

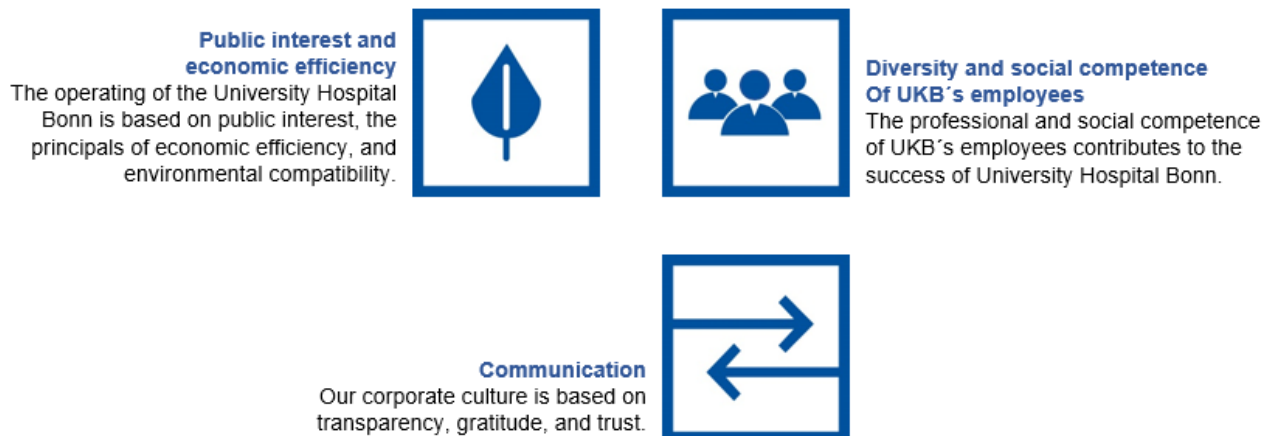
Policy Statement of the Executive Board of the University Hospital Bonn

on

Compliance with and monitoring of human rights and environmental due diligence

Commitment

The University Hospital Bonn, hereinafter referred to as "UKB", is firmly committed to ecologically and socially responsible corporate governance. The declared aim of the Executive Board is to respect, protect, and promote human rights and the environment along the entire value chain. Violations of internationally enshrined human rights, and national and international environment protection regulations will not be tolerated.



(From the Guiding Principles of UKB)

The following international regulatory framework, to which UKB is committed, form the basis of the human rights and environmental due diligence obligations:

- International Bill of Human Rights
- UN Guiding Principles on Business and Human Rights

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Labour Standards of the International Labour Organization
- UN Convention on the Rights of the Child

The principles of human rights and of the environmental strategy of the present declaration apply to the entire UKB's operational area, including its subsidiaries. Such principles must be observed by the Executive Board and by all employees in the performance of their duties. UKB also expects all its business partners to comply with human rights and environmental obligations. The respect and the observance of human rights and environmental obligations are crucial prerequisites for cooperating with UKB.

1. Responsibility for own operational area

a. Social responsibility

UKB follows the principles of human rights, inclusion, and diversity in all its area of responsibility and does not indulge any form of discrimination. It has also appointed an Equal Opportunities Officer and a Representative for Disabled Employees. At UKB, any threatening, abusive, or exploitative behavior is not tolerated - both internally and externally.

UKB's employees are paid accordingly to the public service's pay-scale wages/salaries. Working hours and conditions are based on current laws on the one side, and sector's standards and rates on the other. Because of UKB's size, personnel councils have been elected by its employees to represent their interests, as required by the Personnel Representation Act of North Rhine-Westphalia (LPVG NRW).

The right of employees to freedom of association, to join trade unions, to appeal to personnel representatives or to become members of personnel councils is guaranteed by current laws and fully respected. UKB's line organization also allows its employees to openly communicate with the management without the fear of reprisals. Moreover, an internal reporting channel has been set up in accordance with the requirements of the EU Whistleblower Directive.

Several officers, crisis intervention specialists, and an internal medical staff have been appointed to safeguard occupational safety and health. Emergency plans, modern equipment, and regular safety trainings are standard at UKB.

UKB's patients are protected by the hospital in a special way. The Critical Incident Report System (CIRS) and other reporting channels are used to make risks, deficiencies, and critical cases from everyday work transparent and to manage them according to the interests of the patients. Hospital's chaplaincy and its volunteers also contribute to UKB's social engagement.

b. Environmental responsibility

As part of its duties as a medical facility, UKB strives to consciously manage and further reduce the use of electricity, water, and other raw materials in order to preserve resources. Moreover, it has appointed a Sustainability Officer to achieve the most optimal resources management.

UKB observes all the legal requirements and international standards for environmental protection. Gases, chemicals, and other materials that might constitute a risk if released into the environment

are handled with maximal safety when being managed, transported, stored, recycled or disposed. For the sake of environmental safety UKB has instituted officers and functions with the necessary expertise.

