



**COMMUNICATION ON PROGRESS (COP)**  
**25<sup>th</sup> October 2019 - 18<sup>th</sup> January 2022**

**1. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)**

18<sup>th</sup> January 2022

To our stakeholders:

I am pleased to confirm that The Female Health Company (UK) PLC and its subsidiaries reaffirms its support of the Ten Principles of the United Nations Global Compact covering the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this, our first annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders.

Sincerely yours,

Mitchell Steiner, MD FACS  
Chairman, President and CEO of Veru Inc.  
Director of The Female Health Company (UK) PLC



## **2. DESCRIPTION OF ACTIONS**

### About Female Health Company

The Female Health Company manufactures and distributes the FC2, the only currently available female-controlled internal condom approved for marketing by the US FDA. The product is prequalified by the World Health Organization (WHO) and provides dual protection against unintended pregnancy and the transmission of STIs, including HIV. The company works in partnership with governments, donors and other stakeholders around the world to build successful reproductive and sexual health programs to ensure access to affordable prevention methods. The Company has distributed the FC2 to 150 countries and is market leader for the manufacturing, distribution and education of female (internal) condoms. The Company believes that access to sexual and reproductive health prevention technologies is a basic human right and the company's mandate is to expand such access.

### Principles: Implementation and Measurements

#### **Human Rights.**

The company supports the UNGC principles on Human Rights. In addition to raising awareness and providing access to the FC2 female (internal) condom:

- a. The company respects and supports internationally recognized human rights standards wherever we operate and seeks to ensure we have no incidences of human rights abuses within our organization.
- b. The Company identifies, assesses and manages human rights risks within our sphere of influence and activities, working firstly to avoid or mitigate such risks and then seek, as necessary, to remedy any actual or potential impacts.
- c. The Company has enacted appropriate mechanisms for employees affected by our operations to raise grievances. This includes a robust Human Resource function with detailed procedures and grievance procedures.

#### **Labour**

The Female Health Company supports the UNGC principles on labor standards and applicable local labor laws. The Female Health Company operates by respecting the dignity of all of its employees and those we interact with, including our customers, distributors, vendors, various government agencies, ministries of health and the many customers these organizations serve. The Female Health Company does not tolerate any form of discrimination, harassment, retaliation, intimidation, unfair treatment or hurtful or inappropriate behavior and has a diverse workforce.



More specifically, the Company:

- a. does not tolerate and has policies that prohibit forced or bonded labor. We have clear procedures and contracts with the labor agencies we engage with to assist in foreign labor recruitment that enforce such policies.
- b. has sought to achieve greater trust and job satisfaction among its employees through the formation of a Joint Consultative Committee which is designed to improve worker's commitment and performance to organizational decision-making through constructive dialogue with its employees.
- c. complies with all applicable labor laws, including minimum wage rules, while offering other financial and employment benefits to its employees.
- d. has clear policies pertaining to child and forced labor that prohibit the engagement of child and forced labor throughout the company's businesses. Our company policy prohibits employment of anyone under the age of 18 years old and pre-employment checks are made to ensure compliance. We expect our vendors to apply similar practices in their operations.
- e. All employees, regardless of the classification of the job, has a commitment and a duty of care to their fellow employees and to the general community. Safety and Health in this context includes accident prevention, industrial hygiene, prevention of disease and sickness and environmental control.

#### *Workforce in Malaysia*

Malaysia is a diverse country with a mix of local races. Within this mix, the Company employs individuals of different genders, age and race. The Company's workforce during the reporting period reflected this diversity, as the company employed individuals of various races and nationalities.

#### *Workforce in UK*

The Company's UK Team also has a diverse workforce.

While the Company's workforces may change from time to time, depending on the labour demand required to meet our customer needs, the Company's employees are treated fairly regardless of race, gender, sexual orientation, and age.

Over the past couple of years, the world has had to – and continues to – live and operate during a pandemic. While adhering to all government mandates, including temporary work stoppages, the Company has taken proactive steps to provide a safe environment for its employees. During the reporting period, no occupational diseases were reported, absenteeism averaged 1.08% per month and lost work -days due to sickness or health averaged 1.2% per month for the last financial year. As a result of initiatives and measures implemented to further protect the health and safety of our workforce, the Company achieved its best-recorded safety performance in 2021

The Company also holds regular health and safety meetings, and injuries are recorded, monitored, and discussed with management and safety representatives for ongoing corrective and preventative actions. More recently, these safeguards and procedures included Covid control measures, with PPE usage, cleaning and social distancing to reduce the risk of transmission within our facility. These measures have proven to be successful as reflected in the absenteeism and sickness rates.



## Environment

The Female Health Company supports the UNGC principles on the Environment.

- a. The Company complies with all applicable local regulations with respect to environmental issues, emissions and waste disposal, including ISO 14001. We also conduct internal audits to maintain compliance to this regulation.
- b. The Company internally raises environmental awareness with all employees.
- c. The Company works with its suppliers to reduce the environmental impact of all packaging materials used to supply components for the product.
- d. The Company properly disposes waste materials and works to minimize its impact on the environment.
- e. The Company maintains appropriate safeguards to contain and prevent chemical spillage. The Company also maintains additional spillage kits for emergency use.
- f. The Company considers the environmental impact of our product throughout its life cycle, including development, design, production, sale and disposal. Any changes to the product are appropriately risk assessed and all required safety testing is conducted prior to commercialization.
- g. The Company purchases packaging from sustainable sources using established and audited suppliers.

## Anti-Corruption

The Female Health Company supports the UNGC principles on anti-corruption.

- a. The Company has established anti-corruption procedures as part of its ethics and compliance program.
- b. Compliance with these procedures constitutes terms of service for each director, conditions of employment for each officer and employee, and conditions of providing services to Company for its consultants and service providers.
- c. Agreements incorporate anti-corruption and/or compliance with ethical behaviour and/or law provisions.
- d. The Company has established local and cooperate policies that require staff to be fully compliant with such laws and principles.

In addition to local policies and procedures adopted within our manufacturing facility we have corporate level policies in place that are detailed on the corporate website.

[Code of Business Ethics - Veru \(verupharma.com\)](http://verupharma.com)