

Employee welfare and engagement





Employee welfare & engagement management approach

Our future as a company depends on a workplace that enables employees to achieve their full potential – both at work and outside the office. Fostering employees' development and growth is essential to our success. We take an integrated approach to rewards and talent management, designed to build an organization of highly engaged and enthusiastic professionals. This is reflected in the model behaviors which comprise our corporate culture – to advance, be pragmatic, invent, team up and learn. Additionally, we emphasize the importance of providing employees with flexibility in handling their work and personal commitments, overall well-being, and a collegial atmosphere that encourages our employees to perform to the best of their ability and to grow together with the company.

Human Resources (HR) works alongside the Legal and Compliance team to ensure regulatory compliance. The health and safety of our employees is managed by our Health, Safety, Security and Environment (HSSE) department, which reports to the Head of Site Management.

We aim to create an inspiring working environment and to provide equal opportunities for all our employees. Furthermore, we do not tolerate discrimination of any kind, and our employees are required to observe Group-wide standards through our **Code of Business Conduct** and Global HR Policy.

The Code of Business Conduct sets out fundamental rules for interacting with others as we drive our business forward. Supporting policies, standard operating procedures and guidelines provide more detail on how the Code is to be applied in practice. All Idorsia employees have undergone mandatory training on the Code of Business Conduct, and the relevant employees are trained in the policies applicable to their role.

Any employee who reasonably believes that there has been a violation of the Code must report it immediately to their supervisor, their local compliance champion, or the Corporate Compliance Office, or through the Company's anonymous **Whistleblower Hotline**. No sanctions are imposed on employees who, in good faith, report violations of the Code. If an investigation leads to the conclusion that a violation of the

Code has occurred, then the company will take appropriate corrective action.

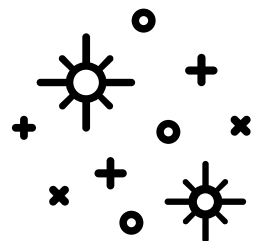
In addition, Idorsia is a member of the European Federation of Pharmaceutical Industries and Associations (EFPIA), and we are fully committed to complying with the highest ethical standards under EFPIA and national codes, operating with integrity, respect and transparency.

The greatest attention is paid to ensuring compliance with occupational health and safety standards. With this in mind, we have put in place robust governance structures and tools to monitor and manage all potential and actual incidents involving injuries or ill health.

Idorsia's Health, Safety and Environment Committee (HSEC) is composed of senior representatives from all research departments, as well as HR and the Health, Safety, Security and Environment (HSSE) team, which is part of Site Management. The HSEC is responsible for the supervision and implementation of HSE regulatory requirements, as well as actions taken by the company to go beyond legal obligations.



Our employees



Information on employees and other workers*	GRI Reference	Unit	2022	2021	2020
Total employees		n.	1,361	1,177	909
thereof women	102-7 a.	n.	614	502	385
thereof women (%)		%	45%	43%	42%
Number of employees with permanent contracts		n.	1,352	1,169	900
thereof women	102-8 a.	n.	609	497	380
thereof women (%)		%	45%	43%	42%
Switzerland		n.	982	911	792
Europe (France, Germany, Italy, Spain, UK)	102-8 b.	n.	83	34	18
Asia (China, Japan, South Korea)		n.	151	107	54
North America (USA, Canada)		n.	136	117	36
Number of employees with temporary contracts †		n.	9	8	9
thereof women	102-8 a.	n.	5	5	5
thereof women (%)		%	56%	63%	56%
Switzerland		n.	9	8	9
Europe (France, Germany, Italy, Spain, UK)	102-8 b.	n.	0	0	0
Asia (China, Japan, South Korea)		n.	0	0	0
North America (USA, Canada)		n.	0	0	0
Full-time employees		n.	1,229	1,052	786
% of full-time employees		%	90%	89%	86%
thereof women		n.	511	403	283
thereof women (%)	102-8 c.	%	42%	38%	36%
Part-time employees		n.	132	125	123
% of part-time employees		%	10%	11%	14%
thereof women		n.	103	99	102
thereof women (%)		%	78%	79%	83%

*Idorsia does not employ seasonal workers so there has been no significant variation in the figures during this period.

