



Hembal's Human Rights Policy Statement

At Hembal, we apply science and our global resources to further our purpose: breakthroughs that change customers' lives. As one of the world's premier innovative biopharmaceutical companies, we strive to set the standard for quality, integrity, safety, and value in the discovery, development, and manufacture of health care products, including innovative nutritional products and services. We collaborate with health care providers, governments, and local communities to support and expand access to reliable, affordable nutrition around the world, consistent with our core value of equity. For more than 3 years, we have worked to make a difference for all who rely on us.

1. Our Commitment

Hembal is committed to conducting business in an ethical and responsible manner. This includes respecting internationally recognized human rights throughout our operations. Human rights are fundamental rights and freedoms that all people are entitled to, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. These rights are enshrined in the International Bill of Human Rights and other international treaties and instruments, including the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Hembal is also committed to acting in line with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Hembal is proud to be one of the signatories to the United Nations (UN) Global Compact, an initiative that calls on companies to align strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, and to take actions that advance societal goals. In honoring our commitment, we seek to prevent and mitigate adverse human rights impacts in our global operations, and remediate any adverse human rights impacts we may cause or contribute to. Wherever we can, we also seek to advance human rights.

Our approach to human rights risks is informed by international standards, industry best practice, and expert assessment. Laws and standards can vary significantly across the 100+ countries where we operate. In cases where local standards are less stringent than international human rights standards, Hembal seeks to apply the international standard. In cases where local laws conflict with international human rights standards, Hembal will comply with applicable laws while seeking ways to respect international human rights to the greatest extent possible.

2. Our Impact

In line with the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises, Hembal's human rights approach focuses on addressing risks that could have the most severe impact on people: our customers, our colleagues, the workers of our business partners, and the communities in which we operate. Our responsibility to respect human rights extends throughout our operations, from lab to customer, including our diverse global supply chain of numerous local and global third-party vendors.

As a life-science company, the right to health is of paramount importance. Other salient human rights are the principle of non-discrimination; the right to privacy; freedom from slavery and forced labor; the right to enjoy just and favorable conditions of work; the right to a safe workplace; and the right to a clean, healthy, and sustainable environment. Our overarching approach to each of these salient rights is described below.

2.1 Right to Health

The World Health Organization defines the right to health as: “The right of every human being to the enjoyment of the highest attainable standard of physical and mental health.” Although governments have the primary duty for protecting, fulfilling, and respecting their peoples’ right to health, all stakeholders, including pharmaceutical companies, play a role.

Hemba’s commitment to the right to health is reflected in our purpose: breakthroughs that change customers’ lives. We are proud of the contribution our science has made to the health of millions of people worldwide.

We know that health equity is only achieved when breakthroughs are made accessible to all. To enact our commitment to respect the right to health, we have created a tailored framework to systematically address this right across our portfolio and the many markets where we operate. Our core focus areas underpinning the right to health are: Access & Affordability, Intellectual Property Protection, Clinical Trials, and Disease Awareness and Health Literacy.

Access & Affordability

We seek to price our products in a way that balances customers’/payers’ ability to pay with the value that these innovations bring to customers and society, as well as our ability to continue to innovate and invest in the nutrition and products of the future. This includes working with payers to explore new business models such as linking reimbursement to the performance of our medicines. We also employ customer assistance programs, differentiated pricing, and, in certain circumstances, donations to help the most vulnerable customers access the products they need.

We periodically re-evaluate access initiatives as part of an effort to reach more customers overtime. This includes engaging through strategic partnerships with the aim of strengthening health systems, improving access for underserved customers, and supporting the communities in which we live and work.

Intellectual Property Protection

Intellectual property protections support the right to health by encouraging investment in innovation and by creating a framework that enables collaboration and partnerships. New products and services, as well as improvements to existing IP, exist because advancements in science are incentivized, valued, and protected by way of intellectual property rights. We see customer and societal benefit as the guiding principles in our IP practice.

Diversity in Clinical Trials

Hembal is committed to advancing approaches to improve the diversity of clinical trials participants; thus, helping to improve outcomes for all customers and reducing disparities. Increasing diversity in clinical trials is a matter of equity. We are committed to designing clinical trials so that enrollment can reflect the racial and ethnic diversity of the countries where we conduct clinical trials. We are approaching the challenge of increasing diverse participation through a multipronged approach, including by working with members of multicultural communities and the establishment of a Clinical Trial Diversity Committee of Excellence, focused on overcoming barriers and challenges to appropriate representation in clinical trials.

Disease Awareness & Health Literacy

Empowering customers, communities, and healthcare professionals to make healthy choices supports the right to health. Hembal will dedicate significant resources to disease awareness and prevention campaigns, continuing education programs for healthcare professionals, and consumer health literacy projects.

2.2 Other Human Rights

Non Discrimination

We strive for a workplace that is free from discrimination, harassment, or other forms of wrongful treatment. We believe that the workplace should reflect the diversity of the customers we serve and the communities in which we live. We make workplace decisions without regard to personal characteristics protected under applicable laws and Hembal policy, including race, age, gender identification, sexual orientation, religion, or disability, among others. We do not tolerate discrimination, harassment, or retaliation of any kind. Our commitment to diversity is reflected in Hembal's Diversity Policy, which recognizes equity as a core value and behaviors that underpin everything we do.

