



B Lab Statement on Weleda AG B Corp Certification

B Lab's independent Standards Advisory Council has rendered the following decision and guidance regarding eligibility for B Corp Certification for companies in the pharmaceutical industry:

"B Lab and its independent Standards Advisory Council have determined that pharmaceutical companies are eligible for B Corp Certification if they have not engaged in specific prohibited practices in the last five years AND are meeting additional industry specific practice requirements outlined below..."

Weleda AG is required to disclose a summary of how it complies with these industry requirements as a part of its B Corp Certification. For more information on the specific requirements, please refer to B Lab's position statement on Pharmaceutical Companies [here](#).

Weleda AG

"Weleda AG is a company that manufactures, distributes, and sells natural cosmetics and medicinal products based on natural substances. Our pharmaceutical portfolio is part of complementary medicine and plays a specific role in integrative medicine. Given that the majority of our products are made with natural substances, we consider ourselves part of a "green pharmacy" value chain. This chain starts with nature and involves unique manufacturing processes based on anthroposophic pharmacy, ensuring that the human body can effectively absorb these substances, thereby enhancing its regulatory mechanisms. From the sourcing of raw materials to the metabolism of our medicinal products, we prioritize sustainable pharmacy practices."

Weleda AG has industrial pharmaceutical production sites in Germany and Brazil and contract manufacturing partners in Germany, Switzerland, and Italy, as well as in Brazil (Weleda do Brazil). Additionally, the company produces magistral preparations on a smaller scale, akin to pharmacies, in Switzerland, Germany, France, Netherlands, Uk, Italy, Austria, Sweden, Argentina, Brazil, Chile, New Zealand, Australia and USA. The company's operations comprises 28 legal entities in 22 countries (Switzerland, Germany, France, Netherlands, UK, Italy, Austria, Sweden, Argentina, Brazil, Chile, New Zealand, Australia, USA, Spain, Czech Republic, Russia, Ukraine, the USA, Korea & Hong Kong). A complete footprint of the company's operations and a broader description of its activities is available at the [Annual and Sustainability Report 2023](#).

The company's extensive product range includes approximately 800 remedies, with a focus on nine key therapeutic areas: eye care, digestion, stress and sleep, women's health, sports and



pain treatment, pediatric conditions (especially those related to antibiotic resistance and inflammatory diseases), cough and cold, dermatology, and cardiovascular diseases. Globally, 80.7% of the company's revenues comes from natural and organic cosmetics and 19.3% from pharmaceuticals.

Weleda AG Disclosure on Prohibited Practices

Pharmaceutical companies engaged in the following practices in the last five years, as demonstrated through company disclosures or through material, justified, and unresolved stakeholder concerns, are currently ineligible for B Corp Certification:

- Companies engaged in any form of lobbying or policy advocacy that endanger consumer safety, promote an anti-competitive environment (e.g. by opposing increased transparency measures), inhibit affordable pricing, or limit equitable access to medicine. This includes membership, Board involvement, or funding of industry associations that engage in such lobbying activities.
- Companies utilizing intellectual property strategies for branded products to influence an unjustified delay to the introduction of an authorized generic product to the market (e.g. "evergreening" patents).
- Companies engaged in price gouging as evidenced by significant and unjustified year-over-year price increases to their products.

Weleda AG has been reviewed in accordance with B Corp Certification's Disclosure Questionnaire and background check requirements, including disclosure of its involvement in lobbying and advocacy activities, intellectual property strategies, and price changes in order to verify it is meeting the above requirements regarding prohibited industry practices. The company's approach to managing these material topics to the industry are further detailed below.

Weleda Disclosure on Required Best Practices

1. *Adherence to credible national and/or international standards of safety, quality, and efficacy covering all relevant stages of the drug life cycle (i.e. drug development, supply chain, manufacturing, and distribution), which should include explicit systems to manage the risk of substandard medicines.*

Weleda does not engage in, nor support, any prohibited practices. The company has 560 authorized and registered medicinal products in Germany and 360 in Switzerland, along with 20 authorized remedies in France and Brazil. All of these products meet the respective national



regulatory requirements for authorization and follow the typical product life cycle, including necessary variations.

All company's manufacturing facilities adhere to Good Manufacturing Practices (GMP) and comply with national regulatory standards, as well as the EU Directive 2001/83 in Europe.

All company's commercial practices are in accordance with the law and fairness principles. The company's pricing is affordable compared to many other medicinal products, with a focus on covering the cost of goods. Any price increases have been minimal and applied only when necessary to account for rising production costs, ensuring the company's financial sustainability.

2. *A Code of Ethics and/or other policies applicable to all company employees and critical third parties that establish minimum expectations with regard to anti-corruption and bribery, lobbying and advocacy activities, company interactions with healthcare professionals/organizations, and ethical marketing (where applicable). The company must also have clear processes to enforce the Code, including an accessible whistleblowing channel, and regular training of staff and third parties on the Code.*

The company's Code of Conduct directly addresses anti-corruption, bribery, lobbying, and advocacy activities. Specifically, it stipulates that government officials are not to receive personal benefits. Section 4.2.2.4 of the Code of Conduct states:

"As a matter of principle, public officials, representatives of public institutions, civil servants, public employees, and politicians should not receive personal benefits, either directly or indirectly, from Weleda or any Weleda representative. In cases where benefits are provided, they must be socially adequate, legally permissible, and approved in advance by the relevant manager, in consultation with local legal counsel (if applicable)."

