

United Nations Global Compact Communication on Progress 2021

Novartis has been a signatory to the UN Global Compact (UNGC) since 2000. The Compact challenges business to operate according to 10 principles covering bribery and corruption, human rights, labor and the environment. The following index qualifies for an Advanced Level Communication on Progress (COP). It draws information from the [2021 Novartis in Society Integrated Report \(NIS\)](#), [2021 Annual Report](#), [ESG Index](#), and the [novartis.com website](#).

Statement of support from the CEO

“I’m pleased to reaffirm our support for the United Nations Global Compact, of which Novartis was a founding signatory in 2000. Our purpose as a global medicines company—to reimagine medicine to improve and extend people’s lives—directly orients our business toward benefiting humanity and advancing human progress, and we remain focused on creating value through our business for patients, healthcare systems, and society. Over the last two decades, the Compact has helped us strengthen our commitments regarding human rights, the environment, and ethics, and it has served as a guide for integrating stakeholder expectations into the core of our business.”

Vas Narasimhan, Chief Executive Officer, Novartis, March 2022

| Strategy, Governance and Engagement | |
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| Criterion 1: The COP describes mainstreaming into corporate functions and business units | |
| Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring that no function is conflicting with company sustainability commitments and objectives | <ul style="list-style-type: none"> • NIS Report 2021: p.90 (Our corporate governance framework) • Annual Report 2021: p.141 (Governance, Nomination and Corporate Responsibilities Committee) |
| Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy | <ul style="list-style-type: none"> • Annual Report 2021: p.91-94 (2021 Compensation at a glance) |
| Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary | <ul style="list-style-type: none"> • NIS Report 2021: p.90 (Our corporate governance framework) |
| Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs | <ul style="list-style-type: none"> • NIS report 2021: p. 13, 14, 72 (Our 2021 materiality assessment, Our strategy, Access to healthcare performance indicators) • Targets and results |
| Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts | <ul style="list-style-type: none"> • NIS report 2021: p.90 (Our corporate governance framework) |
| Criterion 2: The COP describes value chain implementation | |
| Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities, and impacts | <ul style="list-style-type: none"> • NIS report 2021: p. 52-53 (Managing our supply chain responsibly, Supply chain performance indicators, Sustainability in our supply chain) |

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| <p>Communicate policies and expectations to suppliers and other relevant business partners</p> | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 16, 52-53 (Our stakeholders, ESG management targets, Managing our supply chain responsibly) • Mitigating Third-Party Risk • Novartis Supplier Code • Novartis Third Party Code • Novartis Green Expectations from Suppliers • Novartis Anti-Bribery Policy |
| <p>Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence</p> | <ul style="list-style-type: none"> • NIS report 2021: p.52 (Supply chain performance indicators) • Mitigating Third-Party Risk |
| <p>Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners</p> | <ul style="list-style-type: none"> • NIS Report 2021: p. 49, 77 (Product Quality, Pharmacovigilance, Access principle 3: strengthening healthcare systems) • Novartis Supplier Code • Novartis Third Party Code |
| <p>Human Rights</p> | |
| <p>Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights</p> | |
| <p>Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights) (BRE1 + ARE1)</p> | <ul style="list-style-type: none"> • NIS report 2021: p.80-81, 112 (Upholding our commitment to human rights, Appendix: external initiatives and membership of associations) • Novartis Human Rights Commitment Statement • Novartis.com (Human Rights) • Novartis Human Rights Guideline • Modern Slavery Act Statement |
| <p>Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company (BRE 1 + BRE5 + ARE 1 + ARE 5)</p> | <ul style="list-style-type: none"> • Novartis Human Rights Commitment Statement • Novartis Human Rights Guideline |

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| | <ul style="list-style-type: none"> • Modern Slavery Act Statement |
| Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services (BRE 1) | <ul style="list-style-type: none"> • Novartis.com (Human Rights) • Novartis Human Rights Commitment Statement • Novartis Code of Ethics • Novartis Supplier Code • Novartis Third Party Code |
| Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties (BRE 1 + BRE 5 + ARE 1 + ARE 5) | <ul style="list-style-type: none"> • Novartis Code of Ethics • Novartis Human Rights Commitment Statement • Novartis Human Rights Guideline • Modern Slavery Act Statement • Novartis Supplier Code • Novartis Third Party Code |
| Criterion 4: The COP describes effective management systems to integrate the human rights principles | |
| Process to ensure that internationally recognized human rights are respected | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) • Novartis Human Rights Commitment Statement • Novartis Human Rights Guideline • Modern Slavery Act Statement |
| On-going due diligence process that includes an assessment of actual and potential human rights impacts (BRE 2 + BRE 3 + ARE 2 + ARE 3) | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) • Novartis Human Rights Commitment Statement • Novartis Human Rights Guideline • Modern Slavery Act Statement |
| Internal awareness-raising and training on human rights for management and employees | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) |

