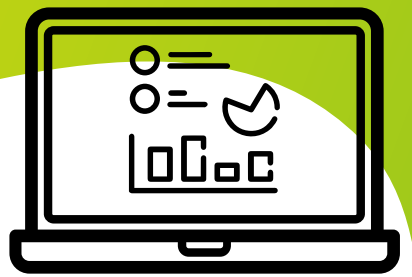
Sustainability Infosheet 2022

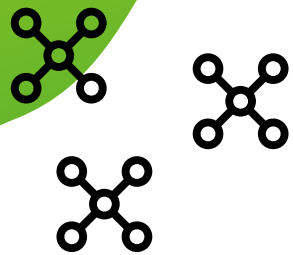
Supply chain

idorsia



Idorsia procures raw materials, packaging materials, products and services from around the world in order to discover, develop and commercialize innovative medicines to help more patients.

Sustainability has always been at the core of what we do. We are committed to working with third parties who observe the same values and ethical principles as Idorsia. We expect our suppliers to engage in sustainable practices and to respect regulations set out by health authorities and other regulators. We always aim to be open and transparent regarding our company's impact on the environment, economy and society. This includes the impact of our supply chain. We continue to seek an open dialogue with all stakeholders, including suppliers.



Supply chain management approach

Our Global Supply Chain Team, in collaboration with Global Procurement, is responsible for supplying the company with raw materials, goods and services around the world, taking economic, ethical, social and environmental principles into account, as well as ensuring that supply chain risks such as price fluctuations and bottlenecks are minimized. The Head of Global Supply Chain reports to the Chief Commercial Officer.

As our first drugs are approved and launched in markets around the world, the number of suppliers we work with will continue to grow. In line with our commitment to operate sustainably, we will increasingly focus on social and environmental criteria when selecting our suppliers. We monitor the sustainability and progress of our suppliers through a sustainability monitoring platform called **IntegrityNext.**

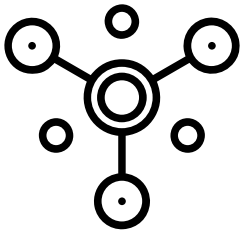
Our main direct procurement materials include raw materials and active ingredients for the development of therapies. Product safety and quality remains our utmost priority, and our (pipeline and marketed) products are continuously monitored in line with our robust internal policies and guidelines, as well as regulations from the authorities. Our indirect procurement includes services, technical goods and other materials relating to general business operations.

Idorsia has put in place various management systems to implement regulatory and voluntary product stewardship requirements, including a serialization policy that applies to all Idorsia personnel involved in the commercialization (packaging and distribution) of Idorsia products.

We work with international law enforcement agencies to prevent the manufacture and distribution of counterfeit drugs, and our internal operating procedure is based on the following regulations concerning finished product serialization: the US Drug Supply Chain Security Act, EU Falsified Medicines Directive (2011/62/EU) (FMD) and Commission Delegated Regulation (EU) 2016/161 concerning safety features.

Idorsia conducts commercial packaging, labeling and distribution with the support of contract manufacturing organizations and third-party logistics providers. We manage all contract manufacturing organizations and third-party logistics with service contracts and associated quality agreements, covering product identification and product tracing in accordance with local market requirements.

Sustainability in the supply chain



Idorsia's supply chain became fully operational in 2022, when our first products were approved and launched. As this milestone approached, we ramped up our supplier base and, in parallel, developed screening and assessment procedures to ensure that we maintain a sustainable supply chain.

In 2021, we began working with IntegrityNext, a platform that allows us to qualify and monitor tier 1 suppliers that are key to the production of active pharmaceutical ingredients and drug product manufacturing. Through IntegrityNext, we conduct a screening procedure to evaluate suppliers according to social and environmental criteria, using in-depth questionnaires covering topics such as anti-bribery & anti-corruption, environmental protection, human rights & labor, health & safety, supply chain responsibility, quality management, cyber security, data protection (GDPR) and business continuity.

