

Novartis Human Rights Statement 2025

Covering modern slavery, decent work, forced labor and child labor

This Statement is made in accordance with Australia's "Modern Slavery Act 2018 (Cth)" (Australian MSA), Canada's "Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023" (the Act), the UK's "Modern Slavery Act 2015" (UK MSA), the Norwegian "Transparency Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (LOV-2021-06-18-99)" (Transparency Act), and the Swiss "Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour" (Due Diligence Ordinance). It covers the reporting period January 1 to December 31, 2025.

Unless expressly stated otherwise, references to "we," "us" and "our" refer to Novartis as a whole, including the applicable reporting entities and their owned and controlled entities.

In preparing this Statement, we worked with multiple global and local teams to gather the required information. The content was reviewed by local legal teams in each reporting jurisdiction, our Chief Legal and Compliance Officer, and our CEO, before approval by local country heads for signature.

In Australia, we consulted members of the local executive committee and the key functions supporting the two reporting entities, including Procurement; Supply Chain; Ethics, Risk and Compliance (ERC); and Legal.

Novartis Norge AS compliance with the Transparency Act is overseen by the local Board of Directors and integrated into the organization's management.

Overall executive-level accountability for implementation of our human rights program sits with the Chief Legal and Compliance Officer, in cooperation with the ESG Committee, led by our CEO. A dedicated Human Rights team within the global ERC function is responsible for implementation of the Novartis human rights strategy.

Business structure

Our operations

Novartis is an innovative medicines company, engaged in the research, development, manufacturing, distribution, marketing and sale of a broad range of innovative pharmaceutical products.

Headquartered in Basel, Switzerland, we had 75 267 full-time equivalent employees on December 31, 2025. We have 184 operating sites worldwide, including manufacturing sites, research and development (R&D) facilities, and corporate offices. Our products are sold in approximately 120 countries around the world.

As part of our core strategy, we focus on four therapeutic areas: cardiovascular, renal and metabolic; immunology; neuroscience; and oncology. We have 11 operating sites in Australia, Canada, the UK and Norway for the distribution, sale and marketing of our medicines in their respective markets. Our local business units are governed by the same global policies and procedures outlined in this Statement.

On December 31, 2025, our reporting entities employed a total of 310 employees in Australia, 523 employees in Canada, 1 345 employees in the UK, and 76 employees in Norway.

Our supply chain

We buy goods and services required to develop, manufacture and market our medicines. To do so, we work with suppliers, contractors and other business partners worldwide and maintain multiple sources for key inputs and raw materials to reduce supply risk. Our largest spend on these external partners is in the US and Switzerland, followed by other countries in our integrated supply chain including China, the UK, Germany, India and Austria.

Our goal is to ensure the uninterrupted and timely supply of medicines that meet all product specifications and quality standards, and that are manufactured in the most cost-effective and sustainable manner. The manufacturing of our products is highly regulated by government health authorities around the world, including the US Food and Drug Administration (FDA) and European Medicines Agency (EMA), and often involves complex processes and specialized raw materials. We manufacture our products across the following technologies at facilities worldwide: chemistry, biotherapeutics, cell and gene therapy, xRNA therapy, and radioligand therapy.

We require all our external partners to comply with applicable laws and regulations, as well as our own standards regarding product quality, business conduct, environmental sustainability and respect for human rights.

Policies

To mitigate negative impacts on human rights throughout our value chain, we conduct ongoing human rights due diligence and have policies and management systems in place. These support our commitment to respecting human rights as articulated in our Human Rights Commitment Statement, in line with the principles set out in the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development's (OECD) Guidelines for Multinational Enterprises. Our commitment includes internationally recognized human rights, including those contained in the International Bill of Human Rights¹ and the International Labour Organization's (ILO) core labor rights conventions, including the Minimum Age Convention (no. 139) and the Worst Forms of Child Labour Convention (no. 182). We are also signatories to the United Nations Global Compact (UNGC) and report annually on our progress.

We strictly prohibit any violation of human rights, including child labor, modern slavery, forced labor and human trafficking.

