

Non-Discrimination, Non-Harassment and Civility Policy

Novartis Global Policy

Version: 3.0

Document History

Version	Change(s)
1.0	• Effective on 01 March 2012 • First version and approved by Global HR Executive Leadership Team • Updates between 2016 to 2020 - 1.1 16-FEB-2016 Author changed to Quirin Zink - 1.2 31-OCT-2017 New Novartis branding and simplified content - 1.3 01-DEC-2018 Updated text to include inclusiveness of LGBTQI+ - 1.4 01-NOV-2019 Updated BPO to SpeakUp, HR to P&O and small updates - 1.5 01-AUG-2020 New Novartis branding and language adaptations
2.0	• Effective on 01 September 2021 • Updated version to insert language addressing issues of bullying and incivility. Diversity & Inclusion and SpeakUp functions were involved for this update.
3.0	• Updated version to align language with new, stand alone, Novartis Global Non-Retaliation Policy and according to the Enterprise Policy Management (EPM) methodology and terminology. All the stakeholders according to the EPM process were involved for this update.

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1. Introduction

1.1. Purpose

Novartis commits to provide a work environment free from discrimination, harassment, retaliation, bullying and incivility. This Policy prohibits such conduct by our Novartis employees as well as by contractors/third-party associates against our Novartis employees, e.g., by those non-employees who have been engaged as part of the Company's contingent workforce, including, but not limited to, external interns, temporary workers, consultants, or independent contractors. Likewise, Novartis does not tolerate such conduct directed at employees and contractors from customers, including, but not limited to, physicians and office staff, suppliers, contractors, vendors, and anyone with whom employees conduct business on behalf of Novartis.

This Non-Discrimination, Non-Harassment and Civility Policy supports our commitment to promote a diverse, equitable and inclusive work environment, where all employees are treated with respect and held accountable to live up to our Values and Behaviors. Novartis is committed to creating a safe workplace where employees have equitable opportunities to succeed and an environment free from discrimination, harassment, and retaliation, as well as free from bullying and incivility.

This Policy reflects our commitment to fair employment practices as set out in the *Code of Ethics* [1].

This Policy also provides a brief overview of redress procedures, including the Novartis SpeakUp process, for harassment, discrimination, bullying, incivility, and retaliation concerns.

1.2. Scope and Applicability

This Policy is applicable to all Novartis employees. This Policy covers all work locations and work-related events, such as business trips, customer/vendor offices, work-sponsored social events, work-sponsored social media forums, and any forum that is outside of work, but in which the behavior may impact the Novartis work environment. This Policy and any internal investigation Novartis may conduct are subject to local law. The appropriate course of action taken by Novartis may vary depending on the circumstances and jurisdiction.

1.3. Exceptions

Exceptions to this Policy are not permitted.

1.4. Adaptations

Adaptations to this Policy are not permitted. Country Specific requirements where necessary under local law are mentioned in the *Appendix 1* [2].

1.5. Roles and Responsibilities

Role	Responsibilities
Employees	- Responsible for awareness and for the adherence to this Policy. - Responsible to report, with good faith, any potential violation of this Policy via SpeakUp channels.
Managers	- Responsible for the adherence to this Policy for their area of managerial accountability. - Responsible for defining and implementing remedial actions, as necessary.

Role	Responsibilities
P&O Business & People Partner	Responsible for providing clarity and guidance to Employees and Managers as needed regarding this Policy.
Country P&O Head	Ensures implementation of this Policy and Country Specific requirements as indicated in <i>Appendix 1 [2]</i>.

2. Policy

2.1. Discrimination and Harassment

Discrimination involves prejudicial treatment based on a “Protected Characteristic;” for purposes of this Policy, a Protected Characteristic is a trait or aspect of a person’s identity that is legally protected by law or by Novartis principles and policies.

Harassment involves subjecting someone to repeated mistreatment or unwelcome attention based on one of those Protected Characteristics, to the point that the treatment or attention is intimidating, hostile or abusive.

Examples of Protected Characteristics are nationality, social origin, gender, gender identity or expression, age, ethnicity, race, religion, sexual orientation, disability, family status, pregnancy, marital status, or any other protected characteristic of an individual as defined by local law or by Novartis principles and policies.

Novartis will not tolerate discrimination or harassment in any aspect of employment, including recruitment, performance, compensation, training and development, transfer, and termination.

Under this Policy, some examples of discrimination, harassment and sexual harassment include but not limited to:

2.1.1. Discrimination

- not selecting a demonstrably superior candidate for a position or promotion because of the person's Protected Characteristic,
- demoting or terminating an employee’s employment because of the person's Protected Characteristic,
- providing less favorable compensation/performance review/developmental opportunities to some persons because of their Protected Characteristic; or
- treating a person more harshly than a similarly situated employee with a different Protected Characteristic.