† Apprentices and postdoctoral researchers

New employee hires



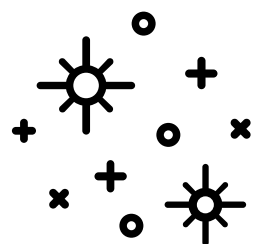
Total new hires	GRI Reference	Unit	2022	2021	2020
Total new employee hires	401-1a	n.	286	314	119
New employee hires rate		(%)	23%	30%	14%
New hires and new hires rate by gender					
Men	401-1a	n.	133	178	69
Women		n.	153	136	50
New employee hires rate (men)		(%)	19%	30%	14%
New employee hires rate (women)		(%)	27%	31%	14%
New hires and new hires rate by age group					
New employee hires <30	401-1a	n.	31	31	12
New employee hires 30–50		n.	181	200	82
New employee hires >50		n.	74	83	25
New employee hires rate <30		(%)	42%	48%	24%
New employee hires rate 30–50		(%)	21%	28%	13%
New employee hires rate >50		(%)	22%	33%	13%
New hires and new hires rate by region					
Switzerland	401-1a	n.	140	151	83
New employee hires rate		(%)	15%	18%	11%
Europe (France, Germany, Italy, Spain, UK)		n.	56	16	14
New employee hires rate		(%)	96%	62%	127%
Asia (Japan, China, South Korea)		n.	56	62	5
New employee hires rate		(%)	43%	77%	11%
North America (USA, Canada)		n.	34	85	17
New employee hires rate		(%)	27%	111%	60%

The rates are calculated by dividing the number of new hires in the reporting year by the average number of employees between the end of the reporting year and the end of the previous year in the respective employee group or region.

Employee turnover

Total employee turnover	GRI Reference	Unit	2022	2021	2020
Total number of leavers	401-1b	n.	95	54	39
Total turnover rate		(%)	7.5%	5.2%	4.6%
Employee turnover by gender					
Men	401-1b	n.	54	30	16
Women		n.	41	24	23
Employee turnover rate (men)		(%)	7.3%	5.0%	3.3%
Employee turnover rate (women)		(%)	7.6%	5.4%	6.3%
Employee turnover rate by age group					
Leavers <30	401-1b	n.	7	6	3
Leavers 30-50		n.	62	27	25
Leavers >50		n.	26	21	11
Employee turnover rate <30		(%)	9.4%	9.3%	6.1%
Employee turnover rate 30-50		(%)	7.3%	3.7%	4.1%
Employee turnover rate >50		(%)	7.6%	8.3%	5.7%
Employee turnover and turnover rate by region					
Switzerland	401-1b	n.	64	40	36
Employee turnover rate		(%)	6.7%	4.7%	4.7%
Europe (France, Germany, Italy, Spain, UK)		n.	7	0	0
Employee turnover rate		(%)	12%	0%	0%
Asia (Japan, China, South Korea)		n.	9	10	2
Employee turnover rate		(%)	7.0%	13.9%	4.3%
North America (USA, Canada)		n.	15	4	1
Employee turnover rate		(%)	11.9%	5.2%	3.5%

The rates are calculated by dividing the number of leavers in the reporting year by the average number of employees between the end of the reporting year and the end of the previous year in the respective employee group or region. Turnover includes both voluntary and involuntary terminations.



Human rights



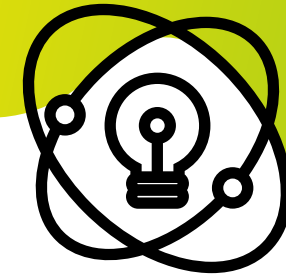
We comply with local laws in the areas where we operate, as well as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

We aim to prevent or mitigate any adverse impacts on human rights which are directly linked to our operations and products.

