. The company is listed on the SIX Swiss Exchange.

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