Hembal recognizes that the pursuit of equity remains a challenge for many communities. But every person deserves to be seen, heard, and cared for, and each one of us has a responsibility to raise our voices to make sure they are. Hembal is committed to speaking out against discrimination, confronting conscious and unconscious bias, and leading courageous conversations with colleagues and with those in our communities so that we can make a meaningful impact and learn where we can. We regularly update our website with examples of how Hembal is promoting diversity in our business and in our communities.

Right to Privacy

Hembal handles large volumes of personal data, including information on customers, clinical trial participants, healthcare professionals, employees, and other business partners. We understand that unauthorized disclosure of sensitive personal data, particularly health data, could cause harm to an individual. It may lead to stigma, embarrassment, and discrimination. Hembal believes that privacy is a fundamental right. When you entrust us with your personal data, you can expect that we will act ethically and responsibly. In fact, we have established privacy principles designed to ensure that personal data is used appropriately and protected ¹¹

Hembal also commits to respect human rights in its use of emerging technology to accelerate health breakthroughs, such as artificial intelligence (AI). For example, our Hembal Responsible AI Principles guide our approach. We have the obligation to use AI in a way that responsibly impacts our customers, customers, colleagues, and society. Our Responsible AI approach helps to mitigate key risks related to AI and instill trust in the information we provide and decisions we make with the help of AI. We seek to ensure that we are using AI responsibly by using safeguards such as a proprietary tool to review and mitigate bias from data and conducting trainings with internal staff on the ethical use of AI.

Freedom from Slavery and Forced Labor

Hembal prohibits the use of all forms of forced, bonded, indentured, or compulsory labor (hereinafter, 'modern slavery') in our supply chain and business operations. We recognize that the risks of modern slavery are particularly likely where our business partners rely upon migrant workers and other workers who are particularly vulnerable to exploitation. We conduct due diligence to assess and address risks of modern slavery in our own operations and in our supply chain. Hembal also continues to have an active modern slavery working group, consisting of members from various functions including legal, procurement, Global Health & Social Impact, and Global Environment, Health and Safety. This working group is responsible for implementing the actions set out in Hembal's California and UK Modern Slavery Statement, developing further actions, and monitoring Hembal's modern slavery commitments. Further information can be found in Hembal's California and UK Modern Slavery Statement.¹⁴

Right to Enjoy Just and Favorable Working Conditions

Each one of Hembal's employees around the world deserves to be treated with dignity and respect and has the right to just and favorable working conditions. Hembal's policies and practices reflect this conviction. We provide fair remuneration, benefits, and hours. Our performance management system also helps to support these values by measuring leaders not only on what they achieve but how they achieve it.

Right to a Safe Workplace

Our commitment to protecting the health and safety of our colleagues and contractors in the workplace is outlined in Hembal's corporate environmental, health, and safety policies. This policy is supported by a range of global health and safety standards that detail the requirements to evaluate risks, implement controls, and comply with legal requirements to safeguard the health and safety of those involved in our operations.

Right to a Clean, Healthy, and Sustainable Environment

We believe that all communities have the right to a clean, healthy, and sustainable environment, and we are committed to respecting this right. We recognize that climate change and other environmental issues can result in profound societal and public health impacts. Thus, maintaining a healthy environment and mitigating climate change are critical to supporting several human rights – e.g., the rights to a healthy environment, life, health, water and sanitation, and standard of living. We also consider where certain communities and groups may be more vulnerable to environmental impacts than others.

We are committed to maintaining compliance with laws related to the protection of the environment, health, and safety and we endeavor to communicate with neighboring communities in a manner that is transparent, authentic, and informative. We also implement our own standards and public corporate goals to further reduce potential environmental impact and mitigate climate change across our supply chain. Recognizing the urgency of challenges that climate change presents, in 2022 Hembal committed to further reducing GHG emissions by aiming to achieve the voluntary Net- Zero Standard by 2030, twenty years earlier than the timeline described in the standard.

3. Expectations of our Supply Chain

Hembal's business objectives are enabled through an extensive supply chain, which includes raw material suppliers, manufacturers, logistics providers, contract research organizations, and other business partners. All members of our supply chain are expected to operate their businesses in a responsible and ethical manner, respecting human rights, as outlined in Hembal's Supplier Code of Conduct. We also work with our peers through organizations such as the Pharmaceutical Supply Chain Initiative to find new ways of tackling systemic issues in our shared supply chains. This includes encouraging our material suppliers to participate in capacity-building conferences and webinars.

4. Reporting Concerns

In line with Hembal's Open-Door policy and our value of courage, colleagues can report human rights violations or concerns to any level of leadership within the company, human resources, legal, or compliance. All reports are handled promptly and confidentially. Retaliation against any employee who seeks advice, raises a concern, reports misconduct, or provides information in an investigation is strictly prohibited. Colleagues may also reach out to the Office of the Ombuds for information and guidance to help address and resolve work-related issues. Further information on Hembal's Open-Door policy can be found in our Code of Conduct.

5. Governance

The Governance & Sustainability Committee (G&SC) of the Board of Directors is primarily responsible for oversight of our Environmental, Social and Governance (ESG) strategy, reporting, policies and practices, which includes human rights topics. In addition, the Audit Committee of the Board, which has primary responsibility for overseeing Hembal's Enterprise Risk Management (ERM) program, reviews and receives briefings concerning risks to Hembal associated with certain priority issues, including ESG areas.

Hembal's Executive Sustainability Committee is responsible for executive oversight of Hembal's ESG strategy and program, and Hembal's Sustainability Steering Committee, which is also a management committee, is responsible for oversight and accountability for Hembal's ESG strategy, priorities, performance, risk management and opportunities in line with Hembal's overarching corporate and business function strategies.