We respect the right of all employees to join a legally recognized employee association, and we comply with all laws relating to employee representation. We strive to maintain an open dialogue with all our employees and their representatives.

Due to the nature of our business and the location of our operations, the risk of child or forced labor is minimal. We do, however, remain vigilant for unexpected issues that may arise – not only in our own operations but also in relation to our procurement practices.

Training and development



Our Human Resources (HR) function ensures continuous advancement of our talent development and engagement practices, in line with our ambitious Group-wide strategic objectives.

To support our people in achieving their full potential, our permanent employees globally can participate in a wide range of internal and external learning and development programs, designed to meet learning objectives and development needs, as well as supporting overall employee well-being. Our Learning and Development Guide supports employees in identifying goals and learning objectives, personal aspirations and development actions. We emphasize results-oriented coaching, encourage internal mentorship, offer a variety of training programs, and fully support language learning.

In 2018, we issued a Global Education and Study Assistance Policy, which governs the process of attending job-related education and study programs that lead to a qualification with a degree awarded by an accredited educational institution. The qualification will enable employees

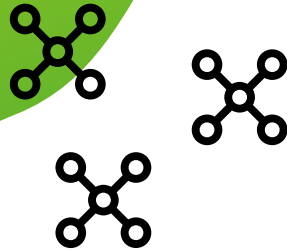
to advance and grow within their current position and/or a future role within the company and, in general, it increases their employability. This policy offers employees flexible options regarding their preferences for coverage by the company (e.g. tuition and/or time).

Programs to upgrade employee skills cover both soft and more technical skills. Our training programs are available to permanent full-time and part-time employees. New programs are offered based on employees' development needs and on relevance to job fulfillment and performance objectives; they are identified through our verified network of training program providers. If a new type of program is requested, our HR function researches various options to ensure that our requirements are met.

Programs aimed at upgrading soft skills

At our headquarters in Allschwil, for example, such programs include training relating to constructive communication, interviewing skills, cross-cultural communication, effectiveness for long-term performance and well-being, persuading and influencing, leadership courses for new or newly appointed managers, and various levels of programs for employees seeking to improve presentation skills. A separate leadership course is offered to employees globally and is conducted virtually. Coaching and mentoring programs are also offered to employees on a global scale.





In the US, we offer professional work development training on such topics as Diversity, Equity & Inclusion at Work (all employees), Employment Law Essentials for Managers (people managers only) and Preventing Discrimination & Harassment (all employees). A variety of career-based training and development programs are available, both internal and external.

In Japan, we offer an “Idorsia Culture” program based on Idorsia’s Behaviors for our employees, as well as various training programs on presentation, negotiation and other soft skills for selected individuals at pre-manager, assistant manager and manager levels. For senior managers, programs are offered on leadership capabilities and harassment prevention, as well as other legally required regional trainings.

Programs aimed at upgrading technical and functional skills

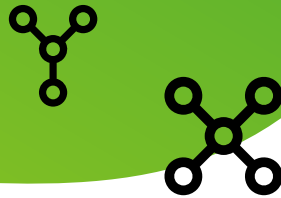
These programs include applied finance, project management and language courses – English, German and French at our headquarters in Switzerland, as well as other intensive language courses for employees requiring other language skills for business purposes. English language lessons are also offered to our managers and leaders in Japan. Various external symposiums, conferences and technical educational programs are also offered according to individual needs.

In 2020, we launched a global virtual program that offers all employees a possibility to learn from other colleagues. The main purpose of this program is to encourage cross-functional learning for all employees worldwide – for example, an expert in IT learning about the drug discovery process.

Supporting employees through education

As well as employing numerous apprentices, students and postdocs, we provide education and study assistance for all permanent employees globally who have worked for Idorsia for more than one year and have been demonstrating continuous high performance and Idorsia Behaviors (see the above-mentioned Global Education and Study Assistance Policy).

Employee well-being



As the well-being of our employees is a top priority for us, we have put in place various programs to support mental health and well-being globally. We also run disease awareness campaigns for our employees globally via our intranet, and at headquarters this also includes on-site events. We regularly organize internal campaigns to raise awareness of common diseases that could affect our employees, such as breast cancer, testicular cancer and mental health issues.

