

# Roche

## Supplier Code of Conduct





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Roche is committed to sustainability in all business activities and aims to apply the highest ethical standards. Our suppliers (suppliers, service providers and contract manufacturers) play an important role as enablers of our sustainable growth and overall success.

Roche promotes innovation and strives for economic, social and environmental sustainability in order to ensure delivery of our products to patients and the long-term success of Roche and its stakeholders. Roche regards lasting innovation as our biggest contribution to society. Our suppliers are business partners with expertise and capabilities that we use to enable improvements in efficiency, effectiveness and business continuity, which in turn allow us to deliver medical innovations to address the needs of our patients and benefit society. In delivering innovation, Roche is expected by our patients and stakeholders to uphold high standards of responsible and ethical behaviour in our operations and to hold our suppliers to the same high standards.

Roche is a member of the Pharmaceutical Supply Chain Initiative (PSCI), a non-profit industry organisation that brings together members to define, establish and promote responsible supply chain practices. This Roche Supplier Code of Conduct embeds the PSCI Principles and addresses its main areas: ethics, human rights and labour, health and safety, environment and related management systems.

**Roche does not tolerate bribery or any other form of corrupt business behaviour.**

**Roche is fully committed to supporting and respecting human rights.** Roche acknowledges both the United Nations Guiding Principles on Business and Human Rights (UNGPs) (“Ruggie Framework”) and the OECD Due Diligence Guidance for Responsible Business, and recognises and follows the international standard ISO 26000 guidance on social responsibility. Roche also adheres to the fundamental conventions of the International Labour Organization (ILO): elimination of forced and compulsory labour (Conventions 29 and 105), abolition of child labour (Conventions 138 and 182), elimination of discrimination in respect of employment and occupation (Conventions 100 and 111), freedom of association and collective bargaining (Conventions 87 and 98).

**We require our suppliers to explicitly acknowledge and adhere to the principles embodied in the Supplier Code of Conduct.** Suppliers must also ensure that their own suppliers appropriately ensure compliance with these principles along their own supply chains. Suppliers shall ensure that Roche can verify compliance with this Supplier Code of Conduct through our Supplier Sustainability Assurance Visit (SSAV) programme. Suppliers that fail to meet Roche’s expectations on the topics outlined in this Roche Supplier Code of Conduct might be disqualified from inclusion in Roche’s supplier portfolio and consequently excluded from it.

## **Suppliers supporting these principles:**

- Will apply these principles in their own supplier programmes and ensure that their own suppliers appropriately ensure compliance with these principles along their own supply chains.
- Will adhere to the same ethical principles and work with their own suppliers on anti-corruption.
- Will follow local laws and regulations that might be more stringent than the principles set forth in this Supplier Code of Conduct.
- Believe that society and business are best served by responsible business behaviours and practices. Fundamental to this belief is the understanding that a business must, at a minimum, operate in full compliance with all applicable laws, rules and regulations.
- Are aware of differences in culture and the challenges associated with interpreting and applying these principles globally. While suppliers supporting these principles believe that what is expected is universal, it is understood that the methods for meeting these expectations may be different and must be consistent with the laws, values and cultural expectations of the different societies in the world.
- Believe that these principles are best implemented through a continual improvement approach that advances supplier performance over time.



## Ethics

Suppliers shall conduct their business in an ethical manner and act with integrity. The ethics elements include:

### **Business integrity and fair competition**

All corruption, extortion and embezzlement are prohibited. Suppliers shall not pay or accept bribes or participate in other illegal inducements in business or government relationships. Suppliers shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable antitrust laws. Suppliers shall employ fair business practices, including accurate and truthful advertising.

### **Animal welfare**

Animals shall be treated respectfully, with pain and stress minimised. Animal testing should be performed after consideration to replace animals, reduce the numbers of animals used or refine procedures to minimise distress. Alternatives should be used wherever scientifically valid and acceptable to regulators.

### **Privacy**

Suppliers shall safeguard and make only proper use of confidential information to ensure that company, worker and patient privacy rights are protected.



# Human rights and labour

Suppliers shall be committed to ensuring the human rights of workers and to treating them with dignity and respect. The labour elements include:

## **Freely chosen employment**

Suppliers shall not use forced, bonded, indentured or involuntary prison labour.

## **Child labour and young workers**

Suppliers shall not use child labour. The employment of young workers below the age of 18 shall only occur in works conducted by them that do not cause harm to their health, safety or morale and when young workers are above a country's legal age for employment or the age established for completing compulsory education.

## **Fair treatment and non-discrimination**

Suppliers shall provide a workplace free of harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers, and no threat of any such treatment. Suppliers shall provide a workplace free of harassment and discrimination. Discrimination for reasons such as colour, age, gender, sexual orientation, ethnicity, physical or mental disability, other health-related issues, religion, political affiliation, union membership or marital status or any other characteristics protected by applicable laws or regulations, is not tolerated.

## **Wages, benefits and working hours**

Suppliers shall pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits. Suppliers shall consider remuneration in accordance with the skills, performance and experience of their workers based on local competitive conditions, as well as offer benefits in accordance with local market practices. Suppliers shall communicate to the worker the basis on which they are being compensated in a timely manner. Suppliers are also expected to communicate to the worker whether overtime is required if allowed by the local employment laws and regulations and the wages paid for such overtime.

## **Freedom of association and the right of collective bargaining**

Open communication and direct engagement with workers 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 labour unions, seek representation and join workers' councils, participate in collective bargaining and undertake the rights according to the local employment laws and regulations. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.

