



Conscious of its impact on the environment, Servier has undertaken several actions to reduce its environmental impact across the entire value chain. Seven of our industrial sites and the Group's headquarters in France are certified or in the process of being certified ISO 14001 (environmental management system) and/or ISO 50001 (energy management system).

- **EcoDesign by Servier Program**

The aim is to increase the integration of environmental issues, across the entire medicine value chain, while taking account of the specificity of our industry where therapeutic efficacy and safety are paramount. In addition, the Group, wanted to integrate the social and patient dimension into this project.

The Group uses the Life Cycle Analysis (LCA) methodology. It evaluates the environmental profile of the medicine: extraction of raw materials, design, distribution, use and end of life... Analysis of the life cycle has helped to identify the most impactful steps (raw materials and manufacturing, packaging, transportation...) and the first lines of action. Gradual inclusion of the eco-socio-design principles will apply to future products as well as existing products according to the possibilities and opportunities.

- **Reducing greenhouse gas emissions**

With its Servier Climate Commitment program, the Group is committed to a low-carbon strategy, validated at the end of 2019 by the *Science Based Target initiative* (SBTi), aimed at reducing its carbon footprint by 25% by 2030. This approach began with a comprehensive review of emissions to put in place a relevant action plan involving all the Group's sites and activities. An update of the Group's carbon footprint Scope 1 and 2 is performed every year, and every two to three years for all Scopes.

In order to reach its reduction target, Servier has initiated several approaches: regeneration of solvents, energy efficiency upgrades of buildings, purchasing or production in situ of renewable energy as well as increased use of maritime transport in relation to air transport, for delivery and distribution of medicines. As part of a partnership with EcoAct, the Group also offsets a proportion of its incompressible residual emissions by funding two projects for taxing or restricting carbon emissions.

- **Protection of biodiversity**

At the end of 2021, the Group also joined the Act4Nature International initiative for the preservation of Biodiversity.

<http://www.act4nature.com/wp-content/uploads/2021/11/SERVIER-VF-2.pdf>

In addition, to reduce the volume of waste produced each year, Servier has produced a guide to good practices aimed at encouraging their promotion and limiting the use of landfill.

Health context

Faced with the Covid-19 pandemic, Servier has had two priorities: to continue delivering medicines to patients while maintaining the smooth operation of the industrial facilities and to ensure the safety of all employees.

A crisis unit was set up at headquarters to organize the continuity of production and distribution. The activity on the production sites was also adapted to the circumstances (restructuring of teams or use of temporary staff to expand the function of existing teams, ...). The distribution of essential medicines, notably for the treatment of chronic illnesses, took place without interruption.

To preserve health and ensure the safety of employees, the group adapted the organization and working methods to the health risks, by applying strict health and safety rules to all sites and promoting remote working as soon as this was possible.

Vigilance measures on Suppliers and subcontractors

- **Clinical trials**

To verify compliance with the company's Quality standards and the regulations in force. Servier defines, for its Princeps medicines, an annual plan of the subcontractors involved in conducting these trials. This program complements subcontractor monitoring provided by business units.

- **Regulatory Requirements for Industrial Subcontractors**

The "Quality" management of our subcontractors of Princeps medicines is provided by the Industry Quality Department and the quality structures of Servier production sites, and meets the requirements of national and international provisions in force, such as *Good Manufacturing Practices*, European Directive 2003/94/EC, and the risk management process (ICH Q9).

These "Quality" rules are enforceable and their correct application on industrial sites is assessed during periodic inspections of manufacturing activities carried out by the health authorities of each country. Compliance with these rules is also periodically assessed during audits carried out internally on the sites of our subcontractors and critical suppliers. The frequency of these audits is defined on the basis of a quality risk analysis.

With regard to Biogaran, audits are carried out every three years by the Manufacturers of drug products and active ingredients. In the case of a manufacturer that purchases the active ingredient directly, Biogaran requires the supplier's audit report.

- **Responsible Purchasing and supplier Risk Management**

Organization

The Servier Group is committed to a responsible purchasing process and ensures that its suppliers are selected based on their ethical and compliance practices, and that they develop a responsible relationship with them.

