



# Position Statement: Responsible Supply Chain

## **1. Introduction**

Our responsible corporate citizenship philosophy encapsulates our inherent approach of conducting business ethically, with integrity and commercial wisdom. Aspen is a participant of the United Nations (UN) Global Compact, endorsing the ten universal principles covering human rights, labour, the environment and anti-corruption. We have a zero-tolerance approach to unethical behaviour. In executing our business strategy, we engage with an extensive network of material suppliers, service providers, contract manufacturers, distributors and other business partners (collectively “Suppliers”). Ensuring our goods and services are ethically and responsibly sourced is paramount to our responsible corporate citizenship philosophy. We aim to only work with Suppliers whose values and standards of ethical behaviour are consistent with our own. The Aspen Code of Conduct for Suppliers and Service Providers (“Aspen Supplier Code of Conduct”) was developed to articulate the ethical, social and environmental performance standards we require from all Suppliers that we have a relationship with. It is acknowledged that local laws, values and cultural expectations may influence how these principles are applied in practice; however, implementation thereof shall be in the spirit of responsible supply chain management. Our approach to maintaining a responsible supply chain includes risk assessment and mitigation, as well as participation in industry collaborations that improve supply chain environmental, social and governance (ESG) practices, such as the Pharmaceutical Supply Chain Initiative (PSCI).

## **2. Acknowledgement of Supplier risks**

Aspen acknowledges that working with Suppliers who operate in a responsible and ethical manner is fundamental to our strategy and values. We recognise the need for a Group wide consistent Supplier sustainability risk assessment and due diligence programme (Responsible Supply Chain Programme) to protect our patients, our employees, our business and our reputation, and to reduce potential regulatory, financial and business continuity risks. With a wide range of goods and services provided by numerous suppliers, service providers, distributors, and contract manufacturers, we also appreciate that building a network of responsible business partners is a long-term commitment which requires dedicated time and resources.

## **3. The impact of responsible supply chain management**

A Responsible Supply Chain Programme will allow us to formally assess and effectively manage sustainability risk exposure within our supply chain which ultimately re-enforces the importance and accountability for resilience and business continuity. The Responsible Supply Chain Programme will thus have a positive impact in protecting our company reputation and building trust with all stakeholders by avoiding potentially risky Supplier engagements and fostering collaboration with existing suppliers to mitigate risks and continually improve sustainability performance.

## 4. Our Commitment

In supporting our aim to only work with Suppliers whose values and standards of ethical behaviour are consistent with our own, we are committed to the following:

- Developing a group-wide Responsible Supply Chain Programme aligned with the ethical, societal, and environmental principles of the UN Global Compact and industry-leading supply chain standards such as the PSCI.
- Applying a globally consistent risk-based approach, using defined criteria, to categorise all Suppliers to focus our efforts on those where significant risk exists.
- Leveraging the risk assessment to create an internal monitoring plan and create new policies and procedures to address areas of heightened risk.
- Embedding the performance standards covered in the Aspen Supplier Code of Conduct into all relevant contract agreements.
- Integrating the assessment of sustainability related criteria into the vendor selection and qualification processes.
- Systematically introducing baseline sustainability assessments to current suppliers, using a risk-based approach to establish criticality and priority.
- Supporting our vendor management and procurement teams in the implementation of sustainable procurement and supply chain practices through Group-wide training measures.
- Promoting supplier diversity and supplier localisation strategies, where appropriate.
- Leverage the PSCI to support capacity building initiatives for Suppliers as part of our broader commitment to improving the sustainability performance in our supply chain.
- Monitoring sustainability performance on a routine basis through reliable sustainability questionnaires, surveys, assessments, ratings and/or audits and engaging with Suppliers to achieve continual improvement and advancement of supplier performance over time.
- Developing procedures to manage any breach of the Aspen Supplier Code of Conduct which may have negative environmental and social impacts in the supply chain, before resorting to disqualification and termination of the business relationship.
- Promoting continual awareness of our Tip-offs service which allows external stakeholders the opportunity to anonymously report any suspected unethical behaviour on the part of an Aspen employee or anyone related to Aspen's business.

## 5. Supporting the United Nation's Sustainable Development Goals ("SDGs")

The United Nations 2030 Agenda for Sustainable Development is a global action plan for people, planet and prosperity. The 17 SDGs aim to tackle the world's most pressing challenges through the promotion of sustainable development. While the SDGs do not refer to global supply chains directly, through our influence and collaboration with our Suppliers we are able to enhance our collective contribution to many of the SDGs in areas such as decent work and economic growth, responsible consumption and production, and climate action to name a few.