



Code of Conduct



Joint Message from the Chairman of the Board and our Managing Directors

Dear Colleagues,

Acting with integrity is how we do business. Integrity is one of our key values and a central factor in establishing the trust that builds the basis for our relationship with customers, business partners, stakeholders, society and with each other. It is fundamental for our continued success and for maintaining operational excellence. We are proud to be a family-owned, independent company with production facilities both in Germany and the US, as well as a physical presence in Asia. We provide state-of-the-art manufacturing, from early clinical development and scale-up to commercial filling and packaging of parenteral drugs. We capitalize from our experience spanning more than 35 years during which we have jointly managed to become a world-class player in the pharmaceutical fill & finish industry.

The Vetter Code of Conduct ("our Code") covers the values and principles by which we conduct business worldwide. Our Code confirms our commitment to honesty, integrity, social and environmental responsibility and to mutual trust and respect in every relationship of which we are part of. By doing so, our Code neither introduces new concepts nor imposes additional obligations or restrictions, but simply formalizes the core principles of doing business which we have already applied in the past. However, especially in light of our growth ambition but also with respect to our customer base and their regulatory requirements, it is now the right point in time to do this qualitative step-up by implementing our Code which will help us achieve our strategic targets.

No single document can cover all situations you may face in your day-to-day responsibilities. Our Code illustrates our values and serves as navigation guide that will help you in making consistent and ethical decisions. We ask every one of you to internalize the principles contained in our Code, implement them fully in your own field of work and seize the opportunity of the compliance trainings which will be provided for you.

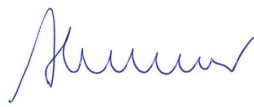
An essential element of integrity is the commitment to an open culture where all employees feel secure in seeking advice and in raising concerns. If you have questions or concerns, please contact your line manager or our Corporate Compliance Officer. If you witness an actual or perceived violation of our Code, we ask you to report your observation to your line manager (if appropriate) or to our Corporate Compliance Officer in the interest and to the benefit of the entire Vetter organization. We will make sure that anyone who comes forward in good faith to ask questions or report potential violations can rely on confidentiality and on protection from retaliation.

You, your colleagues and ourselves are jointly responsible for the reputation of Vetter. Therefore, every Vetter employee will be expected to know and understand our Code and apply it without exception. Every single one of you has to be his or her own compliance officer!

As a company which plays a critical role in the supply of medicines, we at Vetter can be proud of what we do; by following our Code, we can equally be proud of the way we do it.
Sincerely Yours,



Udo J. Vetter



Oliver Albrecht



Thomas Otto



Peter Soelkner

Table of Content

I.	Introduction	5
	1. Purpose	5
	2. Applicability	5
	3. Higher Standards for Management	5
II.	Compliance with Law	6
	1. Anti-Bribery and Anti-Corruption	6
	2. Gifts and Entertainment	7
	3. Fair Competition	8
	4. Anti-Money Laundering	9
	5. Accurate Recording and Reporting	10
	6. Insider Trading	11
III.	Business Integrity	12
	1. Conducting International Business	12
	2. Conflicts of Interest	13
	3. Information Systems and E-Mail	14
	4. Best Practice Standards	15
IV.	Our Employees	16
	1. Diversity and Anti-Discrimination	16
	2. Harassment	16
	3. Protection of Company Assets	16
V.	Vetter's Responsibility towards Society	17
	1. Environment, Health and Safety (EHS)	17
	2. Community Engagement	18
	3. Sponsorships and Donations	18
VI.	Compliance with and Enforcement of our Code	19
	1. Compliance with the Code and Cooperation	19
	2. Violation of our Code	19
	3. Reporting and No Retaliation	19

I. Introduction

1. Purpose

Reading and adhering to our Code helps each of us to ensure that we conduct our business activities in accordance with the highest ethical, legal and professional standards.

Our Code cannot anticipate every single situation we could encounter tomorrow. However, it will help us make sound, ethical decisions. Our Code serves as a guide, referencing the policies of Vetter, as well as applicable laws and regulations we must know in order to act in accordance with our key values and expectations.