In 2019, a Responsible Purchasing Director for the Group was appointed with the objective of deploying the principles of Responsible Purchasing within the scope of Princeps based on the ISO 20400 standard. As part of this initiative, the buyers were sensitized to the risks covered by the Duty of Care Act through an *e-learning* module on responsible Purchasing.

A team dedicated to referencing and evaluating third parties was also created within the Finance Department to meet new regulatory obligations (Duty of Care, GDPR, Sapin II Law) and to support, inform and empower the business units on risks when selecting suppliers and subcontractors. The unit coordinates the Supplier Risks Identification and Assessment Program.

Supplier risk Identification and Assessment Program

To manage supply chains risks, the Servier Group carries out supplier and subcontractor referencing and evaluations. This assessment procedure involves, as a first step, purchases paid from France (excluding Generic Drugs), which fall within the scope of the Purchasing Department. As part of this, the following are subject to it:

- New suppliers (legal entity);

- Contract renewals;
- Finalist prospects in a call for tenders.

Supplier evaluations are carried out regarding the following types of risk:

- Financial health and economic dependency
- Preventing corruption and influence peddling
- Respect for human rights, health and safety, and the environment
- Compliance with personal data regulations
- Measures against illegal/undeclared work
- IT Data security

The program is designed firstly to identify potential risks based on criteria related to the amount contracted, the category of purchase, and the country of production or service performance. Depending on the outcome of this preliminary phase, the supplier may be subject to a more in-depth assessment on potential risk(s) identified. Elements pertaining to the evaluations are archived in the supplier evaluation program tool and replicated in the group's supplier repository.

To assess the CSR practices of suppliers and subcontractors, Servier has chosen Ecovadis platform. An independent evaluation is conducted by Ecovadis experts and involves an analysis of the responses provided by suppliers and subcontractors, and verification of the data with external resources (reports or appeals from NGOs, unions, governments, databases, the media, etc.). At the end of this assessment, and depending on the level of risk, prevention and mitigation measures are proposed.

It is intended, over the long term, to include in the referencing and evaluation system, suppliers and subcontractors pertaining to purchases paid by France that are not covered by the Purchasing Department as well as the international and generic scopes. The Group's program and reference documents are readily available on the Servier.com website, under the heading *Supplier Relationships*: <https://servier.com/fr/engagements/relation-fournisseurs/>

- **Contractual provisions**

To secure its contractual relationship with third parties on CSR aspects, Servier has inserted a specific appendix relating to Corporate social responsibility in its general terms and conditions of orders. The content of this clause, available in French and English, invites the parties to subscribe to the principles outlined on the Servier Group's CSR website available at the following address: <https://servier.com/fr/engagements/demarche-rse/>.

In the long term, the Group plans to insert this clause in all contracts.

Alert and alert collection mechanism

An alert line is accessible to all Servier Group employees and third parties allowing them to confidentially report situations that may affect the health and safety of employees and facts/occurrences (within the Group or externally) that may be contrary to the Group's legal obligations and/or ethical principles. This system covers the risks covered by French law on the Duty of Care.

Accessible via a link; the ethics alert line is a platform which preserves the anonymity of the whistleblower and protects the identity of the individual.

The Ethics Alert Line Contact is the Ethics Office. It is responsible for processing and investigating where appropriate, alerts. The Ethics Office ensures that all reported facts are adequately examined and documented and implements all means necessary to process and investigate alerts by carrying out the necessary verification activities.

In addition to this system, Servier has set up specific alert mechanisms to ensure the quality of its medicinal products and the monitoring of adverse reactions and situations that could affect patient safety.

Monitoring of the measures implemented and evaluation of their effectiveness

Servier, through its annual non-financial report, monitors the effectiveness of the actions taken. To find out more about the measures and related indicators, see the CSR Reports available at www.servier.com

In parallel, the working group is continuing to implement the legal obligations on the Duty of Care Act in order to gradually cover all activities of the Group, its subsidiaries and subcontractors. The establishment of action plans and additional measures is in progress, as part of the CSR deployment strategy within the Departments, so as to guarantee the consistency of the risks identified across the areas already covered by the action plans.