

# **Sustainable Procurement Policy**

**2024**



## I. Introduction

At Antibiotice SA, we recognize that the procurement process plays a vital role in achieving our sustainability goals. As a pharmaceutical manufacturer, we take responsibility for integrating sustainable, ethical, and transparent practices into our supply chain. This policy reflects our commitment to minimizing environmental impact, promoting high ethical standards, and contributing to the development of the communities in which we operate.

## II. Objectives

### 1. Reducing Environmental Impact

- Prioritizing suppliers who offer products and services with a reduced carbon footprint, recyclable materials, and sustainable packaging.
- Optimizing transportation and responsibly managing waste within the supply chain.
- Collaborating to reduce greenhouse gas emissions and conserve natural resources.

### 2. Promoting Ethical Practices

- Selecting partners who comply with international and national legislation on human rights, fair labor, and the prohibition of forced labor or child exploitation.
- Monitoring ethical compliance through periodic audits and rigorous evaluations.

### 3. Improving Access to Safe Pharmaceutical Products

- Ensuring procurements support patient health by increasing access to quality products, particularly in vulnerable communities.
- Collaborating on initiatives that enhance healthcare infrastructure and disease prevention.

### 4. Transparency and Accountability

- Implementing a clear and open supplier selection process.
- Monitoring and reporting progress to stakeholders.

## III. Scope

**This policy applies to all procurement activities of the company, including:**

- Raw materials and Active Pharmaceutical Ingredients (API);
- Packaging materials;
- Finished products and related services.

**Reference Documents:**

- Code of Conduct for Partners;
- Environmental Policy;
- Anti-Bribery and Anti-Corruption Policy;
- Quality Policy.

## IV. Sustainability Criteria

### 1. Environmental Sustainability

- We select suppliers offering certified environmentally friendly products (recyclable, biodegradable materials sourced responsibly).
- We promote waste reduction through reusable solutions and efficient packaging.
- We collaborate to reduce carbon emissions in logistics and production processes.

### 2. Ethical and Social Practices

- All suppliers must comply with applicable legislation regarding labor rights, fair working conditions, and prevention of discrimination and exploitation.
- Forced labor, child exploitation, and unethical working conditions are strictly prohibited.
- Suppliers are required to adhere to the Code of Conduct for Partners, and periodic evaluations are conducted to ensure compliance.

### 3. Accessibility of Pharmaceutical Products

- We prioritize procurements that support patients' access to safe, effective, and affordable medical products.
- We collaborate on delivery solutions for underserved communities.

## V. Supplier Evaluation and Monitoring

We implement a supplier performance evaluation process with clear objectives:

- **Year 1:** Evaluate suppliers responsible for 80% of procurements, with a threshold of EUR 1,000,000.
- **Year 2:** Threshold decreases to EUR 500,000.
- **Year 3:** Threshold decreases to EUR 100,000.

**Monitoring Methods:**

- Regular audits and evaluations based on performance indicators (e.g., carbon emissions, waste management).
- Requiring annual sustainability reports.
- Implementing corrective measures in case of non-compliance.

## VI. Transparency and Accountability

- **Transparency:** Open communication with suppliers and stakeholders regarding procurement processes and sustainability outcomes.
- **Key Stakeholder Engagement:** Continuously collecting feedback from patients, health care professionals, and communities to improve policies.

## VII. Compliance

- All employees involved in procurement processes are required to comply with this policy.
- Non-compliance with the policy may result in disciplinary action, including termination of employment or supplier contracts

**Reporting Violations:**

Any deviation can be reported to [office@antibiotice.ro](mailto:office@antibiotice.ro) or by following the instructions outlined in the Procedure for Receiving, Examining, and Resolving Reports of Legal Violations, drafted in accordance with the provisions of Law no. 361/2022 on the protection of whistleblowers in the public interest. Confidentiality and whistleblower protection are guaranteed. For more details, please visit: <https://www.antibiotice.ro/wp-content/uploads/2023/03/Procedura-raportari-avertizori-in-interes-public-.pdf>

## VIII. Continuous Improvement

We commit to:

- Periodically evaluating (every 3 years or whenever necessary) the sustainable procurement policy.
- Adopting best practices in the industry and innovating to improve our sustainability performance.

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