

Code of Conduct & Ethics

Doing business as a
global market leader



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The Fagron Values

Our values define what 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. The values have real meaning for us and the way we behave.

We believe in:

- Speed of execution
- Result driven
- Behave as a global market leader
- Entrepreneurship
- Innovative
- Customer is number 1

Foreword



Dear Colleagues,

In just 25 years, Fagron has developed from being a local player into the global market leader and leading consolidator in pharmaceutical compounding. We are committed to improving the quality of life of millions of people throughout the world. Every day, our employees across the globe focus on delivering the best possible customized pharmaceutical care.

It is our ambition to further reinforce our market leadership with a buy-and-build strategy, starting up greenfields and organic growth. In order for that growth to be sustainable we need to be clear on how we conduct business.

Sustainable growth requires that we act according to all 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 on a daily basis with fairness, integrity, 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 every level.

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 familiarise yourself with this Code; to discuss possible dilemmas with your colleagues, manager or Human Resources; to be transparent and to speak up when you perceive possible violations of this Code.

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!

Hans Stols
Chief Executive Officer

What is the Code of Conduct & Ethics?

The Fagron Code of Conduct & Ethics communicates the basic principles that each of us must observe when acting for or on behalf of Fagron. This Code is the foundation for managing the business responsibility in accordance with applicable laws. It contains information on how to act legally and ethically correct in daily business operations.

This Code does not anticipate every situation you may encounter; nor does it remove the need for using common sense and professional judgment. We expect you to be committed, entrepreneurial and performance driven and to respect our values, Code and policies. Familiarize yourself with our Code and if you are in any doubt, openly discuss with colleagues or seek guidance from your manager, colleagues or human resources.

To whom does the Code apply?

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 and engaged through a third party as from 1 September 2014. Amendments can be made from time to time.

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

Compliance: whose responsibility is it?

It is mine. It is yours. It is ours. We must all focus on our targets while respecting our values and adhering to this Code. And we expect everyone to promote a culture of openness in which we all feel comfortable 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 decrease trust. Therefore, we encourage you to speak to your manager or human resources if you ever have a concern or suspicion regarding a possible violation of law, our Code or policies.

Those of us in management positions have increased responsibilities. These include not only implementing the

When should I speak up?

Code and its policies but also leading by example. Creating a transparent and open environment in which concerns or suspicions can be raised without fear of reprisal is essential to preserving our reputation and ability to operate.

The Code does not anticipate in every situation you may encounter nor does it remove the need for using common sense or professional judgement. If you are in doubt, you can ask yourself the following questions:

- Is this legal?
- Is this in line with our Code?
- Would I feel comfortable discussing this beforehand with my family or colleagues?
- Would I want to read about this in the newspaper?
- Would I accept responsibility for this decision?

If your answer is “no” to one of these questions or if you are uncertain, stop, speak up and seek guidance with your colleague, manager, human resources or send an e-mail to conduct@fagron.com.

Disciplinary measures

Neglecting or violating the law, our Code, any of the underlying policies or ignoring a violation can have serious consequences for our company and the individuals involved (e.g. personal liability and/or fines as well as reputational damage). Using a third party or other means to bypass this Code is prohibited. A violation may lead to disciplinary measures including dismissal.

Retaliation is not tolerated!

Demonstrating our values, building trust and adhering to the Fagron Code of Conduct & Ethics help to sustain our reputation and success.

No employee will suffer if business is declined in order to adhere to our Code or for reporting in good faith a violation or suspicion of a violation of this Code. If you feel that speaking up and discussing a concern or dilemma with your colleague, manager, Human Resources is not reasonably possible, you can report your concerns in confidence to conduct@fagron.com.

Our people



Equal opportunities

Our people are our most important assets. We work 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 come from different backgrounds and have different talents.

Employees and applicants are treated without any regard to personal characteristics such as race, color, ethnicity, religion, sex, sexual orientation, gender identity, marital status, disability or any other characteristics protected by the applicable laws.