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| | <ul style="list-style-type: none"> • Novartis Human Rights Commitment Statement • Novartis.com (Learning and Engagement) • Novartis.com (Human Rights, Training and capacity building) • Modern Slavery Act Statement |
| Operational-level grievance mechanisms for those potentially impacted by the company's activities (BRE 4 + ARE 4) | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) • Novartis Human Rights Commitment Statement • Novartis.com (Handling complaints) • Novartis Human Rights Guideline • Modern Slavery Act Statement |
| Allocation of responsibilities and accountability for addressing human rights impacts | <ul style="list-style-type: none"> • NIS report 2021: p. 94 (Ethics, risk and compliance) • Novartis.com (Human Rights, Governance & Strategy) • Novartis Human Rights Guideline |
| Internal decision-making, budget and oversight for effective responses to human rights impacts | <ul style="list-style-type: none"> • NIS report 2021: p. 94 (Ethics, risk and compliance) • Novartis.com (Human Rights, Governance & Strategy) • Novartis Human Rights Guideline |
| Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to (BRE 3+ BRE 4 + ARE3 + ARE 4) | <ul style="list-style-type: none"> • NIS report 2021: p.80-82 (Upholding our commitment to human rights, Encouraging employees to speak up) • Novartis Human Rights Commitment Statement • Novartis.com (Handling complaints) • Novartis Human Rights Guideline • Modern Slavery Act Statement |

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| <p>Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action (BRE 6 + ARE 6)</p> | <ul style="list-style-type: none"> • NIS report 2021: p. 52, 80, 81 (Supply chain performance indicators, Upholding our commitment to human rights, Ethical business practices performance indicators) • Novartis.com (Expanding access to healthcare) • Novartis Human Rights Guideline • Modern Slavery Act Statement |
| <p>Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration</p> | |
| <p>System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain (BRE3 + ARE3)</p> | <ul style="list-style-type: none"> • NIS report 2021: p. 52, 80-81, 112 (Supply chain performance indicators, Upholding our commitment to human rights, Appendix: external initiatives and membership of associations) • Novartis.com (Human rights in the supply chain and modern slavery) • Novartis Human Rights Guideline • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement |
| <p>Monitoring draws from internal and external feedback, including affected stakeholders</p> | <ul style="list-style-type: none"> • NIS report 2021: p. 13, 80-81 (Our 2021 materiality assessment, Upholding our commitment to human rights) |
| <p>Leadership review of monitoring and improvement results</p> | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) • Novartis Human Rights Commitment Statement • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement |
| <p>Process to deal with incidents the company has caused or contributed to for internal and external stakeholders (BRE 4 + ARE 4)</p> | <ul style="list-style-type: none"> • NIS report 2021: p.82 (Encouraging associates to speak up) • Novartis.com (Handling complaints) • Novartis Human Rights Guideline |

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| | <ul style="list-style-type: none"> • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement |
| Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue (BRE4 + ARE4) | <ul style="list-style-type: none"> • NIS report 2021: p.80-82 (Upholding our commitment to human rights, Encouraging associates to speak up) • Novartis.com (Handling complaints) |
| Outcomes of integration of the human rights principles | <ul style="list-style-type: none"> • NIS report 2021: p.80-81 (Upholding our commitment to human rights) • Novartis Global Guideline on P&O Principles and Labor Rights Practices • Novartis.com (Living wage) • Novartis materiality assessment |
| Labor | |
| Criterion 6: The COP describes robust commitments, strategies or policies in the area of labor | |
| Reference to principles of relevant international labor standards (ILO Conventions) and other normative international instruments in company policies | <ul style="list-style-type: none"> • NIS report 2021: p.12 (Appendix: external initiatives and membership of associations) • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement • Novartis Human Rights Guideline • Novartis Supplier Code • Novartis Third Party Code |
| Reflection on the relevance of the labor principles for the company | <ul style="list-style-type: none"> • Novartis.com (Human Rights) • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement • Novartis Human Rights Guideline • Novartis Supplier Code • Novartis Third Party Code |