2. Applicability

Our Code is applicable to and has to be complied with by every single Vetter employee, worldwide. We aim to extend the reach of our Code's main principles also to our trusted business partners such as suppliers or customers.

3. Higher Standards for Management

Our colleagues who supervise other employees have additional responsibilities under our Code. They are expected to:

- Promote compliance and ethics by example – in other words, show by their behavior what it means to act with integrity.
- Make sure that those who report to them understand our Code's requirements and have the resources to meet them.
- Monitor compliance and ethics of the people they supervise.
- Serve as first point of contact (if appropriate) and support employees who, in good faith, raise questions or concerns.
- Enforce our Code consistently.

II. Compliance with Law

1. Anti-Bribery and Anti-Corruption

The success of Vetter is based on the quality of its people, services and products. We strictly prohibit all forms of bribery or corruption and any business conduct that could even create the appearance of improper influence.

With our international business activities we may not only be subject to German and European Anti-corruption laws but also to laws with extraterritorial reach such as the U.S. Foreign Corrupt Practices Act (FCPA) or the UK Bribery Act (UKBA).

Vetter's interpretation of these laws is very clear: We must not directly or indirectly engage in bribery with or offer, authorize or accept any form of kickback to or from a public official or a private commercial counterparty.

- *"Bribery"* is the active act of promising, offering or giving anything of value in order to obtain or retain business or improper advantage.
- *"Corruption"* is the corresponding passive act of receiving or soliciting anything of value in order to promise or render business or improper advantage.
- *"Kickbacks"* are payments returned or promised to be returned as a result of a legal contract or as a reward for making or fostering business arrangements.
- *"Facilitation payments"* are typically small, unofficial payments made to secure or expedite a routine action by any public official to which one is already entitled. Such payments are intended to influence the timing of a fair, routine action (e.g. issuing licenses, visas or permits) but not its outcome.

Consequences for violating anti-bribery or anti-corruption laws are severe for both Vetter and the individuals involved.

¹ The *U.S. Foreign Corrupt Practices Act* and the *UK Bribery Act* are US respectively British Anti-Corruption Laws which might also apply outside the USA respectively Great Britain.

What does this mean for me?

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Question: You visit an international pharma conference as a featured guest speaker in a country outside Europe and the US. After arrival at the airport, the immigration officer kindly offers you to give you a very special “fast-track” treatment. Jumping the long queue will cost you a mere 50 Euros in cash. Since you’re already running very late because of a delayed flight, you are considering to accept this offer.

!

Answer: Don’t! Even if you do risk a timely arrival you cannot pay this public official the requested facilitation payment. This might be regarded as bribery under certain legislations (e.g. UKBA). In fact, international companies and plenty of immigration and customs officers around the globe were accused and found guilty of corruptive actions in similar cases.

2. Gifts and Entertainment

We do not offer or accept gifts and entertainment or other hospitality invitations that could create the appearance of improper influence.

Vetter acknowledges that the exchange of gifts and entertainment can promote good business relationships and create good will. To avoid even the perception of improper relations with, or influence over, third parties or potential third parties including customers and collaboration partners, every Vetter employee must adhere to the following principles:

- Do not provide or accept any gifts or entertainment if they go beyond common courtesy and well-established, legal local business practices, especially, but not limited to, gifts and entertainment in the context of on-going or contemplated business negotiations or new business acquisition processes.
- The value of any gift or entertainment must always be appropriate and must not raise any question of an obligation on the part of the recipient.
- Do not offer advantages of any kind to public officials without the prior approval of your line manager and the Corporate Compliance Officer.

What does this mean for me?

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Question: A sales person from a Vetter supplier brings chocolate and some wall calendars as Christmas gifts to our office. Can I accept these gifts and share these with my colleagues?

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Answer: Yes, you can- always assuming that these gifts are within customary practice and appropriate value range.

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Question: A key Vetter customer is having a party to celebrate his company's anniversary. Other important business people will be there. Am I allowed to accept the invitation?

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Answer: Yes, provided you are making it clear that you accept the invitation as a Vetter representative.

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Question: A Vetter strategic alliance partner has invited my wife and me for a golf weekend to a five-star resort location including accommodation and travel cost as a thank-you to a long-standing customer. May I accept?