2.1.2. Harassment

- making ethnic, sexual, racial, or discriminatory slurs, jokes, or comments at work, on or off site, at work-sponsored events, or in a forum that is outside of work, but one in which the behavior may impact the Novartis work environment;
- sending or forwarding emails containing ethnic, racial, or discriminatory slurs, jokes, or comments;
- sharing on social media, walls, bulletin boards, or anywhere on Company premises or Company-owned vehicles, written or graphic material that denigrates or shows hostility or aversion toward a person or group because of any Protected Characteristic.

2.1.3. Sexual Harassment

- unwelcome, intentional sexual touching of another person, or repeated unwanted intentional physical contact;
- repeated unwelcome sexual flirtations, advances, or propositions;
- verbal abuse of a sexual nature and/or sexually oriented kidding, teasing or jokes;
- graphic verbal commentaries about an individual’s body or appearance;
- electronic display (e-mail, text, or social media) or transmission of sexually suggestive material;
- sexually degrading words used to describe an individual;

- the display in the workplace or work-related office, facility, or function, of sexually suggestive objects or pictures;
- offensive visual conduct such as leering or making sexual gestures;
- downloading, transmission and/or possession at work of sexually explicit materials from any source;
- repeated and unwelcome inquiries into another's sexual experiences and activities or discussion of one's own sexual experiences and activities;
- sexual favoritism which includes a supervisor or manager making decisions based upon an employee's receptiveness to sexual advances.

Locally relevant examples according to local laws and regulations may exist.

2.2. Bullying and Incivility

Per the *Code of Ethics* [1], Novartis does not tolerate bullying and uncivil conduct; these behaviors are not aligned with our Values & Behaviors. Bullying and incivility is behavior that, while not based on a Protected Characteristic, is nonetheless harmful to the workplace because it involves targeted mistreatment of an employee or group of employees through a severe occurrence or persistent pattern of intimidating or abusive behaviors. Incivility is repeated rude or discourteous conduct that, if not addressed, could negatively impact the work environment. Such behaviors can be subtle or more overt.

Some examples of bullying (targeted mistreatment) include:

- aggressive or intimidating conduct;
- comments that a reasonable person would perceive to be purposefully belittling or humiliating;
- unreasonably withholding information that is vital for effective work performance;
- setting tasks that are unreasonably below or beyond a person's skill level without business justification;
- denying access to information, supervision, consultation, or resources, to the detriment of the employee, for the purpose of interfering or sabotaging an employee's performance;
- spreading malicious rumors and lies;
- changing work arrangements, such as rosters and time off, to deliberately inconvenience a particular employee or employees without business justification.
- repeated and severe abusive, insulting, or offensive language or comments;

Some examples of incivility (repeated rude or discourteous behavior) include:

- significant tirades and/or pattern of repeatedly raising one's voice or losing one's temper;
- making public insults;
- comments or gestures that a reasonable person would perceive as demeaning, not including appropriate and justified feedback about someone's behavior or performance delivered in a respectful manner;
- repeated and pervasive rudeness, such as being discourteous, interrupting others, speaking to someone with a tone that a reasonable person would perceive to be condescending, or acting in a manner that is inconsistent with our Values & Behaviors and *Code of Ethics* [1];
- intentionally "forgetting" to share credit for collaborative work.

Conduct that is out of scope of this Policy, because it is not considered discrimination, harassment, bullying or incivility, includes warranted counseling, disciplinary discussions, performance evaluations and feedback, differences of opinion and non-aggressive conflicts that arise in working relationships, delivered in accordance with our Values & Behaviors and *Code of Ethics* [1].

2.3. Protection from Retaliation

Employees who make good faith reports about misconduct, including Harassment, Discrimination and Bullying and/or Incivility are protected against retaliatory actions on the basis of their complaint.

Per Novartis' *Global Non-Retaliation Policy* [4], the Company prohibits any form of retaliation against an employee who raises in good faith a concern about suspected or actual misconduct through any channel, or who cooperates in an investigation of misconduct.

Additional information is available in Novartis' *Global Non-Retaliation Policy* [4].

2.4. Reporting Misconduct including Harassment, Discrimination and Retaliation

If an employee experiences, witnesses or is aware of actual or suspected harassment, discrimination, or retaliation, they have a responsibility to report the incident to the SpeakUp Office, via a web-based platform (webform or phone) accessible on the SpeakUp Office intranet site, or to any of the following alternative reporting channels (locally or at Corporate level):

- Any manager
- Any member of the People & Organization Function
- The Country President
- Any member of the Legal Function
- Any member of the Ethics, Risk & Compliance Function, or
- Any member of Global Security
- Other function as may be required under local country standards or regulations.
- If an alternative reporting channel is used to report suspected or actual misconduct, the recipient of such report is required to immediately inform the SpeakUp Office.

