

AbbVie Deutschland GmbH & Co. KG

German Addendum to the AbbVie Supplier Code of Conduct

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German Addendum to the AbbVie Supplier Code of Conduct (“Addendum”) Requirements under German Supply Chain Due Diligence Act

AbbVie Deutschland GmbH & Co. KG (“**AbbVie**”) is a subsidiary of AbbVie Inc., a research-based biopharmaceutical company addressing some of the world's most serious and complex diseases. AbbVie's suppliers (together “**Suppliers**” or individually “**Supplier**”) are an integral part of AbbVie's overall success. Each day, AbbVie and its Suppliers make decisions that impact AbbVie's ability to provide quality health care products to its customers.

It is the responsibility of all Contractors, Suppliers and Business Partners of AbbVie and/or its subsidiaries to maintain a Quality and Risk Management System that ensures that AbbVie products and services consistently conform to specified requirements, while maintaining the safety and security of their supply chain.

This Addendum to the AbbVie Supplier Code of Conduct (“**SCoC**”) documents additional principles, requirements and expectations of AbbVie Suppliers to ensure compliance with the due diligence obligations under the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, hereinafter referred to as “LkSG”) within AbbVie's supply chain. All AbbVie Suppliers are expected to understand and comply with the principles, requirements and expectations set forth in this Addendum. The provisions of the global [Supplier Code of Conduct](#) remain unaffected by the Addendum and continue to apply.

Suppliers are strongly encouraged to contact an AbbVie procurement representative with any questions. Suppliers are also encouraged to contact AbbVie Procurement and Supplier Management if questions arise with regard to the appropriateness of any activity. AbbVie's Procurement and Supplier Management employees can provide an overview and further guidance on applicable AbbVie policies.

Human Rights and Environmental Standards according to the LkSG

The Supplier is aware of the requirements of the LkSG and agrees to comply with the requirements set forth therein in its own business area and its supply chain. The Supplier agrees not to engage in any activity which violates human rights and environmental obligations as defined in the LkSG. This includes, in particular, the Supplier's obligation to act in accordance with the following principles when providing deliveries and/or services to AbbVie:

1. Human Rights and Labor Practices

AbbVie believes in the inherent dignity of every human being and respects individual rights as set out in the Universal Declaration of Human Rights¹. In accordance with AbbVie's principles, Suppliers are expected to prevent, minimize or terminate violations with regard to any of the following:

- a) **Forced labor and slavery:** Suppliers must not tolerate any form of slavery, practices akin to slavery, servitude or other forms of domination or oppression in the workplace, such as extreme economic or sexual exploitation and humiliation as well as the employment of persons in forced labor. This includes any work or service that is required of a person under threat of punishment and for which they have not made themselves available voluntarily (e. g. debt bondage or human trafficking).

¹ Universal Declaration of Human Rights, Resolution 217 A (III) of 10 December 1948.

- b) **Child labor:** Suppliers must not tolerate prohibited forms of child labor. Suppliers must under no circumstances employ children under the age of which compulsory schooling ends according to the law of the place of employment, provided that the age of employment is at least 15 years, unless the applicable national law states exceptions in accordance with ILO Convention 138².

Furthermore, Suppliers must not employ children under the age of 18 in any form of slavery or practices similar to slavery (e. g. human trafficking, debt bondage) or for prostitution or pornographic purposes. Suppliers must not employ children under the age of 18 for illicit activities (e. g. production of or trafficking drugs). This also applies to any work, which by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.³ Examples include working at night, working in hazardous conditions or work that interferes with school education.

- c) **Adequate living wage:** It is prohibited to withhold an adequate living wage. The adequate living wage amounts to at least the minimum wage as laid down by the applicable law and is determined in accordance with the regulations of the place of employment.
- d) **Occupational Health and Safety:** Suppliers must not disregard the occupational safety and health obligations applicable under the law of the place of employment if this gives rise to the risk of accidents at work or work-related health hazards, in particular due to obviously insufficient safety standards in the provision and maintenance of the workplace, workstation and work equipment, the absence of appropriate protective measures to avoid exposure to chemical, physical or biological substances, the lack of measures to prevent excessive physical and mental fatigue, e.g. through inappropriate work organization in terms of working hours and rest breaks, or inadequate training and instructions of employees.
- e) **Non-discrimination:** Any discrimination⁴ in employment relating to, but not limited to, national and ethnic origin, social origin, health status, disability, sexual orientation, age, gender and gender identity, political opinion, religion or belief is prohibited, unless justified by specific requirements of the employment. Discrimination includes payment of unequal wages for work of equal value.
- f) **Freedom of assembly and association:** Within the applicable law, suppliers must respect the rights of employees with regard to freedom of assembly and association according to which employees are free to form or to join trade unions. The formation, joining and membership of a trade union must not be used as a reason for unjustified discrimination or retaliation. Furthermore, trade unions are free to operate in accordance with applicable law at the place of employment, which includes the right to strike and the right to collective bargaining.
- g) **Livelihoods:** Suppliers must not unlawfully evict persons or unlawfully take land, forests and waters in the acquisition, development or other use of land, forests and waters, the use of which secures the livelihood of a person.
- h) **Security providers:** When Suppliers hire or use private or public security forces to protect their enterprise's activities, the Suppliers need to take reasonable and effective measures⁵ to instruct and monitor the security providers to avoid torture and other cruel, inhumane or degrading treatment, damage of life or limb, or the impairment of the right to organize and of the freedom of association.

