



CODE OF CONDUCT AND COMPLIANCE POLICY

MESSAGE FROM THE ADMINISTRATION

Dear Employees and Partners,

FHC Group is present in 4 continents in more than 65 countries, in all the value chain of the medicinal product. We seek daily to develop our activity in a competitive, effective and professional way, recognising that we deal with different realities, cultures and commercial and social circumstances.

We recognise and we demand from our partners and employees the need to conduct our activity in accordance with the highest ethical, social and environmental standards. At FHC Group, we believe that only a system based on high ethical standards allows ensuring fair competitive conditions, based on the creation of value and on the maximum satisfaction of the customers' interests. We recognise that fair, reliable and sustainable commercial relationships depend on a free, fair and transparent commercial system to which each one of us should contribute.

The companies that are part of the FHC Corporate Group, all their employees and partners, must actively contribute to the promotion of higher integrity in the commercial relationships and transactions, rejecting all practices that do not ensure the highest transparency or that indicate practices of corruption, including extortion, solicitation and bribery. We recognise and are increasingly aware of the need to provide a motivating, fair, safe, sustainable work environment that promotes equality, and we understand that the economic activity should be an instrument for promoting human rights, dignity and respect for the employees.

We recognise the importance of Rigour and Transparency in economic relationships and the need to maintain and demand Management Systems that allow us to rigorously demonstrate the reality of the performed transactions. Following the recommendations of the International Chamber of Commerce (ICC) and the example of its best commercial partners, FHC Group adopted and implemented a Code of Conduct and Compliance Policy with the aim of promoting high standards of integrity in commercial transactions and relationships between FHC Group companies, their employees, public bodies, business partners, suppliers, customers and other stakeholders.

The Code of Conduct and Compliance Policy adopted by FHC group include rules of a general nature that reflect the highest standards of good commercial, social and environmental practices. These rules seek to reproduce and must be interpreted in accordance with the international legal instruments on which they are based and other legal, local or regional instruments and conventions, in the territories where the companies of FHC Group develop their activities.

The foreseen rules are also reflected in commercial contracts, thus becoming a source of Compliance obligations between the parties. It is our strong conviction that our partners and employees also share our principles and values and recognise that the success depends on fair, free, transparent, reliable and sustainable commercial relationships to which each one of us must contribute.

The Board of Directors,

FHC GROUP IS ONE OF THE MOST RELEVANT BUSINESS GROUPS IN THE PHARMACEUTICAL SECTOR IN PORTUGAL, PRESENT THROUGHOUT THE VALUE CHAIN OF THE MEDICINAL PRODUCT WITH RECOGNISED VALENCES IN THE INDUSTRIAL AREA, DISTRIBUTION IN THE OUTPATIENT AND HOSPITAL MARKET, EXPORT AND INTERNATIONALISATION, R&D, AND PHARMACEUTICAL CONSULTANCY.

OUR CULTURE

We think long term. We resist to short-term trends in favour of making sustainable decisions.

Both our investments and our businesses have a long-term focus, for the lasting benefit of all stakeholders and, therefore, of the Group.

We believe that our culture and our people are differentiating elements that empower us to produce better results. We are highly ethical and always adhere to the highest standards of good practices and quality.

It is our culture that makes us a group of excellence and has allowed us to take on large projects with an increasingly high level of demand.

OUR VALUES

Trust - We promote and foster solid, reliable, respectful and credible relationships. We honour our commitments.

Ethics - We adopt a rigorous and irreproachable personal, professional and business conduct. We respect the assumed commitments. We promote the sustainable development of all people and activities, supported by a sustainable, transparent and proximity business model. We govern our personal and professional performance by high ethical standards.

Innovation - We have the ambition to do different and better. We promote continuous improvement. We challenge the limits, anticipate trends, reinvent ourselves and want to be the best in the entire value chain.

Courage - We assume the individual responsibility for our work and for our actions. We accept new challenges and step out of our comfort zone, even in adverse, uncertain and constantly changing contexts.

Agility - We act quickly when facing new needs, adversities or ambiguities. We recognise the changes in the area and act diligently in responding to requests, resolving issues and implementing new ideas. We are pragmatic, focused and seek to achieve solutions. We have strict quality standards and we continually strive to become better, more competitive and reach a level of excellence in everything we do.

CODE OF CONDUCT AND COMPLIANCE POLICY

The FHC Group companies establish high standards to perform their businesses in an ethical way and in compliance with the law. We expect the same commitment from our employees and business partners. These Standards of Conduct represent the basic principles that we consider in the conduction of our activities and in the selection of business partners.