All Weleda employees are bound by the company's Code of Conduct. Suppliers are required to adhere to the Supplier Code of Conduct, established by the procurement departments, which mandates compliance with all regulatory requirements as well as Weleda's specific expectations regarding human rights, ethical, social, and environmental responsibilities. Other partners, who do not fall under the supplier category, must comply with a specific code of conduct defined within the terms of their contract, which conditions also respect ethical and lawful demands.

Interactions with Healthcare Professionals and Ethical Marketing

The company does not have a specific internal guideline governing interactions with healthcare professionals and ethical marketing, but both in Germany and Switzerland have legal structures in place to regulate such activities. In these countries, all interactions with healthcare professionals that could potentially improve sales must be approved by designated individuals



responsible for ensuring legal compliance ("Infobeauftragte" in Germany and "Werbeverantwortliche Person" in Switzerland).

Training and Compliance

The company regularly conducts training sessions led by Corporate Legal, as well as the "Infobeauftragte" in Germany and the "Werbeverantwortliche Person" in Switzerland, to ensure adherence to ethical and legal guidelines. Other countries deploy the adherence to the Code of Conduct through training on the topic. Weleda has an [Integrity Line](#) that primarily serves as an internal system and that is also available for external stakeholders (under further development). At the moment, the company has only publicly communicated it in relation to the child labour topic, but theoretically other cases could also be reported there. The cases are processed ad hoc and reported to the Audit Committee of the Board of Directors.

3. *Public disclosure detailing the company's approach to government affairs, inclusive of lobbying/advocacy and political activities. This should include disclosure of the material issues that the company lobbies/advocates for, their trade associations, and the controls they have in place in regards to political contributions, lobbying/advocacy on the company's behalf, revolving door policy, political contributions and donations.*

Weleda is registered in the lobbying register of the [German Bundestag](#). Weleda therefore adheres to the ["Code of Conduct for representatives of special interests in the framework of the Lobbying Register Act"](#)

4. *For companies involved in research & development, public disclosure of its R&D and intellectual property strategies and disclosure of annual resources invested in both internal and collaborative R&D activities.*

The company focuses its R&D efforts on generating further evidence for its core products. This includes both preclinical and clinical research. Weleda's R&D efforts are a mix of in-house development and external collaboration. Internally, Weleda draws on its deep expertise in anthroposophic medicine, creating products rooted in natural, biodynamic ingredients. Their research team works directly on formulations for both cosmetics and natural health products.

Externally, Weleda collaborates with universities, research institutions, and other specialized organizations to advance scientific knowledge in natural health medicinal products and beauty products. These partnerships help Weleda to integrate modern research methodologies with their sustainable, nature-centric philosophy. Among partners, we can name the University of Basel, the University of Zürich, Live Institute for Food Systems Biology at the technical University of Munich, the General Anthroposophical Society and the Goetheanum (School of Spiritual Science), UEBT (Union for Ethical BioTrade), Natrue and Demeter. Weleda has several collaborations with academic institutions, particularly in the field of pharmaceutical research.



They actively participate in university research projects to gather clinical data and further evolve their anthroposophic medicines. These projects are focused on areas such as sleep disorders, cardiovascular diseases, eye care and skin conditions. In addition to these collaborations, Weleda also conducts its own preclinical and clinical studies to advance both existing and new products. This approach allows them to blend traditional knowledge with modern scientific methods, ensuring the efficacy and safety of their remedies. The company's annual investment in R&D is approximately 5 million euros.

5. *For companies involved in research & development for priority diseases, conditions, and pathogens identified in the Access To Medicine Index, R&D processes for both internal and collaborative R&D activities must include a framework to develop equitable access plans for such projects. Access plans must be project-specific and include detailed commitments and strategies to improve access to such products in low- and middle- income countries (LMICs).*

The Access to Medicine Index (ATMI) does not feature any of Weleda AG products or innovations, as the company does not have any active R&D projects to address priority diseases, conditions, and pathogens identified in the Access to Medicine Index.

Therefore, Weleda AG is not expected to meet B Lab's requirement in relation to companies listed on the Access to Medicine Index (ATMI).

6. *For companies involved in sales, public disclosure of its approach to pricing which, at a minimum, utilizes pricing instruments that are generally accepted by public health agencies to set prices in all markets (such as internal reference pricing, external reference pricing, and value-based pricing). Additionally, for sales in LMICs, pricing strategies must prioritize the payer's ability to pay across different segments of a country's population and aim to improve access to those in need.*

In highly regulated markets, the company complies with set prices, such as those for reimbursement. In less regulated markets, the company aims to cover production costs and remain competitively priced compared to other companies in the complementary medicine sector. In low- and middle-income countries, such as Brazil, the company strives to produce locally to offer more affordable products.

7. *For companies involved in sales, companies have financial incentive structures for sales agents/teams designed to encourage responsible sales practices and minimize the risk of overselling (for example, by decoupling bonuses from sales volume).*



The company does not utilize financial incentives for sales teams that are linked to sales volume. Therefore, the company has not implemented any specific measures to minimize the risk of overselling, as the fixed bonus structure naturally encourages responsible sales practices.

B Lab's Public Complaints Process

Any party may submit a complaint about a current B Corp through [B Lab's Public Complaint Process](#). Grounds for complaint include:

1. Intentional misrepresentation of practices, policies, and/or claimed outcomes during the [certification process](#), or
2. Breach of the core values articulated in our [Declaration of Interdependence](#) within the B Corp Community.