

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 1 of
15**

Environmental, Social and Governance (ESG) Policy

Corporate Governance

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POLICY

SIMBEC-ORION

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance

Effective From: 26 May 2024

Owning Sub-department: Not Applicable

Document Number: POL-00214

Page 2 of 15

TABLE OF CONTENTS

1 PURPOSE AND SCOPE 3

2 DEFINITIONS..... 3

3 ROLES AND RESPONSIBILITIES 3

4 POLICY 4

4.1 OUR APPROACH TO SUSTAINABILITY 4

4.1.1 PRINCIPLES OF GOVERNANCE 5

4.1.1.1 Business Ethics 5

4.1.1.2 Risk And Opportunity Oversight..... 6

4.1.1.3 Digitalization, Information Security And Protection 6

4.1.1.4 Supplier Governance 7

4.1.1.5 Metrics, Reporting And Action Plans 7

4.1.2 PLANET 8

4.1.2.1 Green House Gas (GHG) Emissions 8

4.1.2.2 Responsible Consumption And Waste Management 9

4.1.2.3 Impact Of Travel And Transportation 9

4.1.2.4 Information Sharing And Carbon Literacy Training..... 10

4.1.3 People..... 10

4.1.3.1 Employee Engagement..... 10

4.1.3.2 Health and Safety (H&S)..... 10

4.1.3.3 Equality, Diversity, And Inclusion 11

4.1.3.4 Employee Health And Wellbeing..... 11

4.1.3.5 Skills For Now And For The Future 11

4.1.3.6 Employee Voice..... 12

4.1.4 Prosperity for All 12

4.1.4.1 Meaningful Work And Economic Growth..... 12

4.1.4.2 Industry, Innovation, And Infrastructure..... 13

4.1.4.3 Fair Pay 13

4.1.4.4 Gender Equality 13

4.1.4.5 Impact In Our Local Communities 14

5 REFERENCES 14

6 PREVIOUS VERSION HISTORY 15

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 3 of
15**

1 PURPOSE AND SCOPE

As a Contract Research Organisation specialised in complex trials and indications of high medical needs, particularly oncology and rare or ultra-rare diseases and translational medicine, we have an incredible opportunity to support the development and delivery of advances in medicines which can potentially transform the lives of patients.

Our Board of Directors and Senior Leadership Team are focussed on building a sustainable business and long-term value creation. How we continue to sustainably develop our business is a crucial element of the strategic vision of our company. We continue to change the way we think and work to better address our impact on the world around us.

The purpose of this policy is to outline our approach to Environmental, Social and Governance at Simbec-Orion and how we will measure, disclose our impact and take action in order to assess how we are meeting our responsibilities to ensure a sustainable future.

2 DEFINITIONS

ESG – Environmental, Social and Governance

SFDR - Sustainable Finance Disclosure Regulation

STEM – Science, Technology, Engineering and Mathematics

TFCD - Task Force on Climate-Related Financial Disclosures

3 ROLES AND RESPONSIBILITIES

Group Chief Executive Officer is ultimately responsible for ensuring Environmental, Social and Governance framework and principles, including measurement and disclosing impact and action plans are followed.

Managing Director, Clinical Pharmacology assigned Board member to lead on Environmental, Social and Governance including:

- Developing ESG framework
- Agreeing action plans, including leading ESG working party
- Annual Carbon footprint calculation and offsetting
- Measurement and disclosing impact including annual metrics
- Annual ESG report
- Working closely with the rest of the Senior Leadership Team to provide direction, agree responsibilities and take actions.

Status: Effective**Version:** 1.0**Next Periodic Review Date:** 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 4 of
15**

4 POLICY

4.1 OUR APPROACH TO SUSTAINABILITY

We are aligning our approach with the United Nations seventeen Sustainable Development Goals (SDGs) which aim to address inequalities and challenges across the planet whilst aiding development and protecting the environment. We are focussing on addressing the following SDGs where we can make the most impact due to our business and expertise:



The following four pillars, which provides our Environmental, Social and Governance (ESG) framework:

- **Principles of Governance**
- **Planet**
- **People**
- **Prosperity**

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY

SIMBEC-ORION

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214Page 5 of
15

4.1.1 PRINCIPLES OF GOVERNANCE

Our ESG Governance is guided by our core purpose to improve patient's lives and our Values - our guiding principles that form our beliefs and behaviours.



4.1.1.1 Business Ethics

It is Simbec-Orion's policy to conduct all our business in an honest and ethical manner. We communicate clearly, openly and with respect.

Good Research Practice: We have a Policy Statement in place on Good Research Practice – Fraud/Misconduct, outlining our expectations that everyone should strive for the highest achievable standards and demonstrate integrity. We foster a culture which supports and embeds good research practice and prevention of research misconduct.