All complaints received through the channels above will be reviewed and processed by the SpeakUp Office; more information on the SpeakUp process is available under the SpeakUp Office intranet site.

Reports can be made anonymously, however, anonymity may limit the ability to investigate a claim fully and thoroughly. If an incident is reported anonymously, the Company encourages the reporter to provide sufficient information so that the matter can be investigated, and so that any necessary remedial action can be taken.

Regarding potential bullying and incivility concerns, some concerns (for example, one-time, low severity rude behavior) may be effectively dealt with via direct, respectful communication between the parties involved. For cases where the employee is not comfortable doing so, Novartis employees are encouraged to raise concerns to line management or a People & Organization (P&O) representative, pursuant to *Conflict Resolution in the Workplace Knowledge Article* [4] or local conflict management and/or resolution/grievance processes and/or other requirements and/or practices. If they do not feel comfortable doing so, or if the manager is the person who may be engaging in the offending behavior, or the offending behavior continues and negatively impacts the work environment, employees should bring their concern to P&O or raise it via the SpeakUp Office reporting channels.

Every complaint is taken seriously. If an allegation is not made in good faith, for example, if it is determined that an allegation was made with malicious intent to harm another employee- and/or the allegation deliberately disseminated known false information, it will be considered misconduct and may result in disciplinary action against the reporter.

2.5. Country Specifics

Country Specific requirements may only be based on national and local laws and regulations. Such requirements should be documented in the *Appendix 1 [2]* of this Policy.

2.6. Sanctions and Remedial Actions

Any sanctions or remedial actions will be taken and documented in line with local laws and regulations.

Appropriate sanctions and/or remedial actions will be taken by the business for substantiated instances of misconduct, including substantiated instances of harassment, discrimination, retaliation, bullying and incivility, in line with *the SpeakUp Policy [5]* and its processes.

Sanctions and remedial actions may be documented and retained by the Company, in accordance with local laws, policy and regulations. The employee's manager, with support from their P&O Partner, will be accountable to appropriately implement any disciplinary action implemented.

3. Controls

Controls for this Policy are stored in the Novartis Control Register at 'go/controlregister'.

4. Breach of this Policy

Breaches of this document will result in remedial, corrective, or disciplinary actions up to and including termination of employment.

Actual or suspected incidents of misconduct are to be reported in line with our *SpeakUp Policy [5]*. Novartis will take steps to ensure confidentiality and prohibits any form of retaliation against an employee who raises in good faith a concern about suspected or actual misconduct through any channel, or who cooperates in an investigation of misconduct.

5. Definitions

Term	Definition
Employee	Refers to anyone who holds an employment contract or other form of written employment agreement with Novartis.
Bullying	Targeted mistreatment.
Contractors / Third-party associates	Non-employees who have been engaged as part of the Company's contingent workforce, including, but not limited to, external interns, temporary workers, consultants, or independent contractors.
Discrimination	Discrimination involves prejudicial treatment based on a "Protected Characteristic".
Harassment	Harassment involves subjecting someone to repeated mistreatment or unwelcome attention based on one of those Protected Characteristics, to the point that the treatment or attention is intimidating, hostile or abusive.
Incivility	Repeated rude or discourteous behavior.
Manager	Employee with people managerial responsibilities.
Misconduct	Conduct that violates the commitments in the Novartis Code of Ethics, the policies related to these commitments, or that is illegal.
Novartis or "the Company"	Novartis Corporate and its affiliates.
Policy	Refers to this Non-Discrimination, Non-Harassment and Civility Policy.

Term	Definition
Protected Characteristic	A trait or aspect of a person's identity that is legally protected by law or by Novartis principles and policies.
Retaliation	Retaliation is any punishment of an employee for raising a good faith concern of suspected or actual misconduct through any channel or for the cooperation in an investigation of misconduct.
SpeakUp Office	The SpeakUp Office is a global function part of Ethics, Risk & Compliance, that operates free from bias and conflicts of interest, owns the SpeakUp process and has oversight of all allegations of potential misconduct.

6. Abbreviations

Abbreviation	Description
P&O	People & Organization

7. References and Appendices

7.1. References

Reference Number	Document Name
1	Code of Ethics
2	Appendix 1
3	Non-Retaliation Policy
4	Conflict Resolution in the Workplace Knowledge Article
5	SpeakUp Policy

7.2. Appendices

See separate document: Appendix 1 to Non-Discrimination Non-Harassment and Civility Policy.