Employee resilience

Resilience is a key resource to support each employee through the crucial phase of building our company, enabling them to carry out their projects while becoming more innovative and pragmatic, working well in teams, and engaging in continuous learning. The Resilience Coaching Program allows employees and managers at headquarters to work individually with an external executive coach. A resilience resource page is also available on our intranet to facilitate access to books, videos, TED talks, MOOCs and articles for all employees worldwide.

Employee support programs

Employee Assistance Programs are available to all permanent, temporary and hourly paid employees at our headquarters in Allschwil. These consist of eight hours of free, confidential social counseling provided in partnership with an external employee assistance agency, as well as a wide range of resources. Coaching sessions are available for employees who are currently encountering personal or work-related issues.

Similar programs are offered to our employees in the US: Mental and Physical Health & Well-Being (via our benefit providers), an Employee Assistance Program (EAP) and Financial Wellness (involving financial/retirement education).

In Japan, we also provide our employees with a wide range of benefits aimed at promoting well-being, fitness and harmony between their work and personal areas of life.

In 2021, we launched Mental Health Matters, a campaign to support our employees globally with training, tools and other resources for better mental health. This campaign supplements existing counseling and coaching services, which are offered to all employees at Idorsia's headquarters in Switzerland, with support services varying in other countries.



Non-occupational employee healthcare

In Switzerland, employees are obliged by law to purchase private health insurance. Idorsia employees and their families are eligible for free insurance advice offered by our external insurance partners, as well as a potential discount on supplementary insurance schemes. Further discounts for physiotherapy and massage are available at a local health center. Our other significant operating locations include Japan and the US, where we offer very competitive healthcare coverage in line with local requirements.

Family support

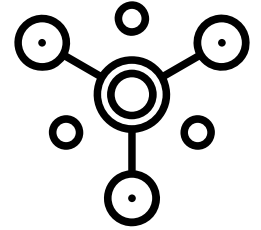
Working parents at Idorsia's headquarters in Switzerland who meet statutory requirements receive a range of benefits, including 18 weeks' paid maternity leave, 2 weeks' paid paternity leave and 4 weeks' paid adoption leave. Employees also receive a one-off birth bonus for each newborn child, plus child allowance. Subsidized places for young children are available at Idorsia's own daycare center.

In Switzerland, transition assistance programs are provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment. These include education and assistance programs, which may lead to a new qualification or degree, as well as outplacement services.

Coaching, mentoring and counseling sessions are provided to help employees transition to a new job or retirement, and to identify values and potential, and gain clarity on their future. For employees who require a new job, outplacement services may be provided in collaboration with external partners. To facilitate the transition to retirement, permanent employees are offered pre-retirement seminars and language courses. Retirees can also continue to receive company benefits, such as discounts for concerts, museums, and fitness facilities.



Employee benefits



In every geographical location, on top of our competitive compensation structure for permanent employees (comprising base salary, discretionary annual bonus, and long-term incentive plan for eligible employees), we offer a wide range of benefits aimed at making the life of our employees balanced, enriched and enjoyable.

For example, full-time employees in Switzerland are entitled to 25 days of annual paid leave, plus 5 bridging days per calendar year, with the opportunity to take additional, unpaid leave. Additional paid leave is offered for weddings, relocation and other personal matters. There are also various free-time benefits relating to cultural and sporting activities. In addition to our stock-based programs, we recognize individual long-term engagement with Idorsia through a special “anniversary vacation” (4 weeks’ fully paid sabbatical leave) when employees reach their 10th, 20th and 30th anniversary of employment with Idorsia. Disconnecting from work for an extended period to pursue personal interests leaves employees energized and ready to immerse themselves when they return.