Anti-Bribery Anti-Corruption: Simbec-Orion takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all Simbec-Orion's business dealings wherever Simbec-Orion operates. We have a policy on Anti-Bribery and Anti-Corruption (POL 00006) in place. All employees are required to undergo mandatory training on Anti-Bribery Anti-Corruption.

Anti-bullying Anti-harassment: We do not tolerate bullying or harassment or any unwanted behaviour which makes an individual feel humiliated, degraded, offended, or intimidated. We have an Employee Concerns policy in which, in the event of any concerns, we commit for those concerns to be heard in a safe environment and work together to find a resolution.

Modern Slavery and Human Trafficking: A Modern Slavery and Human Trafficking Policy is under development, including the requirements when to publish an Annual Modern Slavery

Status:	Effective
Version:	1.0
Next Periodic Review Date:	26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 6 of
15**

statement. The Annual Statement sets out the steps being taken to prevent modern slavery in the business and our supply chains. Guidance on UK Government requirements and when a statement is required can be found here [Publish an annual modern slavery statement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/publish-an-annual-modern-slavery-statement). Minimum requirements when an Annual Statement is needed, are as follows:

- Publish statement within 6 months of financial year-end
- Publish modern slavery statement on company website
- Obtain approval of Annual Statement from the board of directors
- Obtain sign off of Annual Statement from a director

We have a series of other policies supporting corporate governance in place or under development including:

- Conflict of Interest Policy (POL 000184)
- Anti-competitive Practices Policy (POL 000185 under development)
- Supplier Code of Conduct (POL 000211 under development)

4.1.1.2 Risk And Opportunity Oversight

A Corporate Risk Register is maintained by the Senior Leadership Team, with risks categorised into Internal/Organizational and External/ Environmental. Each risk is assigned a Senior Leadership team owner(s) and mitigating actions are detailed. The Risk Register is reviewed periodically and presented to the Board annually.

Material ESG impacts/opportunities are defined through a risk assessment in line with the Task Force on Climate-Related Financial Disclosures (TCFD*) - aimed at assessing climate risks and opportunities.

*As outlined on their website [About | Task Force on Climate-Related Financial Disclosures \(TCFD\) \(fsb-tcfd.org\)](https://www.fsb-tcfd.org/) "Concurrent with the release of its 2023 status report on October 12, 2023, the TCFD has fulfilled its remit and disbanded. The FSB has asked the IFRS Foundation to take over the monitoring of the progress of companies' climate-related disclosures". Further information can be found here: <https://www.ifrs.org/sustainability/tcfd/>

4.1.1.3 Digitalization, Information Security And Protection

The information we manage is protected against the adverse effects of failures in confidentiality, integrity and availability and we ensure compliance with all regulatory and legal requirements. We

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 7 of
15**

are fully committed to maintaining Information Security and continuing to invest in e-systems, digitalizing and protecting data.

Cybersecurity: We conduct an annual penetration test and regularly report on data and cybersecurity to the Board. All employees receive mandatory training on our Information Security policy (POL 00002) and training on Cybersecurity.

Data Protection: We have established safeguards in respect of Personal Data. We have a comprehensive Data Protection Policy (POL 00005) and associated procedures in place and have appointed TechGDPR DPC GmbH as our Data Protection Officer.

4.1.1.4 Supplier Governance

We have comprehensive SOPs for Vendor Assessment, Vendor Qualification and Management and Vendor Audits which outline the requirements including the risk-based approach and periodic re-assessment of vendors.

We are incorporating ESG related questions into our vendor qualification process and will be developing a Code of Conduct for all our suppliers in 2024.

4.1.1.5 Metrics, Reporting And Action Plans

We monitor our performance over time with a clear focus on continuous improvement.

Formal ESG Metrics are collated and reported through the Worldfavour platform selected by our investors, CBPE. Metrics are in line with the European Union's (EUs) Sustainable Finance Disclosure Regulation (SFDR).

We work with our investor's specialist ESG service provider Anthesis for our annual ESG review to evaluate our ESG management maturity and creation of an annual "rolling" ESG Action plan. We use these metrics and action plans to reduce risk in our organisation and continue to make steps forward to proactively contribute to a more sustainable future.

We will produce an annual ESG report to measure, assess and disclose our impact, including an assessment of Industry and business trends and challenges and also priorities for the year ahead.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 8 of
15**

An ESG working party is being created to continue to drive our ongoing ESG agenda, performance and to communicate our progress.

We are committed to continue to increase engagement with our internal and external stakeholders in 2024.

4.1.2 PLANET

We are taking actions for a more sustainable future and to help protect our planet.