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Answer: No. The value of the trip would certainly go beyond courtesy. Accepting the invitation could compromise your independence in your future interactions with the business partner.

3. Fair Competition

National and international anti-trust laws are designed to protect fair and free competition. They ensure that the best interests of our customers and suppliers are served. We will ensure that all business practices fully comply with applicable competition laws whenever and wherever business is conducted. Violating antitrust laws is a serious matter and could place both Vetter and the individual at risk of substantial penalties. Any violations of such laws will not be tolerated by Vetter.

In all regions and countries where we do business, we are committed to competing vigorously but fairly for suppliers, collaboration partners and customers.

Our employees must never enter into agreements, understandings or coordinated activities with actual or potential competitors; in particular, do not coordinate with competitors in violation of applicable antitrust or competition laws to e.g. fix prices, limit or restrict capacities, allocate markets or customers or abuse any dominant position in a particular market.

What does this mean for me?

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Question: A representative of another CDMO company – a direct competitor- called me and asked me to come to a meeting in another country about “rationalizing” the market for a fill & finish solution we both offer. The “rationalizing” meeting is outside the EU. Would it be possible for me to join the meeting?

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Answer: No. You must immediately contact the Corporate Compliance Officer. Attending a “rationalizing” meeting could be extremely serious criminal conduct. Don’t be fooled by coded words like “rationalizing.” Having the meeting in another country would not change the result. This meeting can still break anti-trust laws of the EU, the US and other affected countries.

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Question: You are participating in a scientific conference. In the evening you are approached by a former colleague of yours, who meanwhile works for a competitor, and who asks you how business is at Vetter these days. After the second drink he starts asking very detailed questions about specific details such as manufacturing volumes and calculation details. How should I respond?

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Answer: Politely refrain from giving any specific details. While you can discuss general market developments or publicly available technical standards you must avoid talking about concrete numbers, prices, capacities or volumes. Such info could be abused to keep market price levels artificially high. In addition, revealing such information would likely be in violation of your strict confidentiality obligations to Vetter. You should report this incident to our Corporate Compliance Officer without undue delay.

4. Anti-Money Laundering

Vetter complies with all relevant national and international laws and regulations relating to anti-money laundering.

We are committed to the international fight against money laundering and the financing of terrorism or drug trafficking. It is our objective to conduct business only with reputable business partners who are involved in lawful business activities and whose funds are derived from legitimate sources.

We fully adhere to the internationally well-established “know your customer” principle demanding quintessential standard information about ultimate economic beneficiaries. Payment transactions are never conducted in cash.

We do not transfer payments to bank accounts in US- and EU-embargoed countries. Transfers to private bank accounts of business partners are prohibited.

Our employees must abide by applicable anti-money laundering laws and internal procedures, designed to identify the third parties we do business with and to detect and deter suspicious forms of payment or customers or other transactions that could involve money laundering or financing of terrorism or drug trafficking.

What does this mean for me?



Question: A customer has asked you to accept payments from multiple accounts and using a combination of multiple payment types (e.g. cash and cheque). What should you do?



Answer: This is a suspicious behavior potentially involving money laundering. You should immediately consult our Corporate Compliance Officer. You should only take further steps in the transaction, including accepting payment from the counterparty, after the Corporate Compliance Officer has advised you how to proceed if at all. This enables us to take appropriate legal steps in a timely fashion.

5. Accurate Recording and Reporting

Open and effective financial communication requires accurate and truthful accounting and reporting supported by an adequate and effective internal control system. This applies equally to relationships with customers, suppliers, employees, business partners and investors as well as with the public and all governmental offices.

The proper retention of our financial documents and records is essential to our business. As such, we must maintain all financial documents, files and other relevant communications according to legal requirements and our internal policies. An increasing number of international anti-corruption laws requires the maintenance of accurate books of accounts with all financial company transactions being properly recorded.

Failure to keep accurate and complete books and records is not only contrary to Vetter standards, policies and guidelines but may also break the law. Consequently, we will be forthright and accurate in the recording and reporting of financial data and results.

What does this mean for me?