We require our employees and encourage our partners to strictly comply with the ethical principles and the business practices relating to work and management systems.

We require our employees and encourage our partners to integrate the principles and values we uphold into their rules of conduct, to operate in full compliance with all applicable laws, rules and regulations and to integrate in their exercises, periodic risk assessments and continuous improvement measures.

ETHICAL BUSINESS PRACTICES

The rules regarding the Ethical Business Practices constitute mandatory Standard of Conduct for all employees of the FHC Group companies.

It is the responsibility of each business partner to determine how to comply with and demonstrate compliance with the principles and values of this Compliance Policy. When specified in contracts, these standards are binding between the parties and the companies of FHC Group must maintain audit and inspection rights to verify their compliance and conformity.

ARTICLE 1

FORBIDDEN PRACTICES

The following practices are strictly prohibited, at any time and in any form, with respect to:

- a local, national or international public servant,
- a political party, a party official or a candidate for a political office, and
- a director, responsible or employee of a Company, directly or indirectly, including through Third Parties:

a) Bribery, i.e. the donation, promise, offer, authorisation or acceptance of any undue pecuniary advantage or other advantage to, by or for any of the above listed persons or by any other person in order to obtain or retain a business or other undue advantage, e.g. in connection with public or private supply contracts award, regulatory authorisations, taxes, customs, judicial and legislative procedures. The bribery many times includes (i) return a part of the payment of a contract to the public servants or party officials or to employees of the other contracting party, their close relatives, friends or Business Partners or (ii) using intermediates as agents, subcontractors, consultants or other Third Parties, to channel payments to public servants or party officials, or to employees of the other contracting party, their relatives, friends or Business Partners.

b) Extortion or Solicitation, i.e., the demand for a bribe, whether or not combined with a threat if the request is refused. The companies, employees and partners of FHC Group must oppose any extortion or solicitation attempt and its employees are encouraged to communicate these attempts through the available formal or informal notification mechanisms.

c) Influence peddling, i.e. offering or soliciting an undue advantage with the aim of exercising, real or perceived, improper influence, with the purpose of obtaining an undue advantage from a public servant for the original instigator of the act or for any other person.

d) Laundering of the above mentioned illicit practices, that is, concealing or disguising the illicit origin, source, location, disposition, movement or possession of property, knowing that such property derives from a crime.

ARTICLE 2

THIRD PARTIES AND RELATED PARTIES

Third parties subject to control or that determine or influence, directly or indirectly, the activity of the companies of FHC Group, including but not limited to agents, business development consultants, commercial representatives, customs agents, general consultants, retailers, subcontractors, franchisees, lawyers, accountants or similar intermediaries, acting on behalf of the company in the context of marketing or sales, negotiation of contracts, obtaining licenses, visas or other authorisations, or any actions that benefit the company or as subcontractors in the supply chain are instructed and contractually bound not to engage in or tolerate any act of corruption. The company should not use them as vehicle for any practice of corruption. Their hiring and the use of their services must take place in compliance and appropriately for the regular conduct of the company's business and their remuneration must not exceed the adequate remuneration for their legitimate services.

ARTICLE 3

BUSINESS PARTNERS

Business Partners include (i) Third Parties and (ii) venture and consortium partners as well as contractors and suppliers.

FHC Group demands that all activities performed by our business partners on behalf of or on representation of any of the companies of the Group are in compliance with our policies.

The FHC Group's Standards of Conduct and Compliance Policy, or express reference to them, must be included in the established contractual bonds, requiring a firm commitment that the partner will not engage in any illegal or violating practice of the required ethical principles, allowing FHC Group to carry out the monitoring and inspection measures it deems necessary to verify compliance with these Rules, and may, in particular, request an audit of the Third Party's books and accounting records by an independent auditor.

FHC Group requires that any venture or consortium of which any of its companies are part implement the necessary measures to ensure that its venture partners or consortium accept a policy consistent with these Standards of Conduct and Compliance Policy.

FHC Group will take the measures within its power, and legally possible, to ensure that contractors and suppliers comply with these Standards of Conduct and Compliance Policy in the negotiations in which they participate and will prohibit or cause to cease any negotiations with third parties that are known or are reasonably suspected that they do not comply with the ethical principles required in the conduct of their business.

The companies of FHC Group must include in their contracts with Business Partners a provision that allows them to suspend or terminate the relationship unilaterally, in case there is a fear, in good faith, that a Business Partner has violated the law, the required ethical principles or these Standards of Conduct and Compliance Policy.