Discrimination and harassment

We do not tolerate any kind of discrimination, harassment, abuse or any other action that can be considered as intimidating, offensive or discriminatory.

Employees who engage in any kind of discrimination or harassment are subject to corrective actions that may include termination of the employment.

Conflicts of interest

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

It may occur that during the execution of work you have to deal with family members or other with whom you have a significant personal relationship. A position at Fagron should not be used to obtain favored treatment for employees themselves, family members, or possibly others. This applies to product purchases or sales, investment opportunities, hiring, promoting, selecting contractors or suppliers, and any other business matter.

We avoid any situation that creates a real or perceived conflict of interest of our company. Use of good judgement is required and in case of uncertainty about a potential conflict, you should talk to the General Manager or contact Human Resources.

Side occupations

Unless legal provisions rule otherwise, you should refrain from side occupations which stand in the way of an adequate fulfilment of the job you hold in the employment with Fagron.

For side occupations, irrespective of whether for own account or in paid service of others, you need previous written approval of the General Manager.

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



Our customers



Healthcare laws and regulations

Fagron adheres to all laws and regulations which are designed to protect patients because we believe that the welfare and dignity of the patient are to be valued above all else. We are in the practice of helping find solutions to every patient's healthcare needs and we recognize that any violation of legal standards may cause serious damage.

Quality and safety

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, the quality and performance of our products in accordance with all applicable internal and external standards.

We also commit to communicate 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.

Fair competition

Fagron adheres to all antitrust laws and regulations which aim to ensure effective competition. In particular we aim at preventing anticompetitive agreements or concerted practices which have a detrimental effect 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.

Corruption

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

You 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 kind in business.

Invitations and gifts

Benefits in the form of invitations and gifts are common in relationships with suppliers, customers and other business partners. If these benefits maintain an appropriate level, they are considered as permissible means of networking. Benefits that exceed the limits of appropriateness and are misused as a means to influence business decisions may be prosecuted as corruption and are in conflict with the Code.

Side deals

All the terms and conditions of agreements entered into 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. You should not make any oral or written commitments that create a new agreement or modify an existing agreement without approval in accordance with the formal authorisation policy.



Our company

Confidential information

The information about our products and services, including future product offerings, are strictly confidential. Never disclose confidential, operational, financial, trade secret or other business information without verifying with your manager that such disclosure is appropriate.

Confidential or proprietary information includes information on any aspect of the business of Fagron or of its customers or suppliers 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 you have access by reason of your position, or disclosing 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.

Insider trading

Fagron is part of 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.

You may come across with information that is not yet publicly available but that may be valuable to investors. You may not disclose such information that is non-public but may influence an investor in deciding whether or not to trade.

The Corporate Governance Charter provides rules and conditions for all employees and their relatives related to dealing with company shares and handling in inside information.

Financial reporting

As a publicly listed company accurate records are critical to meeting Fagron’s legal, financial and management obligations. You must ensure that all payments made or received by Fagron are accurately recorded in Fagron’s financial books and records. You must also ensure that all financial transactions are authorized by appropriate management in accordance with internal control procedures.

It should be ensured that all records and reports, including customer information, technical and product information, correspondence and public communications are full, fair, accurate, timely, and understandable.

You should never misstate facts, omit critical information or modify records or reports in any way to mislead others, and never assist others in doing so.

Company assets



We must all protect the company assets and ensure their 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.

As far as the use of the Internet is concerned, an occasional consultation, for personal reasons and within reasonable limits, of websites is accepted, provided their content is not contrary to public order or to morality, and that consultation of such sites is not detrimental to the interests and the reputation of Fagron.

A reasonable use of emails in the framework of the requirements of daily and family life is also accepted, on condition that the use of the email does not affect the normal traffic of professional messages.

Press Releases

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. Also must any inquiry from the press or financial analyst community be referred to Investor Relations.

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