In 2022, considering our entrepreneurial mindset and focus on joint long-term value creation, we launched an all-employee equity program called “Ambition 2027”. Every permanent employee worldwide (excluding the CEO and all other members of the Idorsia Executive Committee), as well as new hires in 2022 and 2023, will receive a grant of Restricted Stock Units (RSUs) vesting progressively over the next 5 years and matching shares that would double the value of the RSUs if all our performance goals are met by the end of 2027. This is a unique plan that not only incentivizes collective high performance but should also promote employee retention worldwide.

Health & safety



As our employees are at the heart of everything we do, it is essential that we safeguard their well-being and remain attentive to any health and safety hazards, over and above regulatory compliance.

These efforts include regular hazard assessments, risk analysis of facilities and equipment, audits of health and safety measures, inspections of work processes in all premises (e.g. laboratories, dry storage, solvent storage, liquid and solid disposal stations, animal housing, offices and workshops), and support in specific areas (e.g. radiation protection, laser safety, maternity protection and ergonomics in the workplace).

In line with Swiss regulations, all employees at headquarters are covered by occupational health and safety management systems, which are audited both internally and externally.

Work-related accidents and injuries are recorded on an Accident or Incident Report Form and are documented and discussed with the persons involved. Measures are then defined to prevent any recurrence and to ensure the effectiveness of the measures implemented.

Furthermore, all occupational and non-occupational accidents are recorded and stored with the Swiss National Accident Insurance Fund (Suva). Based on the data collected by Suva, the HSE Committee assesses which areas require the implementation of further training or safety measures.

The Health, Safety, Security and Environment (HSSE) department is responsible for emergency responses, evacuation procedures, rescue plans and related training.

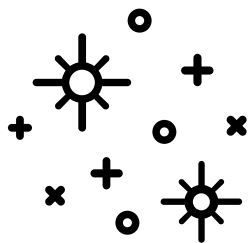
We carry out regular on-site reviews to ensure compliance with legal requirements, but we also strive to exceed regulatory requirements by providing additional training, services and stricter procedures.

Injuries	GRI Reference	Unit	2022	2021	2020
Number of fatalities as a result of work-related injury	403-9	no.	0	0	0
Rate of fatalities as a result of work-related injury		*	0	0	0
Number of recordable work-related injuries		no.	9	4	7
Rate of recordable work-related injuries		*	0.96	0.46	0.89
Number of high-consequence work-related injuries (excluding fatalities)		no.	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)		%	0	0	0

*The rate of recordable injuries and fatalities is calculated as follows: (number of recordable injuries or fatalities X 200,000) / number of employee hours worked. Based on a 40-hour week minus annual leave and public holidays, the hours worked amount to 1,784 hours per full-time employee. For 2023, we aim to include the hours of part-time employees. Current data for Switzerland only, with data for other significant locations being gathered.

Ill health*	GRI Reference	Unit	2022	2021	2020
Number of fatalities as a result of work-related ill health	403-10	no.	0	0	0
Number of cases of recordable work-related ill health		no.	0	0	0

*Current data for Switzerland only, with data for other significant locations being gathered.





Health & safety training activities

All new Idorsia employees are required to attend a health and safety introduction, including elements such as basic safety information, policies, duties, fire evacuation and first aid. New employees working in laboratories are required to undergo further training, including topics such as proper use of personal protective equipment, storage of chemicals, safety rules for laboratory work, procedures in the event of a lab accident, spill handling, containment, use of fire-extinguishing devices, internal transport of chemicals/ gas bottles/liquid nitrogen, and safety installations in Ex zones.

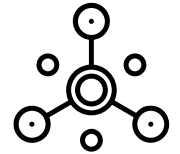
Annual protective suit training and fire-extinguishing training is also provided for laboratory and research employees and annual workshop safety training for site management departments. Regular training sessions are conducted in the areas of biosafety, radiation protection and laser protection. In addition, CPR and AED courses are provided for employees at headquarters by Idorsia's first aid team.

External employees working at Idorsia sites also receive training in the areas relevant to their line of work.

Twice a year, all employees working in a chemistry lab or with hazardous substances are invited to attend eyewash training, and first aiders receive refresher training.



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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