## **Reasonable sourcing of minerals and metals**

Suppliers shall safeguard and make sure that they use and import minerals and metals from responsible sources only. Suppliers shall ensure that no human right violations, especially no compulsory, child or forced labour was used to mine or process minerals and metals. This applies especially to so-called conflicting minerals and metals, i.e. ores and concentrates containing tin, tantalum, tungsten or gold (3TG)



## Health and safety

Suppliers shall provide a safe and healthy working environment, including for any company-provided living quarters. The health and safety elements include:

### **Occupational health and industrial hygiene**

Suppliers shall understand relevant workplace hazards and effectively communicate such hazards and related protection to all potentially impacted workers. Suppliers shall protect workers from overexposure to ergonomic, chemical, biological and physical hazards, physically demanding tasks in the workplace and in any company-provided living quarters. Hazards also include potential negative impacts on general worker well-being.

### **Emergency preparedness and response**

Suppliers shall identify and assess emergency situations in the workplace and any company-provided living quarters, and minimise their impact by providing emergency response equipment and supplies, implementing emergency plans and response procedures, including regular emergency response drills



## Environment

Suppliers shall operate in an environmentally responsible and resource-efficient manner. Suppliers are expected to conserve natural resources by sourcing material sustainably, to minimise the use of hazardous materials, to engage in activities that reuse and recycle, and are encouraged to reduce greenhouse gas emissions. The environmental elements include:

### **Environmental compliance**

Suppliers shall comply with all applicable environmental laws and regulations. All required environmental permits, licences, information registrations, chemical registrations and restrictions shall be obtained and their operational and reporting requirements followed.

### **Hazardous materials**

Suppliers should support Roche in minimising the chemical footprint of Roche activities and products. In particular, suppliers should support Roche's goal to phase out Substances of Very High Concern (SVHC) within ten years after a substance has been declared an SVHC by the European Chemical Agency. If applicable, suppliers shall provide accurate and compliant material declarations in a timely manner. This is essential to responsible substance management and is evidence that the supplier has adequate insight into their own substance portfolio and is reliably complying with applicable chemical legislation and relevant voluntary initiatives. Ideally, suppliers should provide full material disclosures to facilitate Roche compliance with chemical legislation and relevant voluntary initiatives, worldwide.

### **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. 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.

### **Greenhouse gas emissions**

Suppliers are encouraged to quantify, disclose and take action to reduce greenhouse gas emissions and support their suppliers to do the same.

### **Spills and releases**

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

### **Biodiversity**

Suppliers shall comply with the fair and equitable access and benefit sharing principles relating to the use of genetic resources in accordance with the Convention on Biological Diversity including the Nagoya Protocol, to which Roche commits. Natural resources shall be utilised in an environmentally sustainable way and not contributing to deforestation. Facilities shall not be operated in areas that are protected or have high biodiversity values.



## Governance and management systems

Suppliers shall use management systems to facilitate continual improvement and compliance with these principles. The management systems elements include:

### **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, standards and relevant customer requirements.

### **Risk management**

Suppliers shall have mechanisms to determine and manage risks in all areas addressed by this document and review them at least once a year as well as on an ad hoc basis if the risk situation has significantly changed or expanded.

### **Documentation**

Suppliers shall maintain documentation necessary to demonstrate conformance with these expectations and compliance with applicable regulations.

### **Training and competency**

Suppliers shall have a training programme that achieves an appropriate level of knowledge, skills and abilities in management and workers to address these expectations.

### **Due diligence and transparency**

Suppliers shall have systems allowing them to carry out due diligence on their own supply chain. Suppliers shall provide supply chain transparency to Roche, if required, regarding human rights risks and conflict minerals and metals.

### **Continual improvement**

Suppliers are expected to continually improve by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal or external assessments, inspections and management reviews.

### **Identification of concerns and complaints procedure**

If a supplier or their workers believe that anyone in their company or in Roche's supply chain has acted contrary to the principles of this Supplier Code of Conduct, they are encouraged to report the concerns to the Roche Group SpeakUp Line. Details are available on <https://www.roche.com>.

Suppliers shall establish their own complaints procedure and encourage their workers to report concerns or information regarding non-compliance, especially on actual or potential illegal activities in the workplace or adverse human rights impacts or environmental impacts resulting from suppliers' own operations, without threat of retaliation, reprisal, intimidation or harassment. Suppliers shall investigate and take corrective action if needed.

**In addition to the PSCI Principles the following principles are of importance to Roche:**

## Intellectual property

Roche delivers medical innovations that improve people's health and quality of life by working with suppliers that can best meet our business demands and requirements in terms of cost, innovation, integrity, quality, suitability, credibility and sustainability. As business partners supporting Roche's efforts, suppliers shall respect Roche's intellectual property rights, protect Roche's trade secrets and confidential information, and safeguard customer information. Suppliers shall manage technology and know-how in a manner that protects intellectual property rights.

## Economic sustainability

Suppliers are encouraged to help foster social and economic development and contribute to the sustainability of the communities in which they operate.

## Supplier diversity

Suppliers shall engage socially and economically different categories of suppliers through inclusive sourcing processes that promote equal opportunities.

The Roche Supplier Code of Conduct was proposed by the Sustainability Steering Committee and was endorsed by the Corporate Executive Committee on 17 October 2022. It enters into force as of 1 January 2023.

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