

# Code of Conduct

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## 1. INTRODUCTION

As one of the leading pharmaceutical traders in Europe, the PHOENIX group makes a major contribution to healthcare and enjoys the full confidence of its business partners. This positive reputation is the foundation of our success and the result of years of work by all of our employees<sup>1</sup>. The personal attitude that is reflected in the daily conduct of each employee and the way in which the company is led are therefore of key significance.

PHOENIX complies with applicable laws as well with the relevant employment laws and regulations in all countries. PHOENIX respects the principles of freedom of expression, the right to information, the independence of media, as well as the protection of privacy. The Code of Conduct sets the standards for all employees working in any company within the PHOENIX group.

It also provides our employees with the framework for a positive and ethical work environment.

It may sometimes seem difficult to do the right thing for a number of reasons. Nonetheless, it is mandatory for all employees to comply with the Code of Conduct. This ensures that the PHOENIX group will continue to enjoy the respect of all its stakeholders.

### ***Definitions***

Unless the context indicates otherwise, the following terms used in the Code of Conduct are defined as follows:

**PHOENIX or PHOENIX group:** PHOENIX Pharmahandel GmbH & Co KG and any of its direct and indirect subsidiaries.

**Employees:** Executive Board members, directors, managers, and employees of the PHOENIX group.

### ***Which rules of conduct apply to PHOENIX group employees?***

All employees, regardless of their position in the company, are required to follow the Code of Conduct and to ensure that the employees that report to them also do so. PHOENIX guarantees that its employees are informed of the content and significance of this Code of Conduct, as well as all laws and internal regulations that apply to their area of responsibility.

In line with the management guidelines of the PHOENIX group, which define the principles of good management and cooperation, our managers should act as role models with regard to the application of the Code of Conduct in their day-to-day business.

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<sup>1</sup> The term employee is used as a generic term and refers to both female and male employees.

All employees are expected to carry out their responsibilities in a professional manner that protects the image and reputation of PHOENIX. They should always treat customers, suppliers, and fellow employees with respect and honesty. Activities that could lead to any unlawful practice, might harm the reputation of PHOENIX, or cause a potential conflict of interest must be avoided.

All employees are expected to ensure that their behaviour and the opinions they express in public, both in their professional and private life, do not harm the reputation of PHOENIX. When expressing opinions in private, no reference should be made to the employee's own role or work within the company.

The Code of Conduct cannot cover all issues. However, a few simple questions can help to evaluate a situation:

- Is it legal and ethical?
- Can I explain it to my family and friends?
- What impression would be conveyed if it appeared in a newspaper?

Furthermore, common sense must always be applied.

If an employee is unsure about how a specific situation should be assessed, additional advice is to be sought from the employee's manager, the Country Management at the employee's site, the compliance organisation responsible for the employee's country, or the PHOENIX group Compliance Manager, before taking any further steps.

All employees are expected to raise any concerns regarding any misconduct or breach of the Code of Conduct.

If the Code of Conduct is violated, this may have serious consequences for the employee, including termination of employment. The same applies to employees who threaten or engage in retaliation against any of their colleagues who report a suspected violation of law or the Code of Conduct.

## **2. GOOD DISTRIBUTION PRACTICE**

PHOENIX is committed to ensuring high quality standards in the trade of pharmaceutical products. All countries comply with the principles and guidelines of good distribution practice (GDP) as published by the European Commission and all local relevant legislation. PHOENIX group countries must have appropriate quality systems in order to ensure that medicinal products are stored, handled, and distributed in accordance with relevant legislation.

### **3. PHOENIX CUSTOMERS, SUPPLIERS, AND COMPETITORS**

#### **3.1 Fair competition, anti-corruption, and bribery**

To ensure fair competition, only lawful means should be used. The PHOENIX group and its countries comply with local competition laws and regulations. All employees are obligated to observe these laws and regulations.

Employees must not make incorrect statements about competitors or express themselves derogatorily in public about the activities, products, or services of a competitor. Furthermore, it is prohibited to steal or abuse competitors' business secrets.

All information gathered about competitors should come from legitimate and public sources only (e.g. websites, seminar materials, IMS). Information about competitors should also contain a reference to the source.

PHOENIX is committed to the prevention, deterrence, and disclosure of illegally gained assets and all other corrupt business practices, for example, fictitious transactions, etc.

It is acceptable to give and receive gifts or entertainment, if they are occasional, customary, and appropriate for a business relationship, and do not exceed the set value limits. Additional regulations with regard to dealing with gifts and other incentives, such as travel, accommodation, entertainment, hospitality, and sponsoring, as well as value limits, can be found in the PHOENIX group Anti-Corruption and Bribery Policy.

