

## California Supply Chains Act Disclosure

The 2010 California Transparency in Supply Chains Act requires companies to disclose their efforts to eradicate slavery\* and human trafficking<sup>†</sup> from their supply chain. Noven opposes slavery and human trafficking and is committed to conducting its business in a lawful and ethical manner and requires its suppliers to conduct themselves in the same manner.

Noven operates in the highly-regulated U.S. pharmaceutical manufacturing industry, which significantly reduces the risk that Noven would purchase anything from a supplier sourcing materials through human trafficking or using Conflict Minerals<sup>†</sup>.

**Verification:** Noven business contracts require its suppliers to comply with all applicable laws. Noven does not have a formal program for proactive verification that its suppliers are not engaging in human trafficking or slavery. Noven has commenced efforts to increase the awareness and understanding of these issues within Noven.

**Auditing:** Noven conducts audits of manufacturing suppliers on a global basis for quality. While the audits do not specifically cover compliance with company standards regarding slavery and human trafficking at the present time, our audit process is robust. Noven requires that its suppliers comply with all applicable laws, including those relating to labor, working conditions and human trafficking. In the event Noven were to be made aware that a supplier may be engaging in illegal conduct, it would undertake such investigation and take such action as it deemed reasonable and proper under the circumstances.

**Accountability:** Noven's Code of Business Conduct and Ethics governs the actions of our company and colleagues. In the event an employee or supplier engages in or fails to address circumstances that indicate a supplier may be engaging in prohibited conduct, the consequences for non-compliance will depend on the nature, circumstances and context of the violation. Consequences for suppliers engaged in prohibited conduct can include terminating or not renewing an existing contract, or more stringent verification or audit obligations.

**Training:** Noven employees take bi-annual ethics and compliance training and certify their adherence with Noven's standards and to disclose any exceptions. Noven maintains a 24/7 Business Conduct Hotline where employees and contractors can confidentially or anonymously submit any concerns of possible ethics and compliance violations, including slavery and human trafficking. Every submission is reviewed and handled accordingly. Any employee or contractor who is found to have violated the Code of Business Conduct and Ethics is subject to disciplinary action, up to and including termination of employment or contracts, as the case may be, and referral to appropriate legal authorities.

In addition, Noven is providing education regarding human trafficking and slavery laws to its employees.

The disclosures contained on this statement are made as of May 27, 2017. Except as required by applicable law, Noven does not undertake to update this disclosure.

## **Definitions:**

†**Conflict Minerals** are [natural resources](#) extracted in a [conflict zone](#) and sold to perpetuate the fighting. The most prominent contemporary example is the eastern provinces of the [Democratic Republic of the Congo](#), where various armies, rebel groups, and outside actors have profited while contributing to violence and exploitation during wars in the region.

\***Slavery** is the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised. (1926 Slavery Convention)

†**Trafficking** in persons shall mean the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs. (United Nations: Palermo Protocol of 2000)