

Supplier Code of Conduct

Values and Principles for Suppliers








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Boehringer Ingelheim serves patients by researching and offering innovative medications which are being developed and produced in a sustainable manner.

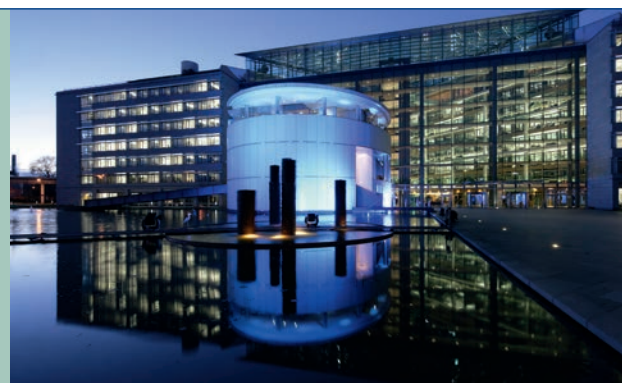
Boehringer Ingelheim is a world leader in innovative pharmaceutical and animal health products and therapies. To maintain our reputation for producing safe, high quality products, we are committed to going beyond mere compliance with the law and strive to uphold high ethical standards in everything we do as we describe in the values of our *Leitbild* – which are: Respect, Trust, Empathy and Passion. Boehringer Ingelheim suppliers are an integral part of this commitment to success. Boehringer Ingelheim recognizes and expects a commitment to exemplary ethical and professional conduct both within the Company and from its Business partners. Boehringer Ingelheim is committed to doing business with suppliers who operate their businesses with professionalism and integrity.

We endeavor to select Business Partners who share our social and environmental values and acknowledge our quality and safety culture. We expect them to invest effort in promoting these responsibilities.

To reinforce the standards to which we are committed, Boehringer Ingelheim developed this Third party Code of Conduct founded upon the Pharmaceutical Supply Chain Initiative's (PSCI) Pharmaceutical Industry Principles (www.pharmaceuticalsupplychain.org), the 10 Principles of the United Nations Global Compact (www.unglobalcompact.org) and Our Values and Principles.

At Boehringer Ingelheim, our Values and Principles have always formed the basis of our success. We believe that society and business are best served by responsible business behaviors and practices.

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



EXPECTATIONS

The Boehringer Ingelheim Supplier Code of Conduct expresses the expectations for how business is conducted between Boehringer Ingelheim employees and its suppliers, also covering suppliers acting on behalf of Boehringer Ingelheim. This guide is derived from Boehringer Ingelheim's internal Code of Conduct, the Pharmaceutical Supply Chain Initiative's (PSCI) Pharmaceutical Industry Principles and the 10 principles of the United Nations Global Compact. Boehringer Ingelheim shares this Supplier Code of Conduct with suppliers to enhance a common understanding of our business requirements.

A fundamental philosophy of respect for individuals for all employees and suppliers underlines Boehringer Ingelheim's commitment to ethical behavior.

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, environment, health and safety, and management systems.
- Integrate, communicate and apply these principles in a manner consistent with their own Third Party programs.
- Recognizing 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 which advances performance over time.

¹ 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





ETHICAL BUSINESS PRACTICES

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

Business Integrity

All bribery, corruption, extortion and embezzlement are prohibited. Suppliers shall not confer benefits, offer and pay or accept bribes or participate in other illegal inducements in business or government relationships. Suppliers shall work against bribery and corruption 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

While gifts, meals and entertainment are often exchanged as common business courtesies, this activity is highly regulated in the healthcare industry. It's important to be aware of what is right and wrong when exchanging such courtesies.

Suppliers 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 regulatory'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.

One of the most common ways conflicts of interest arise is from the receipt of gifts or entertainment (i. e., anything of value, including but not limited to favors, tickets, and other gratuities) from suppliers doing business with or seeking to do business with Boehringer Ingelheim. Because of these risks, the following restrictions have been established:

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.

Similarly, a supplier may not offer anything of value to any Boehringer Ingelheim employee if the gift, meal, or entertainment might reasonably be seen by others as affecting the employee's objectivity. In short, offering gifts, meals, and entertainment must not raise any questions of an obligation or conflict of interest.

Fair competition

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

Identification of concerns

Suppliers shall encourage all its workers and sub-contractors 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 as well whenever scientifically valid and acceptable to regulators 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.

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 about people (e. g. patients, employees, customers) appropriately for necessary business purposes and protect it from misuse.

Suppliers shall protect confidential information, including personal data, collected for or 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 requiring the exchange of confidential information with Boehringer Ingelheim are required to execute a confidentiality agreement with Boehringer Ingelheim in advance. Unless authorized by Boehringer Ingelheim, suppliers shall not share Boehringer Ingelheim’s confidential information or other information that they acquire with respect to Boehringer Ingelheim’s Business. 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.

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 know-how 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. Supplier shall cooperate with Boehringer Ingelheim regarding determination of applicable export control restrictions. In addition, Supplier 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, or appear to conflict, with that employee acting in the best interests of Boehringer Ingelheim. For example, partners should not employ or otherwise make payments to any Boehringer Ingelheim employee during any interaction between the supplier and Boehringer Ingelheim, other than in accordance to the Boehringer Ingelheim contract. 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 following 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.

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 engaged with healthcare professionals, patients or animal health care professionals, all suppliers must adhere to relevant industry standards of conduct that apply to them, such as 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 as our company reaches out to serve 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 signed contract is received by the supplier. Starting work without a purchase order or contract is done at the supplier's own risk. When a purchase order is 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.



MANAGEMENT SYSTEMS

Suppliers shall use management systems to facilitate continual improvement and compliance with the expectations of these principles.

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 and 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.

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.

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.



LABOR & HUMAN RIGHTS

Suppliers shall support and respect the protection of internationally proclaimed human rights 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 + 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 according to applicable wage laws, including minimum wages, overtime hours 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.





HEALTH, SAFETY & ENVIRONMENT

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

Worker protection

Suppliers shall protect workers (special care to pregnant women) from overexposure to chemical, biological and physical hazards and physically demanding tasks in the workplace and in any company-provided living quarters. 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 chemicals 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, to avoid the use of hazardous materials where possible and to 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.

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.

Waste and emissions

Suppliers shall have systems in place to ensure the safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges.

Spills and releases

Suppliers shall have systems in place to prevent and mitigate accidental spills and releases into the environment.



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 has to be informed immediately.

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.

Contact point is the respective Compliance Officer of the local or contracting Boehringer Ingelheim legal entity, who can be reached via switchboard. In addition, the contact information shall either be specified in the contract between Boehringer Ingelheim or brought to the attention of the third party via business letter.

We respect and value your opinions and encourage you to use any of the Boehringer Ingelheim Helpline resources available with complete confidence.

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