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| <p>Written company policy to obey national labor law, respect principles of relevant international labor standards in worldwide company operations and engage in dialogue with representative organization of the workers (international, sectoral, national).</p> | <ul style="list-style-type: none"> • Novartis Code of Ethics • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement • Novartis Human Rights Guideline • Novartis Supplier Code • Novartis Third Party Code |
| <p>Inclusion of reference to the principles contained in the relevant international labor standards in contracts with suppliers and other relevant business partners</p> | <ul style="list-style-type: none"> • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement • Novartis Human Rights Guideline • Novartis Supplier Code • Novartis Third Party Code |
| <p>Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation</p> | <ul style="list-style-type: none"> • NIS report 2021: p.66, 80-81 (People performance indicators, Upholding our commitment to human rights) • Novartis.com (Diversity & Inclusion) • Novartis Human Rights Commitment Statement • Modern Slavery Act Statement • Novartis Human Rights Guideline • Novartis Supplier Code • Novartis Third Party Code |
| <p>Participation and leadership by employers' organizations (international and national) to jointly address challenges related to labor standards in the countries of operation, possibly in a tripartite approach (business – trade union – government)</p> | <ul style="list-style-type: none"> • NIS report 2021: p.66, 80-81 (People performance indicators, Upholding our commitment to human rights) • Novartis.com (Living wage) |
| <p>Criterion 7: The COP describes effective management systems to integrate the labor principles</p> | |
| <p>Risk and impact assessments in the area of labor</p> | <ul style="list-style-type: none"> • NIS report 2021: p. 13, 20, 52, 80 (Our 2021 materiality assessment, measuring and valuing our impact, managing our |

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| | <p>supply chain responsibly, supply chain performance indicators, Upholding our commitment to human rights)</p> <ul style="list-style-type: none"> • Mitigating Third-Party Risk |
| Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labor standards | <ul style="list-style-type: none"> • Novartis Global Guideline on P&O Principles and Labor Rights Practices |
| Allocation of responsibilities and accountability within the organization | <ul style="list-style-type: none"> • NIS report 2021: p.90 (Our corporate governance framework) • Annual Report 2021: p.141 (Governance, Nomination and Corporate Responsibilities Committee) • Modern Slavery Act Statement |
| Internal awareness-raising and training on the labor principles for management and employees | <ul style="list-style-type: none"> • NIS report 2021: p. 63, 66 (Learning and development, people performance indicators) • Novartis Code of Ethics • Modern Slavery Act Statement |
| Active engagement with suppliers to address labor-related challenges | <ul style="list-style-type: none"> • NIS report 2021: p. 80-81 (Upholding our commitment to human rights, Integrating human rights into our third-party risk process) • Mitigating Third-Party Risk • Modern Slavery Act Statement • Novartis Supplier Code • Novartis Third Party Code |
| Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in line with the representative organization of workers | <ul style="list-style-type: none"> • NIS report 2021: p. 82, 94 (Encouraging associates to speak up, Ethics, risk and compliance) • Novartis.com (Handling complaints) |
| Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labor principles integration | |
| System to track and measure performance based on standardized performance metrics | <ul style="list-style-type: none"> • NIS report 2021: p. 62, 66 (Evolving ways of working, People performance indicators) |

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| Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future | <ul style="list-style-type: none"> • NIS report 2021: p. 66 (People performance indicators) • Novartis Human Rights Guideline |
| Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labor standards | <ul style="list-style-type: none"> • NIS report 2021: p. 52, 80 (Managing our supply chain responsibly, Supply chain performance indicators, Upholding our commitment to human rights) • Mitigating Third-Party Risk |
| Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices | <ul style="list-style-type: none"> • NIS report 2021: p.52, 80 (Managing our supply chain responsibly, Upholding our commitment to human rights) • Mitigating Third-Party Risk |
| Outcomes of integration of the Labor principles | <ul style="list-style-type: none"> • NIS report 2021: p.66 (People performance indicators) • Novartis.com (Living wage) • Novartis Materiality Assessment |

Environment

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| Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship | |
| Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development) | <ul style="list-style-type: none"> • NIS report 2021: p.112 (Appendix: external initiatives and membership of associations) • Novartis position on pharmaceuticals in the environment • Novartis Environmental Sustainability Strategy |
| Reflection on the relevance of environmental stewardship for the company | <ul style="list-style-type: none"> • NIS report 2021: p. 4, 5, 14, 16, 83-84 (Chairman's letter, CEO's letter, Our 2021 materiality assessment, Our strategy, ESG management targets, Enhancing environmental sustainability) • Novartis Environmental Sustainability Strategy • Novartis.com (Becoming an environmentally sustainable business) • Novartis Health, Safety and Environment Policy |