The companies of FHC Group must conduct and condition future commercial relationships to a risk assessment of the exposure, reputation and capacity of their Business Partners to comply with the required ethical principles and the present Standards of Conduct and Compliance Policy.

ARTICLE 4

POLITICAL AND PHILANTHROPIC CONTRIBUTIONS AND SPONSORSHIPS

It is against FHC Group's policy to make contributions to political parties, party officials and candidates.

FHC Group follows strict eligibility criteria to ensure that philanthropic contributions and sponsorships are legitimate and aim to effectively promote the advertised activities. Philanthropic contributions and sponsorships will always be transparent, public and in accordance with applicable law.

FHC Group adopts the necessary criteria and procedures to ensure that inappropriate philanthropic and political contributions are not made, namely by reviewing and evaluating all contributions to organisations in which people with influence in decision-making may be involved that may affect or condition the regular conduct of the businesses in which it participates.

ARTICLE 5

GIFTS AND HOSPITALITY

The offer or receipt of gifts and hospitality by companies or employees from FHC Group is always subject to previous approval from the management, with the purpose of ensuring that such benefits:

- a) comply with the national law and the applicable international instruments;
- b) are limited to reasonable and good-faith expenses;
- c) do not unduly affect or could be seen to unduly affect the recipient's independence of judgement regarding the donor;
- d) are not contrary to the known provisions of the code of conduct of the recipient; and
- e) do not represent an inadequate or superior advantage or benefit to the hospitality that is intended to be offered in accordance with the normal hospitality circumstances.

ARTICLE 6

FACILITATING PAYMENTS

Facilitating payments are small informal, inappropriate payments made to an official to ensure or expedite the performance of a routine or necessary action to which the facilitating payment payer is legally entitled.

Facilitating payments are prohibited under these Standards of Conduct and Compliance Policy, except when the health, freedom, including of movement or safety of FHC Group employees is at risk and cannot be resolved in any other way, namely through intervention by the competent authorities or by a hierarchical superior of the employee demanding the payment.

When a facilitating payment is made under such circumstances, it must be promptly reported and faithfully recorded in the books and accounting records of the FHC Group companies.

ARTICLE 7

CONFLICTS OF INTEREST

FHC Group must assess and avoid situations of conflicts of interest, when the particular interests of an individual, be it an employee, partner or third party in relation to FHC Group, or that of their close relatives, friends or business contacts are different from the interests of the Group or the organisation to which the individual belongs, in a way that could affect that individual's judgement and performance in carrying out his or her duties and responsibilities.

FHC Group and Business Partners must monitor, evaluate and prevent real or potential conflicts of interest, of their directors, officers, employees and agents and must not take advantage of conflicts of interest that affect other individuals.

FHC Group and its Business Partners must not hire former public servants before a period considered reasonable after they have left their position, if their planned activity or employment is directly related to the functions performed or supervised during their stay, ensuring, always and in any case, compliance with the law and the restrictions imposed by the applicable legislation.

ARTICLE 8

HUMAN RESOURCES

FHC Group integrates and motivates its business partners to regularly monitor and assess the exposure of their employees in areas that are particularly subject to a high risk of practices contrary to the required ethical principles.

Employees should receive regular and periodic training about Standards of Conduct and Compliance Policy and be regularly assessed regarding the compliance with the required ethical principles.

The rotation of employees particularly exposed to risks of conduct should be assessed and considered acceptable, as an adequate measure to the risk prevention, considering the concrete circumstances.

FAIR AND SAFE LABOUR PRACTICES

ARTICLE 9 BASIC PRINCIPLES

FHC Group practices and demands from its commercial partners the strict and intransigent defence of human rights, dignity and respect for employees.

FHC Group guarantees and demands that its business partners must not use any form of forced or involuntary labour, including prison labour or slave labour, nor engage in or support any form of slavery or human trafficking.

All work must be voluntary and employees must be free to leave or terminate employment at any time.

No unreasonable restrictions on employees' freedom of movement must be imposed.

The use of any type of child labour is prohibited. Employment of young employees under the age of 18 will only be permitted for non-hazardous work and if the individual is older than the legal working age or established age for completing compulsory education in a country.

Business partners should only use recruiters (agencies) which comply with local employment laws. Partners and recruiters acting on their behalf must not withhold or prevent an employee from accessing their identification or immigration documents, such as passports, work permits or driving licenses, or charge employees recruitment or placement fees, or require employees to make deposits or participate in savings programs (unless legally required).

FHC Group does not use or allow its business partners to use misleading or fraudulent recruitment practices. Employees must be correctly and timely informed about the main terms and conditions of their employment, namely through the conclusion of an employment contract in written form, including wages and benefits, the place and hours of work and the functions to be performed, in their native language, including all minimum information required by law.

