GRÜNENTHAL Media Statement



German federal parliament strengthens legal certainty for Thalidomide affected people

The German federal parliament adopted an amendment to the Contergan Foundation Act on 19 June 2020, whereby benefits to thalidomide victims, once granted, cannot be revoked. This includes the thalidomide pension, which is paid by the Contergan Foundation. Only in special cases, such as deliberate deception, is it possible to withdraw benefits.

Supporting thalidomide-affected people and their families significantly improves their living conditions and enables them to socialise. Therefore, we very much welcome the federal parliament's decision to uphold the claims of those affected.

Background

For more than 50 years, an established financial system has been in place to support victims and their families mitigate the consequences of thalidomide damage. Both Grünenthal and the Federal Republic of Germany made financial contributions to establish this system. Recently, the Contergan Foundation unilaterally <u>decided to end its support of 58 thalidomide affected people</u> based in Brazil. Grünenthal believes that the possible discontinuation of payments would have devastating economic and social consequences for those affected in Brazil.

The Contergan Foundation justifies its action by arguing that there is new evidence that Grünenthal's thalidomide product was manufactured and marketed in Brazil, at that time by a business partner of Grünenthal. The persons concerned were therefore not entitled to payments under the Contergan Foundation Act, because only affected persons who have been harmed by "Chemie Grünenthal products" can claim benefits under the Act.

Grünenthal expressly points out that the thalidomide product was distributed in Brazil in cooperation with our business partner Pinheiros. At that time Grünenthal supplied not only the active ingredient thalidomide but also the finished tablets in bulk. Our partner deliberately differentiated their product in the Brazilian market from the other thalidomide imitations by portraying it as the original Grünenthal product. The Contergan Foundation itself, through its responsible committees, decided almost fifty years ago, in full knowledge of the circumstances, that the Brazilian thalidomide product was covered by the Thalidomide Foundation Law. We see no reason to doubt this assessment.

Although we do not agree with the recent actions of the Contergan Foundation, we had no influence over its decision, nor were we informed of it before the letters of consultation were sent out. Rather, Grünenthal itself has written to the Contergan Foundation to highlight that we still believe that Brazilian thalidomide products should be considered as products originating from Grünenthal and that we therefore do not consider the procedure to be appropriate.

The people affected by thalidomide in Brazil are dependent on benefits under the Thalidomide Foundation Act. In addition, anyone who has been harmed by a Grünenthal product containing thalidomide can apply for the benefits provided by the Grünenthal Foundation.

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