



## **Code of Conduct and Ethics**

This Code of Conduct and Ethics represents the values of The Medical Export Group (MEG) and outlines the responsibilities and proper practices as expected from all our employees. A number of basic conditions based on the ILO conventions are set, concerning working methods and conditions that suppliers and manufacturers are expected to meet. Commitment is required from all suppliers of MEG.

### **1. INTEGRITY AND BUSINESS ETHICS**

Our integrity should be beyond all doubt. It is imperative that all our employees comply with the legislation and regulations of the Dutch law and the values and standards that apply within MEG and have been laid down in this Code of Conduct and Ethics. We expect our employees to show integrity in dealing with each other, with customers and with our business partners. We also expect integrity and reliability from our business partners such as suppliers, agents and logistics partners.

#### **1.1 Freedom of employment**

- a. There is no forced, bonded or involuntary prison labor.
- b. Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

#### **1.2 Freedom of association**

- a. Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- b. The employer adopts an open attitude towards the activities of trade unions and their organizational activities.
- c. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- d. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

#### **1.3 Corruption**

- a. MEG endorses all legislation and regulations against bribery and corruption, including the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act, in all countries where MEG is active.
- b. No bribery or corruption is tolerated from employees, customers, suppliers or any other party acting for or on behalf of MEG.
- c. All employees are to sign the MEG anti-corruption statement to confirm their commitment (appendix 2 of the HR Guide).



## 1.4 Gifts

- a. In the HR Guide the MEG policy regarding the acceptance of gifts, services, accommodation and meals by employees is described. The policy reads as follows.

### (Promotional) gifts

Promotional gifts are regularly exchanged in order to strengthen a good relationship with each other. Business gifts can never be seen as a consideration for a particular service. A gift may never affect the independence or freedom of the recipient. For this reason, checks, money, expense allowances etc. are never offered, nor are they accepted by MEG, its employees or its agents.

Promotional gifts must always remain within reasonable limits, whether they are given, or when they are received. These gifts may possibly lead to conflicts of interest. If this is the case, or if there is an employee or agent who is embarrassed by a business gift, he or she reports this to his or her supervisor, who will then determine how to act.

Due to the chance of the aforementioned conflicts of interest, all business gifts with a value of more than € 25, - (if not subject to sustainability) are delivered to the Personal Assistant of the management. At the end of the year there will be a raffle of the gifts among the employees, aiming for a fair distribution as much as possible.

### Invitations

As a company (or part thereof) we are regularly invited by business relations to participate in activities / meetings. Since here too there may be a conflict of interest, in the event of whether or not to respond to any invitation, prior consultation with the management must take place. Preferably by means of an e-mail to the Personal Assistant with the information about who, when, where and by whom you are invited. Even if this takes place in their own time.

If an employee does not comply with the aforementioned aspects regarding business gifts and invitations and / or the related decisions of the management, there will be possible sanctions.

## 2. WORKING CONDITIONS AND ENVIRONMENT AT MEG

MEG aims to create conditions in which our employees are committed to and feel responsible for their work. MEG provides good, safe and healthy working conditions.

### 2.1 Discrimination, intimidation and harassment

- a. Everyone at MEG treats each other with respect.
- b. The freedom of opinion is valued as well as cultural diversity.
- c. Discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership political affiliation or similar attributes is forbidden.
- a. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation are prohibited.
- d. Any case of violation should be reported to the Human Resources department at MEG.



## **2.2 Safe and hygienic working conditions**

- a. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- b. Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- c. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- d. Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- e. The company observing the code shall assign responsibility for health and safety to a senior management representative.

## **2.3 Abolition of child labour**

- a. A child shall be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development as per article 32 of the United Nations Convention of the Rights of the Child.
- b. Policies and procedures are conform to the provisions of the relevant ILO standards.

## **2.4 Legal living wages**

- a. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- b. All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- c. Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

## **2.5 Regular working hours**

- a. Working hours must comply with national laws, collective agreements, and the provisions 2.5 sub b to 2.5 sub f below, whichever affords the greater protection for workers. Clauses 2.5 sub b to 2.5 sub f are based on international labor standards.
- b. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. \*
- c. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- d. The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause e below.
- e. Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:
  - this is allowed by national law;
  - this is allowed by a collective agreement freely negotiated with a workers' organization representing a significant portion of the workforce;



- appropriate safeguards are taken to protect the workers' health and safety; and
  - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- f. Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.

*\*International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.*

## **2.6 Regular employment**

- a. To every extent possible work performed must be on the basis of recognized employment relationship established through national law and practice.
- b. Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## **2.7 Whistleblowers regulations and confidential advisor**

- a. The MEG finds openness, decency and careful action very important and wants this to be high on the agenda for its employees. In order to implement article 2 of the House of Whistleblowers Act, the MEG has drawn up a notification procedure for dealing with the reporting of suspicion of an abuse within the organization. This whistleblower scheme makes it possible for every employee to report misconduct and provides for all reports to be treated seriously and according to a certain procedure. Furthermore it is ensured that an employee who 'rings the bell' - the whistleblower - can express his suspicion in all confidentiality without personal negative consequences. The purpose of this is to contribute to the improvement - and if necessary to correct - the own functioning of the MEG. The complete Whistleblower regulation is found in the HR guide of the company.

## **3. SOCIETY, SAFETY AND ENVIRONMENT**

### **3.1 Safety and quality**

- a. Suppliers are carefully selected and adhere to internationally recognized standards such as ISO 9001:2008 (Quality Management System), ISO 13845, Good Manufacturing Practice (GMP) or Good Distribution Practice (GDP) depending on the nature of the service's and/or products supplied to MEG.
- b. For all suppliers permits, certificates and licenses are maintained in a database and the validity status is checked periodically.
- c. MEG is licensed by the Dutch Ministry of Health for its pharmaceutical wholesale activities and therefore adheres to the guidelines on Good Distribution Practice of medicinal products for human use (EU 2013/C 343/01). All procedures are laid down in the ISO 9001:2008 quality manual and employees are properly trained for the job.
- d. MEG underlines the safety of the supply chain and is therefore registered with the Royal Netherlands Marechaussee as a known consigner.



### 3.2 Environmental policy

- a. MEG is an active and committed partner in the communities where we live, work and conduct our business. It is recognized that environmental sustainability involves a continuous effort requiring prudent use and preservation of our natural resources.
- b. Suppliers of MEG are expected to have an effective environmental policy and to comply with existing legislation and regulations regarding the protection of the environment.
- c. Suppliers should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound lifecycle practices.

We hereby declare that we respect and comply with the Code of Conduct and Ethics as stated above. Company details:

_____	(Company name)
_____	(Address)
_____	(Address)
_____	(Country)
_____	(Phone number)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_