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| Written company policy on environmental stewardship | <ul style="list-style-type: none"> • Novartis Environmental Sustainability Strategy • Novartis Health, Safety and Environment Policy |
| Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners | <ul style="list-style-type: none"> • Novartis Green Expectations from Suppliers • Novartis Health, Safety and Environment Policy • Novartis Supplier Code • Novartis Third Party Code |
| Specific commitments and goals for specified years | <ul style="list-style-type: none"> • NIS report 2021: p. 16, 53, 83 (ESG management targets, Sustainability in our supply chain, Enhancing environmental sustainability) • Novartis Environmental Sustainability Strategy • Novartis Green Expectations from Suppliers • Novartis.com (Becoming an environmentally sustainable business) • Novartis.com (Targets & Results) |
| Criterion 10: The COP describes effective management systems to integrate the environmental principles | |
| Environmental risk and impact assessments | <ul style="list-style-type: none"> • NIS report 2021: p. 20, 22-25, 53, 83, 94 (Measuring and valuing our impact, How we manage risk, Sustainability in our supply chain, Enhancing environmental sustainability, Ethics, risk and compliance) • Novartis Health, Safety and Environment Policy • CDP Climate Change Information Request • CDP Water Information Request |
| Assessments of lifecycle impact of products, ensuring environmentally sound management policies | <ul style="list-style-type: none"> • NIS report 2021: p. 48, 53, 83 (Sustainability in manufacturing, Ensuring patient health and safety, Sustainability in |

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| | <p>our supply chain, Enhancing environmental sustainability)</p> <ul style="list-style-type: none"> • Novartis Environmental Sustainability Strategy • Novartis Health, Safety and Environment Policy |
| Allocation of responsibilities and accountability within the organization | <ul style="list-style-type: none"> • NIS report 2021: p. 90, 94 (Our corporate governance framework, Ethics, risk and compliance) • Novartis Environmental Sustainability Strategy • Novartis Health, Safety and Environment Policy |
| Internal awareness-raising and training on environmental stewardship for management and employees | <ul style="list-style-type: none"> • Novartis Environmental Sustainability Strategy (p. 46) • Novartis Health, Safety and Environment Policy |
| Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts | <ul style="list-style-type: none"> • NIS report 2021: p. 82 (Encouraging employees to speak up) • Novartis.com (Handling complaints) |
| Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship | |
| System to track and measure performance based on standardized performance metrics | <ul style="list-style-type: none"> • NIS report 2021: p. 53, 83, 84 (Sustainability in our supply chain, Enhancing environmental sustainability, Environment performance indicators) • Novartis Environmental Sustainability Strategy • Novartis.com (Becoming an environmentally sustainable business) • Novartis Health, Safety and Environment (HSE) Data 2021 • Novartis Health, Safety and Environment Policy |

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| Leadership review of monitoring and improvement results | <ul style="list-style-type: none"> • NIS report 2021: p.83, 94 (Enhancing environmental sustainability, Ethics, risk and compliance) • Novartis Environmental Sustainability Strategy • Novartis Health, Safety and Environment Policy |
| Process to deal with incidents | <ul style="list-style-type: none"> • NIS report 2021: p. 82, 94 (Encouraging associates to speak up, Ethics, risk and compliance) • Novartis.com (Handling complaints) • Novartis.com (Risk management) |
| Audits or other steps to monitor and improve the environmental performance of companies in the supply chain | <ul style="list-style-type: none"> • NIS report 2021: p.52, 53, 83 (Supply chain performance indicators, Sustainability in our supply chain, Enhancing environmental sustainability) • Mitigating Third-Party Risk • Novartis Environmental Sustainability Strategy • Novartis Health, Safety and Environment Policy • Novartis Supplier Code • Novartis Third Party Code |
| Outcomes of integration of the environmental principles | <ul style="list-style-type: none"> • NIS report 2021: p. 83, 84 (Enhancing environmental sustainability, Environmental targets, Environment performance indicators) • Novartis Health, Safety and Environment (HSE) Data 2021 |
| Anti-Corruption | |
| Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption | |
| Publicly stated formal policy of zero-tolerance of corruption (D1) | <ul style="list-style-type: none"> • Novartis.com (Anti-Bribery and Anti-Corruption) • Novartis Code of Ethics |