We have global policies and standards that are regularly updated to ensure alignment with our commitments and are binding on all our employees globally:

- Our Code of Ethics sets out our commitment to prevent, mitigate and address adverse human rights impacts within our workplace, business operations and the communities we serve.
- Our Human Rights Commitment Statement commits us to uphold internationally recognized human rights, including those relating to child and forced labor, throughout our operations and value chain.
- Our Third Party Code (TPC) defines clear labor rights standards for our external partners. In line with the UNGC, UNGPs, ILO and other relevant international standards, the TPC requires our external partners to:
 - Prohibit forced and child labor, including modern slavery
 - Protect against discrimination in the workplace
 - Treat workers with respect and dignity (e.g., no harassment)
 - Ensure fair employment practices (e.g., written contracts, clear employment and termination policies, responsible recruitment, and fulfillment of labor and social security obligations)
 - Ensure wages and benefits meet national minimum requirements or prevailing wage levels (whichever is higher), and strongly encourage payment of a living wage
 - Avoid excessive working hours and ensure overtime is voluntary and adequately compensated
 - Allow workers' freedom of association and collective bargaining

We also independently evaluate the need for additional local guidelines or standards to ensure alignment with the requirements of the legislation covered by this Statement (listed on page 8).

¹ Consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights

Risk identification

Using the risk-saliency principles set out by the UNGPs, we conduct an annual human rights risk assessment to identify and prioritize the most severe potential impacts on people across our value chain. We evaluate and rank risks through stakeholder interviews, evidence reviews and a cross-functional workshop. Prioritizing our most salient human rights topics enables us to focus on due diligence where the risk of adverse impacts to people is highest. In addition, we monitor actual or suspected breaches of human rights via our grievance mechanism, which is also open to our external partners.

Our 2025 assessment reaffirmed our existing human rights priorities, which continue to represent the areas with the most significant potential impacts on human rights. These include labor rights risks in the value chain and health risks related to our core business activities. It also confirmed a low risk of modern slavery and child labor in our operations, based on assessments of business units and high-risk markets identified through our human rights country risk tool, which draws on 15 public human rights indices. For more information, see our Human Rights Commitment Statement.

Risk identification in our value chain

Respecting the labor rights of employees and of workers in our value chain is central to our broader human rights responsibility and commitments. These rights include freedom from forced and child labor, fair and safe working conditions, and the right to be treated with dignity. We use the term "labor rights" while acknowledging they form part of our overall human rights commitments.

The greatest risk of adverse impacts relating to working conditions at external partners that have contractual relationships with us is associated with facilities management, manufacturing of medicines, transportation and warehousing. These categories potentially involve physically demanding, manual or hazardous work. There is a general risk that work of this type may be carried out by contracted and/or migrant workers with limited ability to assert their rights. The risk of adverse impacts is further heightened in countries where rule of law, labor protections or enforcement mechanisms are less mature.

Key risks include exploitative working conditions, discrimination, wage and benefit shortfalls, excessive working hours, and restrictions on freedom of association.

As part of our broader commitment to upholding human rights, we proactively assess labor rights risks, including modern slavery, forced labor and child labor, in our supply chain through our External Partner Risk Management (EPRM) framework, and screen all external partners for negative media coverage. We assign external partners a high, medium or low labor rights risk rating, based on country labor rights and procurement category risk ratings. Procurement risks are determined through the ongoing monitoring of supplier activities, while country risks are identified through our human rights country risk assessment matrix. Both risk ratings are reviewed annually.

All medium- and high-risk external partners that have contractual relationships with us and are in scope for labor rights assessments are required to complete a labor-rights focused Third Party Questionnaire (TPQ) modeled on the labor rights requirements in the TPC. Wholesalers and distributors are also required to complete a labor rights TPQ if they are in a country classified as “high risk” by our human rights country risk assessment tool. Where heightened risks are identified, we also initiate onsite audits conducted by qualified internal or external subject-matter experts or external auditors, whose competency is verified through certified membership in the Association of Professional Social Compliance Auditors (APSCA).

Identification of child labor risks

Child labor considerations are embedded in our standards of conduct for external partners. Section 2.2 of

our TPC states that external partners “must not employ any person who is less than fifteen (15) years old, or less than the age for completing compulsory education in the country of operations (whichever is higher).” It also provides that “Young Workers below the age of 18 cannot be employed in hazardous or any kind of work that can harm their education, or physical and/or mental health nor be engaged in any form of heavy physical labor and night shifts.” Should indications of child labor be alleged or found at a third-party site, the TPC states that the third party shall “put in place a suitable plan to support the child, which may involve removing the child from the workplace while continuing to pay salary and the cost of formal or vocational training, accommodation or other costs as necessary, to the child until adulthood.” Any remedial action should be consistent with ILO standards and the latest best-practice guidance.