FHC Group guarantees and requires its business partners to provide a workplace free of aggressive and inhumane treatment, including any sexual harassment, sexual abuse, physical punishment, physical or mental coercion or verbal abuse of employees.

Discrimination on any grounds such as race, colour, gender, age, religion, nationality, ancestry, ethnicity, disability, sexual orientation, gender identity, gender expression, genetic information, citizenship status, marital status, military condition or status or any other characteristic protected by the applicable law will not be tolerated.

FHC Group adopts and encourages its business partners to adopt Workplace Harassment Prevention Codes.

ARTICLE 10 WORK COMPENSATION

FHC Group guarantees and requires its Business partners to pay employees in accordance with applicable wage laws, including minimum wages, overtime and mandatory benefits. All employees must be informed, in a clear and timely manner, about how they are remunerated, working hours, whether overtime hours may be required and the wages to be paid for such overtime hours.

ARTICLE 11

RIGHTS OF ASSOCIATION

FHC Group and business partners must respect the rights of the employees provided for in the applicable legislation, including the rights to freely associate, join or not trade unions, obtain representation and be part of works' councils and must guarantee that the employees must be able to communicate openly with management regarding working conditions, without threats of reprisals, intimidation or harassment.

ARTICLE 12

PERSONAL DATA PROTECTION

FHC Group respects the privacy and protection of its employees' individual data and takes the necessary and appropriate measures to ensure that information about people is used, treated and stored properly, exclusively for the necessary purposes previously communicated and authorised, preventing against misuse likely to cause harm to individuals, such as discrimination, stigmatisation or other damage to reputation and personal dignity, impact on physical integrity, fraud, financial loss or identity theft.

ARTICLE 13

SAFETY AND RISK PREVENTION

FHC Group permanently performs preventive and corrective maintenance interventions that guarantee safe and modern workplaces, with unequivocal health and well-being conditions for all, regardless of their social status, ethnicity, gender, age, religion, sexual orientation, marital status, political orientation, handicap or disability.

Considering that maintaining a high and demanding standard of work safety is a collective responsibility, we frequently promote risk assessments for all workplaces, we survey all employees several times a year and ensure a thorough check of safety standards for all our external partners whose work takes place at our facilities.

Promoting the safety, health and well-being of our employees and partners is our priority.

FHC Group and business partners must protect employees from exposure to chemical, biological and physical risks and physically demanding tasks in the workplace and in any circumstances in which they are working for the company.

The necessary programs and measures to prevent or mitigate occupational risks and incidents associated with operations and processes, as well as emergency plans and response procedures in accordance with adequate and regular risk assessments must be implemented.

Safety information related to hazardous materials, including pharmaceutical compounds and pharmaceutical intermediate materials, must be available to educate, train and protect employees from hazards.

ARTICLE 14

PREVENTION AND GUARANTEES

FHC Group integrates and motivates its business partners to incorporate internal procedures in order to guarantee that:

- a) human resources practices, including recruitment, promotion, training, performance assessment, compensation, recognition and general business ethics, are consistent with and reflect these Standards of Conduct and Compliance Policy;
- b) no employee will suffer retaliation or disciplinary or discriminatory action for reporting, in good faith, serious violations or suspected violations of these Standards of Conduct or applicable law or for refusing to engage in illegal practices;
- c) employees exposed or assigned to areas that are particularly subject to a high risk of practices contrary to the required ethical principles receive adequate and regular training to prevent and avoid any practice that violates these Standards of Conduct and Compliance Policy.

ARTICLE 15

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

FHC Group faces environmental and social challenges seriously and is committed to internally promote procedures aimed at achieving a significant reduction in the impacts resulting from its activity.

We believe that the balance between business management, the environment and the social component is the answer to achieving sustainability in its fullness.

In response to the aforementioned challenges, FHC Group has, in progress or in the process of starting, a series of initiatives/projects that allow to:

- Prioritise the reuse of materials;
- Foster the foundations of a circular economy, sending as much waste as possible to recycling processes;
- Significantly reduce dependence on fossil fuels;
- Promote the elimination of all tasks with a high potential for creating waste;
- Promote the reuse of water for purposes not dedicated to human consumption;
- Efficient use of energy. "Spend energy well" is based on the elimination of all waste, which will only be possible with close monitoring on a day-by-day basis;
- Prioritise the selection of materials with incorporated recycled material;
- Maintain and expand international certification levels;
- Integrate responsible business organisations;

- Support non-profit organisations of undeniable public interest;
- Regularly promote activities of a civic and environmental protection nature, which allow us to reinforce in our community the importance of preserving our territory.