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| | <ul style="list-style-type: none"> • Novartis Anti-Bribery Policy |
| Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes (B2) | <ul style="list-style-type: none"> • NIS report 2021: p.112 (Appendix: external initiatives and membership of associations) • Novartis.com (Ethics, Risk and Compliance) |
| Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption (D2) | <ul style="list-style-type: none"> • NIS report 2021: p.112 (Appendix: external initiatives and membership of associations) |
| Detailed policies for high-risk areas of corruption (D4) | <ul style="list-style-type: none"> • Novartis Code of Ethics • Novartis Anti-Bribery Policy • Novartis Conflicts of Interest Guideline • Novartis Professional Practices Policy • Novartis Global Guideline for responsible lobbying • Novartis position on collaborating with patient organizations |
| Policy on anti-corruption regarding business partners (D5) | <ul style="list-style-type: none"> • Novartis Supplier Code • Novartis Third Party Code |
| Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle | |
| Support by the organization's leadership for anti-corruption (B4) | <ul style="list-style-type: none"> • NIS report 2021: p. 80, 94 (Anti-bribery policies and practices, Ethics, risk and compliance) • Novartis.com (Anti-Bribery and Anti-Corruption) |
| Carrying out risk assessment of potential areas of corruption (D3) | <ul style="list-style-type: none"> • NIS report 2021: p. 22-24, 25, 82, 90 (How we manage our risk, Managing our supply chain responsibly, Ethical business practices performance indicators, Our corporate governance framework) • Novartis Third Party Risk Management |
| Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees (B5 + D8) | <ul style="list-style-type: none"> • NIS report 2021: p. 80, 82 (Ethics, risk and compliance, Ethical business practices performance indicators) |

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| Internal checks and balances to ensure consistency with the anti-corruption commitment (B6) | <ul style="list-style-type: none"> • NIS report 2021: p. 82 (Encouraging employees to speak up) |
| Actions taken to encourage business partners to implement anti-corruption commitments (D6) | <ul style="list-style-type: none"> • NIS report 2021: p. 25, 52 (Managing our supply chain responsibly, Supply chain performance indicators) • Novartis Supplier Code • Novartis Third Party Code |
| Management responsibility and accountability for implementation of the anti-corruption commitment or policy (D7) | <ul style="list-style-type: none"> • NIS report 2021: p. 94 (Ethics, risk and compliance) • Novartis.com (Ethics, Risk and Compliance) • Chief Ethics, Risk & Compliance Officer of Novartis |
| Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice (D9) | <ul style="list-style-type: none"> • NIS report 2021: p. 82 (Encouraging associates to speak up) • Novartis.com (Handling complaints) |
| Internal accounting and auditing procedures related to anticorruption (D10) | <ul style="list-style-type: none"> • NIS report 2021: p.90, 94 (Our corporate governance approach, Ethics, risk and compliance) • Annual Report 2021: p.139 (Audit and Compliance Committee) • Novartis.com (Ethics, Risk and Compliance) |
| Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption | |
| Leadership review of monitoring and improvement results (D12) | <ul style="list-style-type: none"> • NIS report 2021: p. 16, 80, 82, 90, 94 (ESG management targets, Holding ourselves to high ethical standards, Ethical business practices performance indicators, Our corporate governance approach, Ethics, risk and compliance) • Novartis.com (Our commitment to doing what's right) |
| Process to deal with incidents (D13) | <ul style="list-style-type: none"> • NIS report 2021: p. 82 (Encouraging associates to speak up) • Novartis.com (Handling complaints) |