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Question: It is the last week in the quarterly reporting period. Your line manager wants to make sure that your team meets the forecasted numbers for the quarter, so he asks you to record revenue from a license agreement now, even if the agreement will not be finalized until next week. You think this will not hurt anyone in the company. Can you follow the request?

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Answer: No. Costs and revenues must be recorded in the correct time period. The license agreement is not yet complete. It would be a misrepresentation and could amount to fraud to include it in an earlier period.

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Question: A new prospective customer from a region yet unknown to Vetter is introduced via a sales consultant. He tells you that while he's fully convinced that the potential new customer is a very good company he strongly recommends to keep all future financial recording for this particular business relationship off the books for strict confidentiality reasons. The sales consultant also demands a very high success fee for the event of a successful closing of a deal between Vetter and the new customer. Can you recommend proceeding with this new customer opportunity?

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Answer: Definitely not. Off-the-books accounting is strictly prohibited and has caused the complete breakdown of big corporations in the past. Bribes are not only completely hidden, but very often mischaracterized in companies' books and records. For instance, corrupt behavior is frequently concealed under the guise of presumably legitimate payments such as success fees, consulting fees or commissions. Such concealment is prohibited.

6. Insider Trading

Vetter makes a commitment to comply with all applicable insider trading laws applicable to Vetter, our directors and employees.

Insider trading occurs when securities of a given company (e.g. a customer who is listed on a stock exchange) are being traded on the basis of material, non-public information relating to such customer.

A violation of insider trading laws by our employees adversely affects Vetter's reputation and may lead to liability of the company. Our employees are prohibited from trading on the basis of inside information in securities of Vetter, any Vetter company or any other publicly traded company in direct or indirect business relationship with Vetter.

Insider trading laws not only prohibit trading in securities on the basis of inside information but also the sharing of such information with third parties.

Breaches of insider trading laws are taken very seriously around the world and sanctions can include imprisonment or hefty fines.

What does this mean for me?

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Question: A customer made a confidential approach to you about a new API they plan to introduce into the market. You think it will have the potential to become a blockbuster and thus the share price of the customer company will skyrocket. Are you allowed to buy securities of the customer?

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Answer: No. You are not allowed to buy any securities of the customer until the general public knows about the new product. This is "inside information" because the introduction was and remains confidential. There has not yet been full and fair public disclosure. The information is "material" because a reasonable investor would probably consider the information important in making an investment decision about the company.

III. Business Integrity

1. Conducting International Business

Vetter is striving to operate in many markets and many regions around the world and is therefore subject to the laws and regulations of different legal systems. Our employees must obey the laws and regulations of the legal systems within the countries in which we are operating.

In particular, we are committed to complying with all applicable export and import laws, including without limitation, sanctions, embargoes and other laws, regulations, government orders or policies.

What does this mean for me?

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Question: You are asked by a customer to render a manufacturing service for a product to be delivered to an unfamiliar company located in a neighbor country which is subject to import restrictions. You do not know if you can or should accommodate the customer's request. What should you do?

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Answer: You should ask your line manager about how to handle the request. The ability to enter into a binding agreement will depend on many factors, including the country the customer wishes you to ship to, the solution being exported, how the solution will be used and by whom. For further guidance you may also approach a representative of the export controls team or the Corporate Compliance Officer.

2. Conflicts of Interest

The reputation of Vetter depends heavily on the independence of its decision making processes and the integrity of our employees. It is imperative, that we avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our daily business on behalf of Vetter. It is the duty of every employee to make business decisions in the best interest of Vetter, not based on their own personal interests. We never use Vetter property or information for personal gain or take personal advantage of any opportunity that arises in the course of our work for Vetter.

All employees must promptly inform their line managers of any personal interest they could possibly have in connection with the execution of their professional duties. We expect our employees to fully focus on their obligations towards Vetter and refrain from additional professional activities that might infringe the company's objectives.

All additional professional activities must be reported to the Human Resources Department. While we do not intend to impose limitations of private activities in town councils, charitable organizations or the like, we must prohibit all direct or indirect engagements including consulting for and significant equity investments or other financial interests in Vetter's competitors, customers, suppliers or collaboration partners.