Environmental challenges are global and, therefore, we favour suppliers with the best environmental practices and that hold international certifications for protecting the environment.

Likewise, FHC Group will use its ability to influence in order to encourage all its partners to adopt a proactive social posture and to the extent of each one's possibilities.

We place in all our partners the demand that we promote ourselves, believing this way that it is on the basis of example and action that we will achieve true sustainability.

RIGOROUS AND TRANSPARENT MANAGEMENT SYSTEMS

ARTICLE 16 RECORD AND PROCESSING OF INFORMATION

FHC Group has adopted and maintains internal policies and good practice procedures in order to ensure that its management has an adequate control of relationships with Third Parties and, in particular, keeps a record of names, terms of involvement and payments to Third Parties made by companies of FHC Group, related to transactions with public bodies and state or private companies. This record is available for inspection by auditors and duly authorised government authorities under conditions of confidentiality.

FHC Group and its business partners must implement internal procedures to ensure that:

- a) all financial transactions are properly identified and correctly and reasonably recorded in the appropriate books and accounting records are available for inspection by its Management or other body with ultimate responsibility for the Company, as well as by auditors;
- b) there are no unlawful or secret accounts and documents that do not correctly and accurately record the transactions to which they relate must not be issued;
- c) there is no record of non-existent expenses or responsibilities with incorrect identification of their objects or unusual transactions that do not have a legitimate purpose;
- d) cash payments or payments in kind are monitored to avoid being used as a substitute for illicit practices, and only small cash payments should be authorised or in countries or locations where there is no banking system in operation;
- e) no accounting or other relevant documents shall be intentionally destroyed before the time stipulated by law;
- f) independent audit systems are in place, either through internal or external audits, designed to reveal any transactions that violate these Rules or applicable accounting rules and that predict an adequate corrective action if the case arises;
- g) all provisions of applicable tax legislation and regulations are complied with, including those that prohibit the deduction of any form of illicit or undocumented payments from taxable income.

ARTICLE 17

ASSESSMENT AND MONITORING OF COMPLIANCE OF SYSTEMS AND RECORDS

FHC Group and its business partners must apply the principles described in this document when selecting their own partners and suppliers, implementing adequate systems to monitor the compliance of their suppliers and subcontractors.

FHC Group and business partners must have a training program that provides management and employees with the knowledge and skills necessary to meet the expectations established in this document.

FHC Group and business partners must implement continuous improvement measures, defining performance objectives, executing implementation plans and taking the necessary corrective actions to solve the deficiencies identified in internal and/or external evaluations, as well as in inspections or evaluations determined by management.

ARTICLE 18

IMPLEMENTATION, SUPERVISION AND CONTROL MEASURES

The FHC Group's Standards of Conduct and Compliance Policy are based on the results of an assessment and identification of risks and on the adoption and integration of best practices in the sector, with the aim of preventing and detecting illegal practices and promoting a culture of integrity in the company and with its business partners.

The FHC Group's Standards of Conduct and Compliance Policy are mandatory for all partners, administrators, directors, officers, employees, commercial partners and third parties and apply to all its national and foreign controlled subsidiaries.

FHC Group periodically appoints one or more duly qualified officers, who report directly to Management, to supervise and coordinate these Standards of Conduct and Compliance Policy, to carry out periodic risk assessments and independent reviews of compliance and to recommend and implement corrective measures, if necessary, guaranteeing them authority and independence and an adequate level of resources to perform their mission.

FHC Group and business partners must ensure the effective dissemination and internal and external communication of its Standards of Conduct and Compliance Policy, as well as the mandatory nature of its compliance by all employees, business partners and third parties.

Business ethics skills must be considered as measurable objectives and indicators must be created to measure compliance with established goals.

ARTICLE 19

COMPLAINTS

FHC Group adopts, discloses and maintains an adequate channel to report, with complete confidentiality, any violations or serious suspicions of violations of the Standards of Conduct and Compliance Policy through the following address compliance.fhc@fhc.pt

For employees and business partners, the duty to communicate is mandatory, ensuring that the complaint is handled without fear of retaliation or discriminatory or disciplinary action.

The communication can be made in an identified or anonymous way and all reports must be investigated.

FHC Group and business partners must take the necessary and appropriate measures to deal with the communicated or detected situations, adopting the corrective actions and disciplinary measures that prove necessary to prevent risks and ensure compliance with the Standards of Conduct and Compliance Policy.



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