Observance of products' life cycles and of recycling economy's principles is the highest priority of UKB's procurement team. There are several ongoing initiatives and projects, which aim to analyze and further develop the existing processes for environmental safeguarding. The latest developments are continuously monitored and tested in cooperation with the purchasing cooperative and in exchange with other university hospitals.

UKB also aims to reduce the amount of activities associated with the emissions of CO₂ in the near future. The roofs of UKB's buildings are already being greened and solar panels are being installed in order to reduce the environmental impact and generate green electricity. The use of E-vehicles and alternative transportation concepts for employees are actively supported. Furthermore, UKB's central purchasing department makes sure to bundle the procured materials as much as possible to reduce the total amount of orders and, consequently UKB's "carbon footprint".

c. Ethical responsibility

UKB fully complies with the laws of the legal system in force. Particular attention is paid to the responsibilities associated with working with patients. In order to achieve the maximal support in this regard, UKB has instituted a Legal Department, an independent Internal Audit Department, and a Compliance Office.

UKB does not tolerate any bribery or reprisals. To this end, it has put in place a series of guidelines and appointed a reference person for anti-corruption. UKB also observes all the relevant rules, which allow fair market competition. Moreover, all employees are required to observe the appropriate procedures determined by the current purchasing guidelines.

UKB also set up a series of sanctions-compliant and IT-supported measures to prevent money laundering and financing of terroristic organizations. For example, all cash payments are reported to a designated office in accordance with the legal requirements.

Furthermore, the Ethics Committee of the University of Bonn can be consulted on specific ethical issues in the field of medicine and research.

2. Supply chain-responsibility

UKB also takes appropriate and effective measures outside its direct sphere of influence to identify verify and prevent risks related to the violation of human rights and environmental safety throughout the whole supply chain.

If a violation of human rights or environmental obligations has already occurred or is imminent, a targeted remediation process will be immediately initiated to end the violation and to minimize its effects through a series of specifically designed measures.

Before UKB withdraws from business relations and/or switches to alternatives supply sources, it tries and supports its business partners in avoiding and ending any violations of human rights and environmental regulations.

a. Supply chain risk management

UKB implements all due diligence obligations for the whole supply chain as part of its risk management

system. Such due diligence obligations are integrated into all business processes, which allows to timely identify risks and to implement both preventive and remedial measures in a targeted manner.

The supply chain risk management system defines processes for implementing the due diligence obligations, respective areas of responsibility, different competencies, and reporting modalities. All relevant areas - in particular "Compliance", "Purchasing, Material Management and Logistics", "Construction and Procurement", and "Pharmacy" - are included in the implementation of the system's procedures.

b. Operational responsibility

The implementation of the due diligence obligations is operationally managed by the departments of „Purchasing, Material Management, and Logistics“, „Construction and Procurement“, and „Pharmacy“, which are directly involved in the procurement.

c. Overall responsibility and monitoring function

UKB's Executive Board bears the overall responsibility for the implementation of human rights and environmental due diligence obligations. It has delegated the duty of monitoring the supply chain risk management system to the Internal Audit & Compliance Department and to UKB's Compliance Officer, who directly reports to the Executive Board.

d. Risk assessment

UKB conducts systematic risk analyses to ascertain its suppliers' compliance with human rights. This procedure is based on general supplier information, in particular on the country of origin and (business) sector. Usually, both internal and external experts are consulted for this procedure. UKB also implements technological solutions to identify, verify, weigh, and prioritize risks. It identifies the need for action and initiates all the necessary preventive and remedial measures.

e. Prevention and remedy

Risk analysis is supported by a series of appropriate and effective preventive measures.

UKB also expects its business partners to pass on its human rights and environmental expectations in the supply chain and to observe and monitor their compliance on an ongoing basis.

Effective remedial action should be taken if a violation of the human rights or environmental obligations occurs or is imminent. UKB initiates all the needed remedial measures immediately after identifying a violation. Indeed, UKB (usually) develops customized remedial measures for different scenarios and each of its direct or indirect supplier in order to effectively put an end to any possible violation.

f. Appeal procedure

A functioning appeal procedure that is accessible to all the parties in the supply chain is very important for identifying risks and violations. A crucial role in this regard is played by the reporting channel set up in the "Compliance" area, which can be used to report human rights and environmental risks and/or potential violations. All the provided information is handled confidentially and can be submitted in an anonymous way.

3. Internal and external communication

The present Policy Statement is published on both UKB's internal and external websites. It is subjected to a continuous updating and communication process.

Each employee is responsible of complying with the abovementioned principles, especially when engaging in the procurement process. UKB supports its employees in this regard by providing appropriate learning opportunities, internal and external trainings, and, among others, clearly defined internal guidelines. In addition, topics concerning human rights and sustainability issues are also communicated on an ongoing basis via various internal and external communication channels.

At the end of each financial year, UKB prepares a report on its LkSG activities (the first ever report will be issued for 2023 in 2024) and makes it publicly available on UKB's website. Moreover, during the year the responsible parties directly communicate any identified risks to the Executive Board.

Bonn, 30.11.2022

The Executive Board

*Note to readers: the present document is a translation from German. In case of doubt, the original German text of the Code of Conduct is to be referred to.