What does this mean for me?



Question: A technical research equipment supplier of Vetter delivers a defective laboratory item and you recognize this. You know that the warranty period for the product has not expired yet. However, the supplying company is owned by your father-in-law and you think about not having the defect remedied. What do you do?



Answer: Your decision-making should not be influenced by the personal relationship to the supplier. It is your duty to act in the best interest of Vetter. You should consult your line manager and the Corporate Compliance Officer regarding the proper steps of managing the defective product, regardless of the fact that the supplier is owned by your father-in-law.

3. Information Systems and E-Mail

Employees are prohibited from using or copying software from Vetter IT-systems for private purposes, and from installing private software on company-owned hardware without permission from Vetter's IT function.

E-mail services and Internet access are provided mainly for business purposes. You should apply the same standards of care and customary handling as used in hard-copy communications when sending and receiving e-mails and attachments on your Vetter account. Always bear in mind the potential consequence of such information becoming public.

You must not under any circumstances abuse Vetter's IT-systems, internet access, e-mail accounts or any other information and communication media for illegal or unethical purposes. Searching, downloading or forwarding of information with content of a racist, propagandistic or pornographic nature or glorifying violence is regarded as particularly abusive and can lead to severe sanctions.

In particular, be thoughtful about how you present yourself in online social networks. Only those employees designated by Vetter have the authority to speak on behalf of the company. If you identify yourself as an employee of Vetter, you must make clear that you are speaking for yourself and not on behalf of the company.

What does this mean for me?

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Question: You make a copy of a Microsoft Word installer file on a USB stick and plan to install it on your home computer. You feel that Vetter would not be harmed because the original file remains on its systems. Can you proceed?

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Answer: No. When Vetter purchases software, it is usually bound by a license agreement with the software manufacturer. Using the software for private purposes will most likely infringe such license agreements and Vetter could be held liable for the actions of its employees.

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Question: You are a very experienced pharmaceutical production expert. In order to continuously learn about new “fill & finish” technology developments related to your job responsibility, you have registered as a private member of an internet platform publishing regular expert blogs and chats regarding innovations in this area. What do you have to consider?

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Answer: Whenever you join blogs and/or chat forums in social media and identify yourself or can be easily identified as a Vetter employee, please make sure that you always write in the first person and use a disclaimer such as „the postings on this site are my own and do not represent the position or opinions of Vetter“

4. Best Practice-Standards

Vetter is aware that not only laws and regulations stipulated by governments and multinational institutions are setting minimum levels of required business conduct. As an active player in the pharmaceutical and biotech sector, we are committed to apply relevant best practice industry standards.

IV. Our Employees

1. Diversity and Anti-Discrimination

We encourage a diverse workforce. With the diversity of our employees come unique ideas, viewpoints, talents and values that directly contribute to our success.

We respect the personal dignity, privacy, and personal rights of every individual. We work together with individuals of various ethnic backgrounds, cultures, religions, ages, disabilities, races, sexual identity, world view and gender. Consistent with our values and with the employment laws of the countries in which we operate, we do not tolerate discrimination against anyone on the basis of any of these characteristics or any other comparably offensive behavior. These principles extend to all employment decisions including recruiting, training, evaluation, promotion and compensation.

2. Harassment

We all have the right to work in an environment free from harassment. "Harassment" is a form of discrimination that consists of unwelcome behavior that has the purpose or effect of creating an intimidating, hostile or offensive work environment. Harassment can come in many forms, including physical actions, verbal or written remarks, or visual depictions. Vetter strictly prohibits and will investigate all acts of harassment, whether committed by an employee or a non-employee.

3. Protection of Company Assets

At Vetter, we regularly generate valuable, non-public know-how, processes, ways of working and other kinds of business information, which we own and need to protect as intellectual property or trade secrets. Such information is a large part of what gives us our competitive advantage in our business environment.

Vetter's physical assets, such as equipment, raw materials and products, as well as manufacturing sites, laboratories and research facilities, are instrumental to performing our day-to-day business operations.

We have the responsibility and legal duty to protect all physical, intellectual property, and financial assets of Vetter, as they are essential to help us achieve our ambitious business objectives.