#### **3.2 Conflicts of interest**

Employees must always act in the best interests of PHOENIX and are not permitted to try to gain a personal advantage through the business operations of PHOENIX. In order to eliminate conflicts of interest, employees are prohibited from holding a significant share in the companies of suppliers, customers, or competitors.

A conflict of interest arises if employees have personal, financial, or other relevant interests that could lead to decisions or business transactions that are not in line with the interests of the PHOENIX group, or in situations where employees use their positions in the group for personal gains.

Before a business opportunity may materialise, all potential conflicts of interest must be disclosed and resolved.

### **3.3 Four eyes principle**

Legally binding commitments, such as significant agreements with third parties and employment contracts, which are taken out in the company's name, may not be signed by one person alone. Agreements must be made in writing and always signed by two authorised people.

## **4. Behaviour at the workplace**

### **4.1 Cooperation with representatives**

PHOENIX is constructively developing cooperation with employees' and trade union representatives and is working towards a fair balance of interests. The objective is to preserve long-term workable cooperation that is constructive, even in contentious disputes.

### **4.2 Equal opportunities**

PHOENIX respects the principles of equal opportunity and mutual respect among all employees. Every employee receives the same treatment and the same opportunities at all stages of the employment relationship, regardless of gender, age, religion, race, colour, sexual orientation, ethnic or national origin, or disability.

### **4.3 Zero tolerance of harassment or violence**

All employees are expected to treat one another with respect. Any form of harassment, such as offensive remarks, unwelcome sexual advances, and other verbal, graphic, or physical conduct that creates an intimidating, hostile, or offensive working environment, is unacceptable at PHOENIX. Fellow employees, customers, suppliers, contract and temporary personnel, and any other individual associated with the company should at all times be treated with dignity and respect. Verbal or physical violence is not tolerated.

### **4.4 Health and safety**

PHOENIX protects the health and safety of all employees, visitors, and others affected by our operations. All countries must comply with local laws and regulations concerning environment, health, and safety at the workplace. Healthy and safe operations serve to prevent illness and injury as well as promote well-being at the workplace.

All employees should be adequately trained in the relevant environmental, health, and safety laws, regulations, and policies for the workplace. All countries are required to engage in activities to improve health and safety at the workplace.

#### **4.5 Alcohol and drugs**

It is prohibited to use drugs and alcohol at work. Any misuse of drugs, alcohol, or medication may affect the safety and well-being of PHOENIX employees or business partners, harm the reputation of PHOENIX, or adversely affect the business operations of PHOENIX. The moderate use of alcohol is allowed on special occasions (e.g. festivities) if it is specifically authorised in advance by the management of the countries.

### **5. Handling of information**

#### **5.1 Data protection**

PHOENIX does not collect, use, process, or store personal data without a legitimate business purpose for doing so.

If any type of personal data (name, home address, etc.) is collected for a specifically defined purpose, it has to be protected. Local laws and regulations concerning the protection of personal data must be observed.

#### **5.2 Company assets and confidential information**

The physical and intangible assets of PHOENIX as well as its confidential information should be used exclusively to achieve PHOENIX corporate targets and must always be protected. Any use of confidential information concerning PHOENIX in other business or personal activities is forbidden. All company assets have to be returned to PHOENIX on cessation of employment. The obligation to protect confidential information relating to PHOENIX continues even after an employee leaves the company.

Employees must never disclose confidential information to a third party outside PHOENIX without prior permission of the Executive Board or the conclusion of a confidentiality or non-disclosure agreement with the third party. A confidentiality agreement has to be concluded with all outside parties that may receive confidential information when dealing with PHOENIX. This applies to consultants, financial institutions, and outside lawyers, as well as PR and advertising agencies, among others. Agreement templates are available from the legal department. Employees should never discuss confidential information in public areas, on the Internet (e.g. on Facebook), or in any other place that allows third parties to obtain this information unnoticed.

Confidential information is any information that is not publicly available and is of value to PHOENIX. This may be written, electronic, or in any other form. Examples of confidential information include:

- Details of business relationships and contracts of PHOENIX
- Sales figures and other types of financial information
- Marketing plans and strategies
- Customer, employee, and patient records
- Supplier lists
- Organisation charts
- Regulatory data
- Supplier sales data
- Detailed site security information
- Contact lists, telephone directories

### **5.3 Protecting intellectual property**

PHOENIX respects and protects the rights to intellectual property such as copyrights, patents, and trademarks and expects its own rights to be treated in the same way. Inventions that are created as a result of work and during employment at PHOENIX belong to the company. Legal provisions must be observed.