We monitor compliance with our TPC clauses on child labor through the TPQ by requesting suppliers to:

- Provide their policy on prohibiting child labor
- Provide evidence of management systems and due diligence conducted across relevant areas to ensure no child labor is present in their operations
- Describe the systems and processes they have in place to verify the age of workers
- Confirm whether policies and procedures on managing child labor and young workers align with the ILO and/or local legislation
- Outline remediation measures in the case that child labor is detected
- Provide the age of the youngest worker on site

Addressing risks in our supply chain

Our TPC is incorporated into our standard contract terms with our external partners. These contractual terms give us the right to conduct an audit to monitor compliance with the TPC as well as the right to refuse to do business with an external partner in cases of systemic, unresolved issues — or a refusal to address critical concerns. They also require our external partners to promote similar standards within their own supply chains. We may terminate a business relationship if a risk assessment identifies instances of child labor, forced labor/modern slavery, or systematic discrimination and abuse, or if an external partner is included on a global watch list for violations of human or labor rights. Ending a business relationship is the last resort; we prioritize collaboration and give external partners the opportunity to address and remediate noncompliance with the TPC before considering termination.

We updated our TPC in 2025 to strengthen our human rights commitments and to ensure further alignment with the ILO’s standards, including by expanding our forced labor and modern slavery requirements.

In countries such as Australia, Canada and the UK, the requirement to comply with all applicable laws is explicitly integrated into contractual agreements. In addition, our UK external partner contracts specifically

require compliance with the Labour Standards Assurance System, which aims to ensure that medical supply organizations produce goods and services using fair labor practices.

Risk screening and findings

We continued to implement our Labor Rights 2.0 initiative, launched in 2024 to further focus our labor rights program on strategic risk management and meaningful engagement with our external partners, including protecting the most vulnerable workers in our supply chain.

In 2025, this involved updating our labor rights TPQ for in-scope external partners that we assess. We added targeted questions and aligned the questionnaire more closely with international standards, such as those of the ILO, UNGPs and other relevant standards. We also developed a corresponding guidance document, available in 11 languages, outlining expectations from external partners and highlighting best practices. We strengthened our risk-based approach by introducing an updated labor rights risk matrix to assess and prioritize risks across external partners based on location and adverse media monitoring. Additionally, we streamlined the scope by

excluding low-risk procurement categories and partners with fewer than 30 employees.

In 2025, we advanced our labor rights audit framework to enable consistent, risk-based onsite assessments of high-risk external partners, aligning with the UNGPs. We also engaged with a specialized external provider to perform supply-chain mapping beyond our direct external partners to deepen our knowledge of our supply chain.

In cases of noncompliance with our TPC and/or local labor laws, we have a process to track and record evidence of remediation through corrective and preventive actions.

In 2025, the most significant human and labor rights findings identified at external partners related to inadequate labor management systems, excessive working hours and overtime, and wages and benefits. In response, we initiated 191 remediation actions to address these and other human and labor-rights-related findings. At the end of the reporting period, 10% of remediation actions were overdue and subject to ongoing engagement, 2 percentage points (ppts) lower than at the end of the prior reporting period. In 2025, we did not identify any case of child labor, modern slavery or forced labor among external partners that have contractual relationships with us. For more information, see page 33 of our Report on Non-financial Matters 2025.

Based on our human rights risk analysis, we believe that the risk of child labor among external partners that have contractual relationships with us is low.

We delivered targeted training sessions to external partners based on the findings of a pilot program that involved direct engagement with supply chain workers through a digital “workers voice” platform. This program gathered feedback from almost 7 000 workers on areas for improvement in our external partners’ operations, including enhancing access to grievance mechanisms, ensuring appropriate handling of identification documents, supporting worker representation and ensuring adequate overtime hours and timely payment of wages. The pilot concluded in 2024, and we have been developing action plans with the external partners to address the issues identified, including providing ongoing capability-building support to strengthen their ability to implement effective solutions.

Names and addresses of all external partners that have contractual relationships with us, as well as the commodity category of the goods or services they provide, are recorded on both our risk management and procurement systems. We keep records of our monitoring activities, assessments and completed TPQs as part of our EPRM process. We will continue to monitor and enhance the tracking systems we use to trace goods from suppliers beyond our contractual business relationships.

Projects to mitigate high risks

We have launched projects to mitigate risks in two areas identified as higher risk: foreign migrant worker recruitment and raw materials sourcing.

Following targeted onsite audits at a selected group of external partners in Asia employing foreign migrant labor, we have worked with these partners on remediation actions to ensure they addressed improvement areas related to recruitment and employment practices, in line with both international standards and our TPC. These include ensuring employment contracts are available in workers’ languages and addressing concerns related to overtime and weekly rest days.