Equally, we are obliged not only to ensure data accuracy and consistency over its entire life-cycle as well as the correct functioning of IT systems, but also to prevent unauthorized alteration of data (data integrity).

In addition, it is our responsibility to protect confidential information entrusted to us by our customers, collaboration partners, suppliers and other business partners as carefully as we protect our own information.

What does this mean for me?

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Question: During my commute to the Vetter office on the train, I sometimes make work-related mobile phone calls. Is this a problem?

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Answer: You must be careful not to discuss non-public company information in public places, such as in taxis, trains, planes, elevators or at conferences and trade shows. When it is absolutely necessary to conduct a telephone call in a public place, be mindful of your surroundings.

V. Vetter's Responsibility towards Society

1. Environment, Health and Safety (EHS)

Vetter focusses on sustainable development. For us this means an alliance of economy, ecology and social responsibility. This is not just a company philosophy but integrated in our daily work, in every department and every process. We meet all applicable legal and regulatory requirements in the areas of environment, energy use, health and safety.

Providing a safe workplace for all employees and meeting its environmental responsibilities are high priorities for Vetter. Our customers too, place great demands on us in the EHS area.

Our certified EHS management system includes, among other aspects, providing ergonomic working conditions, developing and applying as environmentally friendly and energy-efficient production methods as possible as well as recycling waste always taking into account economic and ecological considerations in equal measure.

What does this mean for me?



Question: A new process requires you to work with a new specific pharmaceutical substance and you are unsure how to handle it from safety and waste disposal aspects. You are under time pressure. Can you just try out for yourself how to proceed?



Answer: No! Even if time is running out we simply cannot compromise on the safety of our workplace. Therefore you must make sure to be familiar with all required handling aspects prior to essentially starting to work with new substances or new laboratory gear etc. Hence you need to ask the Vetter representative for EHS beforehand.

For more information please refer to the Vetter EHS Policy or contact ehs@vetter-pharma.com, where you can also report relevant observations and concerns.

2. Community Engagement

Vetter intends to be recognized as a responsible and supportive corporate citizen and, as an integral part of society, to fulfill our responsibilities to the societies and communities in which we operate.

At Vetter, we aim to contribute to the communities in which we operate through investment and engagement and are committed to building relationships based on mutual respect and trust with all our stakeholders in the communities where we operate.

3. Sponsorships and Donations

In furtherance of this commitment, Vetter cultivates and supports a range of corporate citizenship activities such as sponsorships or charitable donations. To focus these contributions and to enhance transparency, all such contributions require prior approval in accordance with our internal policy on sponsoring.

VI. Compliance with and Enforcement of our Code

1. Compliance with the Code and Cooperation

All our employees must read, understand and adhere to our Code as well as understand and comply with the provisions and internal policies referenced in our Code. In deciding whether an action or omission could constitute a violation of our Code, common sense together with the following questions can serve as a compass:

- Is this conduct unlawful?
- Could it be viewed as dishonest or unethical?
- Would it damage Vetter's or my reputation and credibility if it became public?

If the answer to any of these questions is "YES" or even "MAYBE," you have identified a potential issue that you must address with your line manager (if appropriate) or report to our Corporate Compliance Officer.

2. Violation of Our Code

Violations of our Code, our policies or the law can have serious consequences for Vetter and everyone working for Vetter, such as disciplinary sanctions, civil action and/or criminal prosecution.

3. Reporting and No Retaliation

At Vetter, everyone should feel comfortable to speak up and report concerns or non-compliant conduct violating this Code. Reports can be made in person and will be treated in strict confidentiality.

Vetter carefully investigates all reports of misconduct. In order to support this process, our employees must cooperate fully and honestly in an investigation of potential illegal or unethical activity.

No employee will have to face any retaliation for reporting concerns in good faith. Individuals who take action against a person for making a report in good faith or participating in an investigation will be subject to disciplinary action, up to and including termination of employment.

For compliance related questions as well as for reporting any concerns, you can always address:

Corporate Compliance Office

Phone: +49-(0)751-3700-1009

E-Mail: compliance@vetter-pharma.com

