

Code of Conduct ^[1]

Establishing standards of integrity

Novartis is committed to building and maintaining a culture of integrity. Our culture is built around a Code of Conduct ^[2], which is a fundamental part of the terms of employment for all associates of Novartis Group companies. All associates receive copies when they join the Novartis Group and are held accountable to its contents. It has been translated into 18 languages and has been adopted by local boards.

The Code contains our principles and expectations for ethical business conduct that help guide our associates in making the right decisions when they encounter difficult situations or ethical dilemmas during the course of their work.

The Code of Conduct is organized around our commitment to meet the expectations of our five key stakeholder groups: our patients, associates, shareholders, healthcare partners and society at large. It is based on five core principles:

- We put patients first. Their needs and safety are at the heart of everything we do
- We treat our associates fairly and respectfully
- We are committed to outstanding and sustainable performance with integrity
- We strive to be a trusted healthcare partner
- We aspire to be a good corporate citizen

We embed the five principles of our Code of Conduct in our work in a variety of ways. Most importantly, Novartis expects managers to lead by example. This means that managers must accommodate ethical considerations in business planning and decision making, training associates to ensure they will make responsible decisions, and encouraging associates to speak up when ethical challenges arise.

In addition, we encourage and reward ethical behavior by including an assessment of each employee's alignment to our values and behaviors in their annual performance appraisal. Achieving business objectives and alignment with company values receive equal weighting in compensation reviews.

Training and guiding associates

Awareness and training programs are offered regularly in a range of formats, including awareness-building programs, e-training, face-to-face programs, games and workshops. We provide extensive communication toolkits to support awareness programs at the local level.

All Novartis Group company associates are required to complete integrity and compliance

training. The Compliance e-training curriculum provides relevant information to enable associates to make the right choices in the course of their work and to perform with integrity. It addresses identified and relevant company risks and helps to communicate new and upgraded policies and guidelines across the organization.

In addition, all newly hired associates worldwide complete a mandatory onboarding e-Training course. This comprehensive course covers 17 subject areas and is sent to all new hires four weeks after their employment begins.

We report relevant completion rates for our e-trainings in our [Corporate Responsibility Report](#) [3].

Training on ethical business practices is included in our Corporate Leadership Learning programs, and we provide extensive training for our Integrity and Compliance Officers across the company.

Handling complaints

We require associates to report actual or suspected violations of our Code of Conduct, but realize that fear of reprisals can make people hesitant to speak up. This is why we enforce clear policies to prevent retaliation against any associate reporting an issue.

The Business Practices Office (BPO) offers employees and people outside of Novartis a channel through which to report misconduct. Complaints can be made by email, phone, online or in-person. The web-based and telephone channels are operated via a third-party vendor. The BPO manages investigations into all complaints, and escalates any substantiated cases of misconduct to management for appropriate action.

We report on complaints received and substantiated in our [Novartis in Society Report](#) [3].

Contact the BPO: business.practicesofficer@novartis.com [4]

Related links:

- [Download the Novartis Code of Conduct \(PDF 1.2 MB\)](#) [2]
- [See other policies and guidelines in Resources](#) [5]

We are committed to the use of the Novartis Code of Conduct and Corporate Citizenship Guidelines to foster a culture of integrity.

Footnotes:

1. Due date for completion is 30 April 2018

Source URL: <https://www.novartis.com/our-company/corporate-responsibility/ethics-risk-compliance/code-of-conduct>

Links

[1] <https://www.novartis.com/our-company/corporate-responsibility/ethics-risk-compliance/code-of-conduct>

[2] <https://www.novartis.com/sites/www.novartis.com/files/code-of-conduct-english.pdf>

[3] <https://www.novartis.com/our-company/corporate-responsibility/corporate-responsibility-reporting-and-disclosure/novartis-society-report>

[4] <mailto:business.practicesofficer@novartis.com>

[5] <https://www.novartis.com/our-company/corporate-responsibility/reporting-disclosure/codes-policies-guidelines>