Our risk analysis has identified the potential for labor rights violations at the source level for 20 raw materials that we procure. Following a prioritization process based on publicly available human rights risk data, procurement priorities and our own internal assessments, our current due diligence is focused on six raw materials — aluminum, cellulose, glass, lactose, starch and timber — where we consider that there might be a risk of child labor and exploitative employment practices, including forced labor. We require external partners supplying these materials to complete a targeted Raw Material Certification questionnaire and encourage them to provide credible external human rights certifications. The quality of these external certifications is based on ILO labor and other human rights standards. In 2025, we enhanced our questionnaire and issued clear guidance to help our external partners improve the quality and consistency of responses. This program is reviewed periodically to assess its effectiveness.

Grievance mechanism and remediation

Novartis operates a formal grievance mechanism managed by our SpeakUp Office as part of our due diligence process. This mechanism enables internal and external stakeholders to confidentially report allegations of misconduct, including those about human and labor rights, related to our operations or supply chain. Allegations can be submitted anonymously.

Multiple channels can be used to report allegations. A web-based platform and telephone lines managed by an independent third-party provider are available at all times. Allegations may also be submitted via internal

channels, including through line management, ERC, Legal, People and Organization, Global Security and workers’ council representatives.

The mechanism is designed to protect those who use it in good faith against retaliation, and maintains confidentiality throughout the reporting and investigation process. It allows individuals to raise concerns across multiple human rights categories, including labor rights, environmental impacts, and health and safety.

In 2025, we recorded 1 116 new allegations of potential misconduct, none of which related to modern slavery.

Stakeholder engagement and collaboration

We maintain structured and ongoing engagement with stakeholders across our value chain, within our global organization and in countries across various jurisdictions. This is part of both our due diligence efforts and our regular business activities.

The Australian Supplier Council continues to actively engage with local suppliers and distributors to better understand the supply chains and practices of our partners, with the intention of working collaboratively to identify and address modern slavery risks.

We are also engaged in several collaborative activities with peers in the healthcare sector and across industries. Through the Pharmaceutical Supply Chain Initiative (PSCI), the leading industry association for pharmaceutical and healthcare companies, we are currently advancing the following projects together with peers:

- Implementing a collective action worker voice pilot project to gain insights into labor rights risks, including modern slavery and fair treatment of workers, at high-risk shared suppliers. The planning started in 2025 and the project is scheduled to conclude in 2026.
- Assessing the need for a toolkit providing practical and pharma-specific human rights due diligence guidance for suppliers. In 2025, a preliminary survey was conducted with seven pharmaceutical suppliers, and their feedback was analyzed to develop recommendations and identify opportunities regarding the contents, set-up and implementation of a potential toolkit.
- We are closely monitoring, and where relevant providing input to, a project in collaboration with a consultancy specializing in ethical trade and human rights, to develop a global map of high-risk labor migration corridors. This project aims to help inform companies' due diligence efforts on fair recruitment, by identifying higher-risk sectors and countries, and building a global risk map to help visualize the research data on a freely accessible online platform.

Training and capability building

To support our standards, we engage with our employees to strengthen their awareness and provide training that includes:

- Annual mandatory training for all employees on our Code of Ethics, which includes our ethical commitment to human rights. In 2025, 98% of employees globally were trained
- Targeted webinars for functions that have responsibility for helping respect human rights
- Modern slavery training is available on our central training platform to employees around the world
- Monthly live training for newly hired employees at our global headquarters in Basel, Switzerland (as part of our onboarding process), that includes a modern slavery-related case study for analysis
- Quarterly meetings of our global Human Rights Ambassador Network on existing and emerging human rights risks. The Australian, Canadian and UK ERC representatives are ambassadors in this network

Assessing the effectiveness of our actions

Key performance indicators (KPIs) we use to assess our approach include:

- Number of external partners screened on labor rights issues (including modern slavery, forced labor and child labor)
- Number of corrective and preventive actions implemented and resolved related to labor rights and modern slavery issues
- Type of high-risk mitigation projects initiated
- Number of employees who have completed relevant training and capability building on human rights and modern slavery
- Robustness of our grievance mechanism, including timely remediation of human rights-related cases
- As we continue to advance our labor rights agenda, we aim to strengthen labor rights across our value chain by:
 - Equipping internal teams with the knowledge and tools to uphold labor rights standards
 - Building external partner capability, supporting them in managing labor rights risks more independently
 - Enhancing risk monitoring through digital tools (such as operational grievance mechanisms and worker voice surveys), to capture worker feedback
 - Establishing a maturity curve for external partners to drive continuous improvement and guide them toward progressively higher labor standards

Contact

For more information about our approach to addressing modern slavery, contact us at human.rights@novartis.com.