From 2022, all new tier 1 suppliers are being screened via the process described above. Based on the results of this screening, suppliers are assessed according to our Supplier Relationship Management process, which is currently being implemented across Idorsia. We expect this process to be fully rolled out and operational by the end of 2023.

From 2023, suppliers will also be screened for issues relating to child labor and conflict minerals in accordance with the requirements of the Swiss Responsible Business Initiative.

Safety and quality in the supply chain

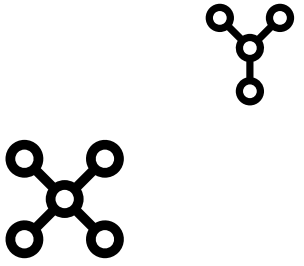
With regard to the safety and quality of our products, we are committed to ensuring that all suppliers share our internal standards and comply with regulations. To ensure product safety and quality, all potential suppliers must undergo a due diligence audit. All suppliers involved in a GxP-relevant activity are assessed or audited. If the outcome of the audit is positive, suppliers are required to sign a quality agreement. The agreement requires suppliers to notify Idorsia of any changes or issues relating to the production of our materials, so that Idorsia can assess the impact and decide whether any corrective or preventive measures are required. Regular audits are carried out to ensure that all conditions of the quality agreement are met.

For further information, see our **Product safety and quality info sheet**.

Combating counterfeit drugs/protection against product counterfeiting

We use commercial product serialization in certain countries to track and trace prescription drugs throughout the supply chain and verify the legitimacy of the drug product identifier down to the package level. Unique numbers encoded in barcodes allow products to be verified within the supply chain and/or at the point of dispensation. Serialization makes product traceability more efficient in the event of a recall and facilitates detection of falsified/counterfeit products in the drug supply chain. The serialization process – including identification, tracing, verification and reporting – is performed by our serialization service provider (TraceLink). We report any technical issues or data mismatch to the authorities and then assess the need for any follow-up actions (e.g. alerting vendors, patients and healthcare providers).

In 2021, no issues were reported that led to raids, seizure, arrests and/or filing of criminal charges relating to counterfeit Idorsia products.



About this report

Company profile

Headquartered in Allschwil, Switzerland – a European biotech hub – Idorsia is a high-potential biopharmaceutical company, specialized in the discovery, development and commercialization of innovative small molecules, with the aim of transforming the horizon of therapeutic options. The company has an experienced team of over 1,300 highly qualified professionals covering all disciplines from bench to bedside, and commercial operations in Europe, Japan, and the US – the ideal constellation for bringing innovative medicines to patients.

We are committed to achieving our ambitious goals in an economically, socially and environmentally responsible manner, and, as the company grows, our commitment to sustainability remains as important as ever.

We have a diversified and balanced clinical development pipeline covering multiple therapeutic areas, including CNS, cardiovascular and immunological disorders, as well as orphan diseases. Two Idorsia products are commercially available – QUVIVIQ™ (daridorexant) in the US and Europe, and PIVLAZ® (clazosentan) in Japan.

Idorsia Ltd is the Group's holding and finance company, with 14 subsidiaries across Europe, Asia and the US. Idorsia was listed on the SIX Swiss Exchange (ticker symbol: IDIA) in June 2017.

About our sustainability reporting

The information contained in this info sheet covers the period from January 1, 2020 to December 31, 2022 and pertains to all significant locations of operation. In the context of its sustainability reporting, Idorsia considers significant locations of operation to be those with more than 20 permanent employees. Currently, this includes locations in Switzerland, the US and Japan. Any deviations from this reporting framework are indicated on a case-by-case basis.

The content of our sustainability reporting is aligned with the results of a materiality assessment and references the internationally recognized guidelines of the **Global Reporting Initiative (GRI).**

For the full set of ESG info sheets, visit
www.idorsia.com/sustainability

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