

COMPANY
POLICY

VIFOR PHARMA GROUP

MODERN SLAVERY STATEMENT

COMPANY POLICY

Introduction

This statement is made on behalf of the Vifor Pharma Group of companies, including but not limited to, Vifor Pharma UK Limited and Vifor Fresenius Medical Care Renal Pharma UK Ltd.

At Vifor Pharma Group, we recognise our responsibility as a global pharmaceutical company and employer and are committed to fight modern slavery in all its various forms and to ensure that all necessary steps are taken that slavery and human trafficking is neither occurring in our supply chain nor anywhere in our worldwide organisation. We have implemented guidelines and processes to educate and sensitise our employees and suppliers to this important topic to ensure that they uphold the principles in this statement. Our employees are encouraged to report any incident relating to modern slavery so that appropriate remedies can be taken.

This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and outlines the steps we have taken during the financial year 2016 and our ongoing planned efforts to ensure that modern slavery is not occurring in our supply chains or our organisation.

Vifor Pharma Group's Organisation and Business Operations

Vifor Pharma Group is a fully integrated specialty pharmaceutical company headquartered in Zurich, Switzerland. We operate across three franchises: iron, infectious diseases and nephrology. Active in over 100 countries, Vifor Pharma Group researches, develops, manufactures and markets pharmaceutical products worldwide. We have manufacturing sites in Switzerland and Portugal, plus a network of affiliates and partners offering broad market coverage all over the world.

Vifor Pharma Group's Supply Chain

Our supply chain is centrally organised and operated from our manufacturing sites in St. Gallen and Geneva, Switzerland, with support from our local affiliates and partners.

Vifor Pharma Group sources the raw material for manufacturing the active pharmaceutical ingredient for our products from different countries all over the world. More specifically for each franchise:

1. as a world leader in iron therapy, we source the necessary iron(III) chloride from different suppliers located in Europe. The active pharmaceutical ingredient is manufactured in Switzerland and subsequently shipped to our contract manufacturers in Europe and Turkey for the manufacturing of the finished product;

2. for our infectious disease franchise, we source the raw materials mainly from suppliers located in Europe. The finished product is manufactured in Geneva, Switzerland but also in other manufacturing sites in and outside Europe; and
3. with respect to our nephrology franchise, depending on the product, the raw materials are sourced either mainly from suppliers located in Europe and Japan or from suppliers located in the United States, China or India. Depending on the product, the active pharmaceutical ingredient is then manufactured either in Switzerland or Germany and Austria and the finished product by our contract manufacturers in Europe and North America.

For all franchises, the finished products are then distributed either by our warehouses located in St. Gallen and Geneva, Switzerland, or warehouses operated by contract manufacturers or third party logistic providers to our affiliates and partners worldwide.

Vifor Pharma Group's Industrial Operations team is mainly responsible for managing and monitoring the whole supply chain, from sourcing the raw materials to the distribution of the finished products to our affiliates and partners. For certain products and/or countries, our Global Business Operations team is responsible for supply chain activities relating to the distribution of the products.

Vifor Pharma Group's Policies and Actions on Preventing Modern Slavery

Vifor Pharma Group adheres to the principles and rules of the Code of Business Conduct and Ethics of Vifor Pharma Group. These principles and rules oblige all employees of the Vifor Pharma Group to always comply with the law and the highest ethical standards. This not only includes the rules relating to the promotion of pharmaceutical products, but also all applicable laws and regulations on environment, health, safety and labour.

When entering into a business relationship, Vifor Pharma Group's internal rules and regulations require a thorough due diligence process based on a risk-based approach, taking into account, for example, the domicile country of the potential partner and the type of service to be provided for the Vifor Pharma Group. For example, we recognise that some countries within our supply chain and certain parts of it pose a higher risk of modern slavery than others and we ensure that the appropriate further due diligence is undertaken accordingly. If a supplier passes the due diligence, we enter into an agreement obliging the supplier to adhere to all applicable laws and regulations and giving us the right to audit the supplier for their compliance.

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In addition, we have a group wide Supplier Code of Conduct which is binding upon our suppliers and which requires our suppliers to adhere to applicable labour laws and regulations.

Our Staff

Vifor Pharma Group advocates freedom of employment, which means all work should be done voluntarily. No employee should be forced to work against their will through coercion, mortgages, unreasonable contracts or curbs on their freedom. Vifor Pharma Group does not use child or forced labour and we do not tolerate working conditions or forms of treatment that violate national and/or international laws and customs. Every manufacturing site has its own written policy to make sure that all relevant local regulations and labour standards at the manufacturing site are adhered to.

If employees of Vifor Pharma Group learn about events of modern slavery either within the Vifor Pharma Group or in their interaction with affiliates and partners, they are encouraged to immediately report such events so that appropriate investigations and actions can be taken. In the event that our investigations show that any form of modern slavery indeed has happened, or still happens within our supply chain, we immediately require our suppliers to take the necessary steps to eliminate modern slavery from its organisation. Depending on the importance of the supplier and the seriousness of the supplier's violations, Vifor Pharma Group may also terminate the business relationship.

Next Steps

Currently, we are revising our Supplier Code of Conduct for the entire Vifor Pharma Group to further stress the importance of preventing modern slavery. In particular, the Supplier Code of Conduct will be amended to include a dedicated section on modern slavery, obliging suppliers to address this issue in their organisation and supply chain. In addition, we plan to include further warranties in our supply agreements that require our suppliers to confirm that they have taken the necessary steps to prevent modern slavery in their organisation and supply chain.

Additionally, Vifor Pharma Group is planning to introduce a whistleblower hotline that allows employees to report irregularities, including irregularities relating to modern slavery, through a helpline. The whistleblower hotline shall be implemented by the end of 2017.

Furthermore, Vifor Pharma Group through its Learning Management System plans to include a dedicated section on modern slavery to train employees in this area. All employees of Vifor Pharma Group must take this training, which ensures that the awareness of the problems associated with modern slavery is further raised.

Vifor Pharma Group has a zero tolerance approach when it comes to modern slavery and human rights violations. We have implemented, and will continue to monitor the steps we take currently and further improve and develop effective and efficient processes and policies ensuring that modern slavery does not occur within our organisation or our supply chain and that human rights are always respected, no matter where in the world we are doing business.

Stefan Schulze

Chief Operating Officer
Signed on behalf of Vifor Pharma Group
Glattbrugg, June 2017