### **5.4 E-mail, computers, and network security**

In the context of legal provisions, electronic communication via PHOENIX IT systems is not deemed to be private. PHOENIX IT systems should be used for private purposes to a very limited extent only and in line with appropriate IT safety standards.

Employees are not allowed to download or distribute any type of offensive communication or content via IT and communication systems provided by PHOENIX (e.g. smartphones). This includes, for example, pornographic, obscene, vulgar, politically radical, criminal, or otherwise discriminatory or aggravating content. Furthermore, the use of untrusted websites is prohibited. Employees should contact the local IT department if in doubt. In addition, the unauthorised distribution of copyrighted or licensed material, such as computer software, is forbidden. Furthermore, chain letters or petitions should not be sent without express authorisation.

It is important to always carefully protect data used to access PHOENIX networks, such as user names and passwords, security codes, and building access codes. Devices owned by PHOENIX, such as laptops and mobile phones, must not be lent to anyone outside PHOENIX. Any potential security incidents relating to e-mail, computer, or network security should be reported to the local IT department. Local IT guidelines must be observed.



## **6. COMMUNITIES AND THE PUBLIC**

### **6.1 Environmental protection**

PHOENIX is committed to managing and developing its business in a sustainable manner. Moreover, PHOENIX is dedicated to responsible environmental practices. These principles are emphasised at all levels of responsibility within the PHOENIX group.

It is important to comply with all relevant environmental laws and regulations. Responsible environmental practices should be integral to all business processes, planning, and decision-making. All employees are expected to carry out tasks in the course of their day-to-day business in an environmentally responsible manner.

### **6.2 External communication**

Targeted external communication is part of our business strategy. It is particularly important for our reputation that any information issued by PHOENIX is accurate, consistent, and timely.

The Country Management or country's Communications Manager must immediately report any events that may harm the reputation of the PHOENIX group to Group Communications. All countries are expected to have a crisis communications plan that is updated on a continuous basis.

Only the PHOENIX group CEO, the PHOENIX group Communications Director, or their designated representatives may communicate information about operating results, the profitability of business activities, or company guidelines. All countries are required to ensure similar practices for local communication.

If an employee is asked questions by the media or other external organisations, these should immediately be forwarded to the communications department of the country's business unit or the country's corporate communications department. This includes requests for interviews or other types of media enquiries (TV/radio, newspapers, magazines, local/national and trade media, as well as Internet sites).

External lecture engagements require prior approval by Country Management. Any media request about the PHOENIX group corporate strategy, group-wide policies, or financial information should be referred to Group Communications: [group.communications@phoenixgroup.eu](mailto:group.communications@phoenixgroup.eu).

### **6.3 Social media practices**

Employees are not permitted to make negative statements about colleagues, business partners, or stakeholders on social media websites. Social media websites include platforms such as Facebook, Twitter, YouTube, Wikipedia, or blogs.

It is also prohibited to make comments that deliberately damage the business or its reputation. These include: threats and insults, disrespectful material (e.g. photos), falsehoods, and statements that seriously harm the company and make further cooperation unacceptable.

## **7. HOW TO REPORT A VIOLATION OF THE CODE OF CONDUCT**

PHOENIX will treat each report of a violation confidentially and ensure that the employee raising the concern does not face any disadvantages. Each report will be investigated in detail. As long as the employee raising a concern acts in good faith, this employee will not suffer any negative consequences in the event that he or she is mistaken. Any type of negative remark towards employees who have raised concerns is treated as a serious breach of the Code of Conduct. If an employee is involved in violating the Code of Conduct, the timely raising of a concern and assistance in providing full clarification and limiting the damage may lessen the legal consequences.

Generally, concerns should be addressed to the Compliance Manager in charge of the relevant countries. However, employees may contact the PHOENIX group Compliance Manager directly if they feel uncomfortable bringing issues forward at their country level. Messages to the PHOENIX group Compliance Manager may be submitted directly, confidentially, and/or anonymously by e-mail to [compliance@phoenixgroup.eu](mailto:compliance@phoenixgroup.eu) or by post to:

Confidential  
PHOENIX Pharmahandel GmbH & Co KG  
Group Compliance Manager  
Pfingstweidstrasse 10–12  
68199 Mannheim, Germany

The Group Compliance Manager can also be reached at +49 621 8505 8519.