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| Public legal cases regarding corruption (D14) | <ul style="list-style-type: none"> All material legal proceedings are disclosed within the Annual Report and accounts (p. F-48) NIS report 2021: p. 80 (Holding ourselves to high ethical standards) |
| Use of independent external assurance of anti-corruption programs (D15) | <ul style="list-style-type: none"> NIS report 2021: p. 80 (Holding ourselves to high ethical standards) Annual Report 2021: p. 139, 150 (Audit and Compliance Committee, Information and control systems) |
| Outcomes of integration of the anti-corruption principle | <ul style="list-style-type: none"> Novartis.com (Our commitment to doing what's right) |
| UN Goals and Issues | |
| Criterion 15: The COP describes core business contributions to UN goals and issues | |
| Align core business strategy with one or more relevant UN goals/issues | <ul style="list-style-type: none"> NIS report 2021: p.19, 102 (Contributing to the UN SDGs, Novartis GRI Content Index) |
| Develop relevant products and services or design business models that contribute to UN goals/issues | <ul style="list-style-type: none"> NIS report 2021: p. 6, 14, 18, 41, 69 (Who we are, Our strategy, How we create value, Innovation for global health, Build trust with society) Novartis Access Novartis Healthy Family programs |
| Adopt and modify operating procedures to maximize contribution to UN goals/issues | <ul style="list-style-type: none"> NIS report 2021: p. 19, 70, 83, 85 (Contributing to the UN SDGs, Leading the way on access and global health, Enhancing environmental sustainability, Advancing our program to combat antimicrobial resistance) |
| Criterion 16: The COP describes strategic social investments and philanthropy | |
| Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy | <ul style="list-style-type: none"> NIS report 2021: p.65, 74-75 (Engagement and volunteering, Donations, Patient support programs, Managed access programs) Novartis.com (Access) |
| Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors | <ul style="list-style-type: none"> NIS report 2021: p. 41, 57, 77 (Innovation for global health, Digital health solutions, |

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| | Access principle 3: strengthening healthcare systems) |
| Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups | <ul style="list-style-type: none"> • NIS report 2021: p. 70, 72, 75, 78 (Leading the way on access and global health, Access principle 2: affordability, Patient support programs, Expanding access through generics and biosimilars) • Novartis.com (Patient organization funding) • Novartis.com (Payments to Healthcare Professionals) • Novartis Position on Collaborating with Patient Organizations |
| Criterion 17: The COP describes advocacy and public policy engagement | |
| Publicly advocate the importance of action in relation to one or more UN goals/issues | <ul style="list-style-type: none"> • NIS report 2021: p.19, 112 (Contributing to the UN SDGs, Appendix: external initiatives and membership of associations) • Novartis Human Rights Guideline • Modern Slavery Act Statement • Novartis position on value-based healthcare • Novartis.com (Responsible lobbying) • Novartis.com (Positions) • Novartis.com (Codes, Policies and Guidelines) |
| Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues | <ul style="list-style-type: none"> • NIS report 2021: p.12, 20, 90 (Our stakeholders, Measuring and valuing our impact, Our corporate governance framework) |
| Criterion 18: The COP describes partnerships and collective action | |
| Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy | <ul style="list-style-type: none"> • NIS report 2021: p. 41, 57, 58, 65, 75 (Advanced technology platforms, Streamlining R&D, Digital solutions for global health, Engagement and volunteering, Donations, Access principle 3: strengthening healthcare systems) |
| Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving | <ul style="list-style-type: none"> • NIS report 2021: p. 41, 57, 58, 65, 75, 112 (Advanced technology platforms, |

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| common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain | Streamlining R&D, Digital solutions for global health, Engagement and volunteering, Donations, Access principle 3: strengthening healthcare systems, Appendix: external initiatives and membership of associations) |
| Governance | |
| Criterion 19: The COP describes CEO commitment and leadership | |
| CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation | <ul style="list-style-type: none"> • NIS report 2021: p. 5, 90, 98 (CEO's letter, Our corporate governance framework, 2021 CEO pay for performance – outcomes) |
| CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact | <ul style="list-style-type: none"> • See CEO statement above |
| CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards | <ul style="list-style-type: none"> • NIS report 2021: p. 5 (CEO's letter) |
| Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team | <ul style="list-style-type: none"> • NIS report 2021: p. 5, 98 (CEO's letter, 2021 CEO pay for performance – outcomes) • Annual report 2021: p. 93 (Executive Committee compensation philosophy and principles) |
| Criterion 20: The COP describes Board adoption and oversight | |
| Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance | <ul style="list-style-type: none"> • NIS report 2021: p. 90 (Our corporate governance framework) |
| Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability. | <ul style="list-style-type: none"> • NIS report 2021: p. 90 (Our corporate governance framework) |
| Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress) | <ul style="list-style-type: none"> • NIS report 2021: p. 90 (Our corporate governance framework) |
| Criterion 21: The COP describes stakeholder engagement | |
| Publicly recognize responsibility for the company's impacts on internal and external stakeholders | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 13, 18, 22-23, (Our stakeholders, Our 2021 materiality assessment, How we create value, How we manage risk) • Novartis Materiality Assessment |