Our objectives are:

- To fully understand our carbon footprint, set reduction targets and create action plan to reduce our impact on the plant
- To continue to invest in technology and systems to enable us to continue to move to paperless environment, enable our team to access systems / information remotely
- Provide information to our employees on how they can support reduction in individual and organisational carbon footprint.
-

4.1.2.1 Green House Gas (GHG) Emissions

We are committed to:

- Fully understanding our GHG emissions and taking steps to reduce our impact.
- Calculating our Scope 1, 2 and 3 emissions annually
- Offsetting Scope 1 and 2 emissions annually - Ensuring we are Scope 1 and 2 carbon neutral each year
- Set formal GHG reduction targets
- Reach net zero by 2050 to support The Paris Agreement of 2015

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 9 of
15**

4.1.2.2 Responsible Consumption And Waste Management

We are committed to:

- Maintaining our Environmental Management System at our headquarters* in South Wales, UK - including monitoring our impact on the environment through monitoring energy and waste metrics
- Reducing the carbon intensity of our operations through investment in technology and systems and moving to paperless, where possible
- Improving the efficiency of our use of natural resources through improvements in which we use energy at our UK headquarters e.g. through use of more efficient equipment as we upgrade, minimising the amount of waste to Landfill, re-use and recycling, purchasing sustainable materials and goods designed to last.
- Responsible waste management, pollution avoidance and full compliance with environmental regulations.
- Putting in place a Zero Waste to Landfill policy for our headquarters in South Wales, UK

*Our headquarters in South Wales, UK is our main physical footprint comprising our Phase I Clinical Pharmacology Facility, our Laboratory Services, our GMP Facility and office space. We have three other office locations (Slough, UK, Paris, France and Budapest, Hungary) which are smaller managed services offices.

4.1.2.3 Impact Of Travel And Transportation

We will continue to embrace and support home / hybrid working as we know this is a preferred way of working for many of our employees and it also supports reduction of our carbon footprint through reduced commute/transport emissions.

In the UK, we offer our Cycle Scheme to support the cost of travelling via bike and an electric car scheme to support our employees with the shift to sustainable transport.

In our Laboratories, we continue to look at strategies to minimise transportation such as batching of samples and kit shipments and development of partnerships with Laboratories around the globe, to ensure we are always able to meet local investigator site needs yet minimise carbon footprint where possible.

We will continue to look at process, technology and systems for solutions to further reduce transport and travel.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 10 of
15**

4.1.2.4 Information Sharing And Carbon Literacy Training

We believe that positive change to minimise our impact on climate change is possible through engagement and information sharing.

We are committed to:

- Sharing key carbon footprint metrics and actions we are taking as an organisation.
- Providing access to carbon literacy training on sustainability, carbon footprint, impact of everyday activities on climate change and actions that can be taken both inside and outside of work to reduce emissions.

4.1.3 PEOPLE

We are a people business. We understand the importance of having skilled, competent and empowered people who feel valued. We have formalised our commitment to invest in People into our Corporate Objectives with a clear objective to “Make Simbec-Orion a Great Place to work”.

4.1.3.1 Employee Engagement

We perform an annual employee engagement survey and benchmark our data against industry data. We ensure we take action and retain a focus on continued improvement as a result of feedback we receive.

4.1.3.2 Health and Safety (H&S)

We are committed to:

- The H&S of all of our employees and providing a healthy working environment for all our employees, contractors, suppliers, and customers who visit our sites.
- Maintenance and development of our safety management system including a H&S committee which meets periodically.
- Proactive encouragement of reporting of any hazard or risk that may adversely affect H&S
- Reporting H&S Accident & Incident metrics to the Board monthly.
- A proactive approach through continuous improvement in H&S performance.
- Performing an annual H&S review including setting of objectives, with the CEO.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 11 of
15**

4.1.3.3 Equality, Diversity, And Inclusion

We are committed to encouraging equality, diversity and inclusion among our workforce, and eliminating unlawful discrimination. The aim for our workforce to be truly representative of all sections of society and our customers, and for each employee to feel respected and able to give their best.

We have an Equality, Diversity and Inclusion policy which is fully supported by the Senior Leadership Team. All employees are required to undergo Equity, Diversity and Inclusion training.