We welcome the right to information under the provisions of the Transparency Act. Contact information is available at www.novartis.no.

Reporting entities

This Statement is made on behalf of the following Novartis Australian, Canadian, UK and Norwegian legal reporting entities:

UK	Australia	Canada	Norway
1. Novartis Pharmaceuticals UK Limited	1. Novartis Australia Pty Limited	1. Novartis Pharmaceuticals Canada Inc	1. Novartis Norge AS
2. Novartis UK Limited	2. Novartis Pharmaceuticals Australia Pty Limited		
3. Novartis UK Pension Trustees			
4. Novartis Grimsby Limited			
5. Novartis Europharm Limited			
6. Advanced Accelerator Applications (UK and Ireland) Limited			
7. Gyroscope Therapeutics Holdings Limited			
8. Gyroscope Therapeutics Limited			

Index of regulatory requirements

Legislative reporting requirements of the UK MSA, Australian MSA and Canadian Act have been grouped according to theme into seven overarching requirements

Requirement	Reference
A description of the organization's structure, operations, activities and supply chains , including consultation with any linked organizations covered by this statement	p. 2
A description of the organisation's policies in relation to modern slavery, forced labour and child labour	p. 3
A description of any risk management processes in place to assess and address the risk of modern slavery, forced labor and child labor practices in the reporting organization's supply chains	pp. 3-5
A description of the organization's due diligence processes in relation to modern slavery, forced labor and child labor in its supply chains. In addition, a description of any measures taken to remediate any instances of modern slavery, forced labor and child labor in its supply chains	pp. 4-5
A description of the training provided to employees on modern slavery, forced labor and child labor	p. 6
A description of how the organization assesses the effectiveness of the actions it has taken to prevent and respond to modern slavery, forced labor and child labor, and its due diligence processes	p. 6
Any other information the organization considers relevant to the spirit and intent of the legislation	pp. 6-7

Categorization based on UK Government's "[Statutory Guidance International reporting template on modern slavery, forced labour and child labour](#)", 30 July 2025.

Legislative reporting requirements of the Norway Transparency Act:

Requirement	Reference
A general description of the enterprise's structure, area of operations, guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions	pp. 2-3
Information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence	pp. 3-5
Information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts, and the results or expected results of these measures	pp. 4-6

Norwegian Consumer Authority, [The Transparency Act – Forbrukertilsynet](#), November 2024

Legislative reporting requirements of the Swiss Due Diligence Ordinance:

Requirement	Reference
Adopt a child labor supply chain policy	p. 3
Implement a supply chain traceability system in relation to child labor	pp. 3-4
Implement a grievance mechanism	p. 5
Establish processes to identify and mitigate child labor risks in the supply chain	pp. 4-5

Swiss Federal Authorities, "[Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour](#)"

Signatures

Name: Peter Nestor

Title: Head of Human Rights, Novartis

Signature:  DocuSigned by:
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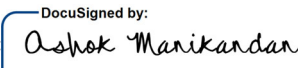
Date: 02-Feb-2026 | 10:46:19 AM GMT

Novartis Australia

This Statement was approved by the board of Novartis Australia Pty Limited on behalf of the Australian MSA reporting entities listed in Appendix I.

Name: Ashok Manikandan

Title: CCFO AUNZ

Signature:  DocuSigned by:
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Date: 02-Feb-2026 | 4:42:05 PM IST

Novartis Canada

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind Novartis Pharmaceuticals Canada Inc.

Name: Dimitri Gitas

Title: Country President

Signature:  Signed by:
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Date: 09-Feb-2026 | 1:49:56 AM GMT

Novartis UK

This Statement was approved by the board of Novartis Pharmaceuticals UK Limited on behalf of the UK MSA reporting entities listed in Appendix I.

Name: Johan Kahlström

Title: Country President, Nordics

Signature:  DocuSigned by:
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Date: 04-Feb-2026 | 11:56:17 AM GMT

Novartis Norway

Name: Fran Milnes

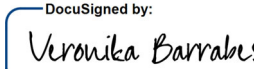
Title: Country President Nordics

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Date: 04-Feb-2026 | 5:19:44 PM IST

Name: Veronika Barrabes

Title: Country Manager

Signature:  DocuSigned by:
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Date: 04-Feb-2026 | 11:50:59 AM GMT

Name: Rolf Thomas Roenning

Title: Head FP&A Nordic

Signature:  Signed by:
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Date: 04-feb-2026 | 4:01:48 AM PST