

Policy statement on human rights

The PHOENIX group is the European leader in pharmaceutical wholesale, pharmacy retail, and services for the pharmaceutical industry. With a presence in 29 healthcare markets, the company offers unique geographical coverage throughout Europe, making a vital contribution to comprehensive healthcare with more than 45,000 employees.

Furthermore, we embrace our responsibility as part of civil society and aim to make a positive contribution to the protection and promotion of human rights and the well-being of people in our workplace, business operations and supply chain.

Our commitment to human rights

The PHOENIX group is committed to respecting human rights. In doing so, we are guided by internationally agreed standards such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Fundamental Principles of the International Labor Organization.

We ensure fair employment conditions, occupational health and safety, and compliance with applicable labor laws, and respect the right to form employee representative bodies. We actively oppose modern slavery and human trafficking, including forced and child labor, as well as any form of discrimination. Respect for human rights is an ethical obligation, a basic prerequisite for any cooperation.

This policy statement supplements the PHOENIX group Code of Conduct and applies to all employees and subsidiaries throughout Europe. We expect every employee to respect human rights.

As a participant in global value chains, we demand and expect everyone with whom we do business to also comply with applicable laws and human rights conventions as well as environmental protection standards in accordance with national and international laws. We expect our partners to pass on our commitment to respecting human rights to their business partners.

Risk analysis

In 2022, we started to set up an effective risk management system to identify, prevent, minimise or end human rights or environmental risks and potential violations both in our own business units and in the supply chain. At the core of risk management is our compliance business partner due diligence process, which is established throughout Europe and which we have expanded to adequately meet our due diligence obligations. Risk classification is carried out in a multi-stage software-supported process using various public databases, e.g. country risk assessments. In addition, direct business partners with existing relationships will be reviewed at least once a year, as well as on an ad hoc basis

upon substantiated knowledge of possible violations on human rights. The latter also applies to indirect business partners.

Our risk analyses have identified the following human rights fields of action that could potentially be relevant along our value chain:

- Discrimination and equal opportunities
- Safe and healthy working conditions
- Freedom of association and assembly
- Child labor
- Modern slavery and forced labor
- Fair working conditions including adequate working hours and remuneration
- People with a migration background

Preventive measures

Based on the risk analyses carried out, appropriate preventive and remedial measures are derived, such as sending self-assessment questionnaires to business partners. Our Code of Conduct also supports the integration of human rights due diligence in our day-to-day business. It is our duty to raise awareness of human rights issues among our employees and encourage them to work towards respecting human rights. Constant information and training are part of this. We will continue to communicate this policy statement and raise awareness and inform our employees and partners. Likewise, relevant departments regularly receive special training sessions on human rights.

Complaint mechanisms and remedial actions

Despite our due diligence processes, we are aware that violations can occur. Employees and external stakeholders can report human rights risks or violations confidentially via our external web-based whistleblower system (<https://phoenixgroup.integrityplatform.org/>) anonymously if desired. This channel is open to everyone, regardless of the existence or nature of the contractual or commercial relationship with our company. We follow up on reports received consistently and throughout the Group according to uniform criteria. PHOENIX will treat every report confidentially and ensure that both employees and external stakeholders who report a possible violation do not experience any disadvantages. If violations are reported and confirmed, we will take appropriate remedial action.

Continuous Process

In order to achieve a gradual increase in the transparency of our supply chain, all elements of the due diligence process are regularly reviewed for their effectiveness. Similarly, findings from the complaints tool are incorporated into the optimization of risk management. We are aware that, as a trader, we only have limited influence in some cases

and therefore see our due diligence as a continuous improvement process that we shape together with our partners along the value chain.

Responsibilities

The overall responsibility for human rights due diligence lies with the Executive Board of PHOENIX group. The corporate sustainability manager, who also holds the position of human rights officer, monitors the implementation of the elements of the human rights strategy and exchanges information with the Executive Board of PHOENIX group at regular intervals.

Reporting

Starting in 2023, we will increasingly report on our human rights challenges and risks as well as progress made, e.g. in our annual [Sustainability Report](#). Additional information will be published by individual Group companies, such as the [Modern Slavery and Human Trafficking Statement](#) of our subsidiary in the UK. We also regularly review this policy statement and adapt it to changing circumstances as necessary.

Mannheim, 22.12.2022

Executive Board PHOENIX group

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Chief Executive Officer

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Member of the Executive Board
Operations & Logistics

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Member of the Executive Board
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