4.1.3.4 Employee Health And Wellbeing

Our objective is to provide an environment that effectively promotes health and wellbeing for all our employees. We are committed to providing tools and resources to support our employees in achieving a good level of health and wellbeing for themselves and those around them including:

- Counselling & Life Management (CALM) program
- Free access to various Health and Wellbeing workshops and learning materials
- Provision of Mental Health First Aiders

4.1.3.5 Skills For Now And For The Future

We are committed to:

- Maintaining our competency based technical and operational training through our Quality Management System (QMS).
- Creating a culture that empowers our employees to be inquisitive and drive their own learning, developing their skills and capabilities to fulfil their potential.
- Developing a high performing team that delivers excellence and value for our clients.
- Maintaining and developing our Drug Development and Scientific Advisory Board, comprised of leading international members to ensure our skills and experience on the most complex indication are among the very best in our industry.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 12 of
15**

4.1.3.6 Employee Voice

We have created a group of volunteers (“Employee Voice”) from across the organization who meet to discuss the employee experience to provide feedback for our leadership team.

The goal of our Employee Voice is to:

- Make Simbec-Orion a great place to work as one united company.
- Commitment to listening to our employees, hearing ideas and feedback.
- Regularly feedback themes to the Senior Leadership Team to enable change.

4.1.4 PROSPERITY FOR ALL

4.1.4.1 Meaningful Work And Economic Growth

Simbec-Orion is committed to the UN’s Sustainable Development Goal No. 8 (Decent Work and Economic Growth). We are committed to setting sustainable growth-orientated business goals that benefit our employees, our suppliers and our customers and contribute to the local and global economy.

Our aim is to provide a rewarding and engaging working environment with meaningful work. Each year, we seek detailed feedback from our employees on their engagement, with a view to continuous improvement.

Our objectives for our clients are:

- To create value for our clients through expertise, competence, and quality.
- To provide excellent customer service and deliver on our commitments, building trusted and valued relationships for the future.

We perform customer feedback surveys and seek feedback from our clients through several avenues including senior governance relationships and customer feedback surveys.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 13 of
15****4.1.4.2 Industry, Innovation, And Infrastructure**

In line with UN's Sustainable Development Goal No. 9 (Industry, Innovation and Infrastructure), we are committed to:

- Building resilient infrastructure, promoting inclusive and sustainable work and fostering innovation.
- Sustainable growth in revenues, margins, and market share, underpinned by excellent people, process and technology.
- Providing responsible well thought out capital investment in technology, people, and infrastructure to enable our culture of continuous improvement and long-term sustainability.

4.1.4.3 Fair Pay

We are committed to:

- Using benchmark data to ensure that our salary and benefits package is fair and competitive, to attract and retain talent.
- To being a Living Wage employer in the UK.

4.1.4.4 Gender Equality

We are committed to:

- Ensuring gender equality as part of our ongoing commitment to Diversity and Inclusion.
- Supporting challenging and addressing the global gender gap in leadership positions through promotion and/or recruiting females into management and leadership positions across the business.
- Annual calculation of gender pay gap and taking action to ensure continuous improvement to reach equal pay.

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 14 of
15**

4.1.4.5 Impact In Our Local Communities

We want to positively impact the communities in which we operate and ensure a strong social focus where we seek to add value to society alongside our main business operations.

We are committed to:

- Ensuring charity support initiatives.
- At our Headquarters in South Wales, supporting the Welsh Ambulance Services Trust through access to meeting room space for Ambulance crew training days.
- Establishing links with local colleges and university to support education, awareness of clinical research industry and career opportunities in Science, Technology, Engineering and Mathematics (STEM) in South Wales, UK.
- Supporting work experience visits/placements and Year in Industry placements for students.
- Offering employees the opportunity to volunteer in our local communities in the UK through providing one day a year to undertake volunteering activities with UK charities and not-for-profit organizations.

5 REFERENCES

Document Number	Document Title
POL 00184	Conflict of Interest
POL 00006	Anti-Bribery Anti-Corruption
POL 00005	Data Protection Policy
POL 00002	Information Security Policy

Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

POLICY**SIMBEC-ORION**

Environmental, Social and Governance (ESG) Policy

Owning Department: Corporate Governance**Effective From:** 26 May 2024**Owning Sub-department:** Not Applicable**Document Number:** POL-00214**Page 15 of
15****6 PREVIOUS VERSION HISTORY**

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Status: Effective
Version: 1.0
Next Periodic Review Date: 26 May 2025

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Task: Approvers Approval Verdict: Approve changes & release Approval to be made Effective	Ceri Edwards, (ceri.edwards@simbecorion.com) Approver 13-May-2024 11:59:34 GMT+0000
Task: Approvers Approval Verdict: Approve changes & release Approval to be made Effective	Fabrice Chartier, (fabrice.chartier@simbecorion.com) Approver 13-May-2024 13:36:40 GMT+0000
Task: QA Approval Verdict: Approve changes & release QA Approval to be made Effective	Anne Hall, (anne.hall@simbecorion.com) QA Approver 13-May-2024 13:45:47 GMT+0000