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| | <ul style="list-style-type: none"> • Effect of Novartis Access on availability and price of non-communicable disease medicines in Kenya: a cluster-randomised controlled trial, The Lancet • The survival of patients enrolled in a global direct-to-patient cancer medicine donation program: The Glivec International Patient Assistance Program (GIPAP) |
| Define sustainability strategies, goals and policies in consultation with key stakeholders | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 13, 18, 22-23, (Our stakeholders, Our 2021 materiality assessment, How we create value, How we manage risk) |
| Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 13, 18, 22-23, (Our stakeholders, Our 2021 materiality assessment, How we create value, How we manage risk) • Effect of Novartis Access on availability and price of non-communicable disease medicines in Kenya: a cluster-randomized controlled trial, The Lancet |
| Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 82 (Our stakeholders, Encouraging our employees to speak up) |
| Other established or emerging best practices | <ul style="list-style-type: none"> • NIS report 2021: p. 65 (Engagement and volunteering) |
| Women's Empowerment | |
| The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community | |
| Designing community stakeholder engagements that are free of gender discrimination/stereotyping and sensitive to gender issues | <ul style="list-style-type: none"> • NIS report 2021: p. 43, 64, 112 (Diversity in clinical trials, Diversity and inclusion, Leveraging our data, Appendix: external initiatives and membership of associations) • Novartis.com (Engagement and Volunteering) |
| Ensuring female beneficiaries of community programs | <ul style="list-style-type: none"> • NIS report 2021: p. 65, 73 (Engagement and volunteering, Novartis access, Healthy Family) |
| Community initiatives specifically targeted at the empowerment of women and girls | <ul style="list-style-type: none"> • NIS report 2021: p. 43, 64, 112 (Diversity in clinical trials, Diversity and inclusion, Leveraging our data, Appendix: external initiatives and membership of associations) |

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| | <ul style="list-style-type: none"> • Novartis.com (Diversity & Inclusion) |
| Strategies to ensure that community investment projects and programs (including economic, social and environmental) positively impact women and girls | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 43, 64, 112 (Our stakeholders, Diversity in clinical trials, Diversity and inclusion, Leveraging our data, Appendix: external initiatives and membership of associations) |
| Strategies to ensure that community investment projects and programs (including economic, social and environmental) include the full participation of women and girls | <ul style="list-style-type: none"> • NIS report 2021: p. 12, 43, 64, 112 (Our stakeholders, Diversity in clinical trials, Diversity and inclusion, Leveraging our data, Appendix: external initiatives and membership of associations) |
| The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace | |
| Achieving and maintaining gender equality in senior management and board positions | <ul style="list-style-type: none"> • NIS report 2021: p. 66, 91 (People performance indicators, Board diversity profile, ECN diversity profile) • Our Equal Pay International Coalition (EPIC) Commitments |
| Achieving and maintaining gender equality in middle management positions | <ul style="list-style-type: none"> • NIS report 2021: p. 62, 66 (Evolving ways of working, People performance indicators) • Novartis.com (Diversity & Inclusion) • Our Equal Pay International Coalition (EPIC) Commitments |
| Equal pay for work of equal value | <ul style="list-style-type: none"> • NIS report 2021: p. 62, 66, 112 (Evolving ways of working, People performance indicators, Appendix: external initiatives and membership of associations) • Our Equal Pay International Coalition (EPIC) Commitments • Novartis.com (Diversity & Inclusion) |
| Flexible work options | <ul style="list-style-type: none"> • NIS report 2021: p. 62, 65, 66, (Evolving ways of working, Supporting and protecting our employees, People performance indicators) • Novartis.com (Flexibility at Novartis stories) |
| Access to child and dependent care | <ul style="list-style-type: none"> • NIS report 2021: p. 62, 65, 66, (Evolving ways of working, Supporting and protecting |