² ILO Convention 138 - Minimum Age Convention, Article 2(4), Article 4 – 8.

³ As defined in Art. 3 ILO Convention 182.

⁴ Discrimination is a situation in which persons are treated worse only or predominantly because of them being part of a specific group.

⁵ Measures can be oriented towards relevant guidance and models from the International Code of Conduct for Private Security Providers or the Voluntary Principles on Security and Human Rights.

- i) **Other human rights:** Suppliers also agree to not engage in any activity which is not expressly mentioned in this policy, but which evidently and severely violates human rights included in International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights.

2. Environmental Protection

In accordance with AbbVie's principles, Suppliers are expected to prevent, minimize or terminate environmental pollution of any of the following prohibitions:

- a) **Environmental damage:** Suppliers must ensure that they do not cause harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that negatively affect a person's health, their access to sanitation facilities, denies their access to safe and clean drinking water or significantly impairs the natural bases needed for the preservation and production of food. To define the harmfulness or excessiveness, the thresholds for permissible emissions established in the legislation of the country of production or – if not existent or if it is obviously inadequate – international standards apply.
- b) **Mercury, Persistent Organic Pollutants (POPs) & hazardous waste:** Suppliers must label, monitor and control their hazardous materials, chemicals and substances and ensure their safe handling, movement, storage, recycling and disposal. Applicable laws and regulations relating to hazardous materials, chemicals and substances must be strictly adhered to. Suppliers must adhere to the prohibitions and requirements of the Minamata Convention⁶, the Stockholm Convention⁷ and Basel Convention⁸ insofar as the LkSG refers to the applicability of certain articles of such conventions inclusive applicable EU regulations.

Due diligence obligations within the supply chain

1. Obligation to pass on requirements

Suppliers shall appropriately address the obligations in this Addendum or provisions equivalent to the elements defined under "Human Rights and Labor Practices" and "Environmental protection" of this Addendum along their own supply chain.

2. Obligation to report non-compliance situations

Suppliers agree to inform AbbVie without undue delay in case of non-compliance and violations with respect to any deliveries and/or services provided to AbbVie. This obligation also covers any substantial knowledge about non-compliance and violations throughout Suppliers' supply chain with respect to any deliveries and/ services provided to AbbVie.

3. Obligation to cooperate in ensuring compliance

Suppliers agree to implement sufficient and effective measures, which are suitable for the prevention and minimization of risks as laid down in this Addendum and/or suitable for the remedy in case of non-compliance and violations. Upon AbbVie's request, Suppliers agree to participate in a joint development and implementation of an action plan to end or – if this should not be possible – to minimize the non-compliance as part of the remedial action. AbbVie reserves the right to request Suppliers to undertake reasonable specific measures to prevent and end any state of non-compliance and to provide AbbVie with adequate information on these measures.

⁶ Minamata Convention on Mercury of October 10, 2013.

⁷ Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants.

⁸ Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal of 22 March 1989.

4. Information requests and audits

AbbVie may request documents and/or data/information and conduct audits regarding the business operations of Suppliers to the extent necessary to verify compliance with this Addendum. Suppliers agree to provide AbbVie with all documents and data/information or, alternatively, have such documents and data/information inspected, through which AbbVie can appropriately validate compliance of suppliers as part of AbbVie's obligations under the LkSG.

5. Suspension and termination rights

Regardless any other statutory or contractual remedies, AbbVie reserves the right to temporarily suspend any delivery or service in the event of violations of Suppliers' obligations under this Addendum. AbbVie is entitled to suspension until Suppliers have taken appropriate measures to mitigate any form of non-compliance and thus has significantly reduced the risk of a continuing or renewed non-conformity or has otherwise provided sufficient assurance of the fulfillment of their obligations. AbbVie shall give the supplier due notice of the suspension of the contractual relationship with an appropriate time in advance.

If it is intolerable for AbbVie to wait with the performance of delivery/services until remediation measures have been taken by a Supplier, e.g., due to the urgent nature of the delivery/service, AbbVie shall be entitled to declare its withdrawal from the contract or from the delivery/services concerned in each case and to procure the delivery/services concerned in each case from a third party without becoming liable to pay damages to a Supplier.

If a Supplier does not implement suitable preventive measures within a period determined between Supplier and AbbVie without the non-conformities and violations having been eliminated, AbbVie reserves the right to either withdraw from the contract after an unsuccessful expiry of the agreed period or to extraordinary termination without further notice.

6. Suppliers' liability

Suppliers shall be liable towards AbbVie for culpable violations of the above obligations.

7. Disclaimer

None of the above clauses creates third-party rights against AbbVie.