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| | <p>our employees, People performance indicators)</p> <ul style="list-style-type: none"> • Diversity & Inclusion Switzerland |
| Support for pregnant women and those returning from maternity leave | <ul style="list-style-type: none"> • NIS report 2021: p. 19, 62, 65, 66, (Value created, Evolving ways of working, Supporting and protecting our employees, People performance indicators) • Global Parental Leave Guideline • Women Back to Business |
| Recruitment and retention, including training and development, of female employees | <ul style="list-style-type: none"> • NIS report 2021: p. 19, 62, 63 65, 66, (Value created, Evolving ways of working, Learning and development, Supporting and protecting our employees, People performance indicators) • Novartis.com (Equity) • Novartis.com (Enabling 130,000 employees to grow in an organization committed to continuous learning) • Novartis.com (Recruitment) |
| Gender-specific health and safety issues | <ul style="list-style-type: none"> • NIS report 2021: p. 5, 28, 38 (CEO's letter, Financial performance, Breast cancer) • Novartis.com (Women with lung disease) |
| Gender-based violence and harassment | <ul style="list-style-type: none"> • NIS report 2021: p. 82 (Encouraging associates to speak up) • Novartis.com (Handling complaints) |
| Education and training opportunities for women workers | <ul style="list-style-type: none"> • NIS report 2021: p. 63, 65, 66, (Learning and development, Supporting and protecting our employees, People performance indicators) • Novartis.com (We are instilling curiosity) |
| Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers | <ul style="list-style-type: none"> • NIS report 2021: p. 43, 66 (Diversity and inclusion, People performance indicators) • Novartis Human Rights Commitment Statement • Novartis Human Rights Guideline |

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| | <ul style="list-style-type: none"> • Modern Slavery Act Statement • Diversity & Inclusion Switzerland |
| Mentoring and sponsorship opportunities for women workers | <ul style="list-style-type: none"> • Annual Review 2020: p. 34 (Go big on data and digital – How we operate) |
| The COP contains or refers to sex-disaggregated data | |
| Achieving and maintaining gender equality in senior management and board positions | <ul style="list-style-type: none"> • NIS report 2021: p. 43, 66, 91 (Diversity and inclusion, People performance indicators, Board diversity profile, ECN diversity profile) |
| Achieving and maintaining gender equality in middle management positions | <ul style="list-style-type: none"> • NIS report 2021: p. 43, 66, 91 (Diversity and inclusion, People performance indicators, Board diversity profile, ECN diversity profile) |
| Flexible work options | <ul style="list-style-type: none"> • NIS report 2021: p. 65, 66 (Supporting and protecting our employees, People performance indicators) • Novartis.com (Flexibility at Novartis stories) |
| Equal pay for work of equal value | <ul style="list-style-type: none"> • NIS report 2021: p. 64 (Diversity and inclusion) |
| Recruitment and retention, including training and development, of female employees | <ul style="list-style-type: none"> • NIS report 2021: p. 66 (People performance indicators) |
| The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace | |
| Gender-sensitive marketing | <ul style="list-style-type: none"> • Novartis develops patient education materials specifically aimed at women |
| Gender-sensitive product and service development | <ul style="list-style-type: none"> • Novartis runs gender-specific studies; for instance, we conducted an observational study in Zambia on the exposure to artemether-lumefantrine in first trimester pregnancy • Novartis sponsors several studies investigating gender differences in diseases • Novartis supports <i>gendermedjournal</i>, a journal focusing on gender-specific medicine |

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| | <ul style="list-style-type: none"> • Novartis partnered with MediData to develop MetaGeM, a gender-medicine post hoc analysis project to test sex differences in previous observational studies in different diseases |
| Support for women business owners and women entrepreneurs | <ul style="list-style-type: none"> • NIS report 2021: p. 12 (Our stakeholders) |
| Which of the following Sustainable Development Goals (SDGs) do the activities described in your COP address? | <ul style="list-style-type: none"> • SDG 3, SDG 6, SDG 7, SDG 8, SDG 9, SDG 10, SDG 13 • NIS report 2021: p. 19, 102, 112 (Contributing to the UN SDGs, Novartis GRI Content Index, Appendix: external initiatives and membership of associations) |
| With respect to your company's actions to advance the Sustainable Development Goals (SDGs), the COP describes | |
| Where the company's priorities lie with respect to one or more SDGs | <ul style="list-style-type: none"> • NIS report 2021: p. 19, 102 (Contributing to the UN SDGs, Novartis GRI Content Index) |
| Goals and indicators set by our company with respect to one or more SDGs | <ul style="list-style-type: none"> • Novartis ESG management targets • Novartis performance indicators 2021 |
| How one or more SDGs are integrated into the company's business model | <ul style="list-style-type: none"> • NIS report 2021: p. 19, 102 (Contributing to the UN SDGs, Novartis GRI Content Index) • Novartis.com (Targets & Results) |
| If the companies' activities related to the SDGs are undertaken in collaboration with other stakeholders | <ul style="list-style-type: none"> • NIS report 2021: p. 41, 57, 58, 65, 75 (Advanced technology platforms, Streamlining R&D, Digital solutions for global health, Engagement and volunteering, Donations, Access principle 3: strengthening healthcare systems) |