

ALK Sustainability Policy

This policy governs ALK's approach to sustainability and confirms our commitment to contribute to the UN Sustainable Development Goals and to drive responsible operations built on the principles outlined in the UN Global Compact, the UN Guiding Principles for Human Rights and Business and the OECD Guidelines for Multinational Enterprises.

ALK recognises the social, environmental and economic impact of its operations and aims to run its business on a profitable and sustainable basis, offering products that improve patients' quality of life through prevention, diagnosis and treatment of respiratory allergic rhinitis and allergic asthma. ALK strives to live up to this purpose by building a reliable and responsible profile among our stakeholders, as a company characterised by professionalism, honesty and integrity.

The purpose of this Policy is to set forth the respective principles and rules on our position on Sustainability and provide information and guidance on management of Sustainability for the entire ALK Group. ALK Sustainability Policy applies to all employees of ALK, including all directors, officers, managers, employees and temporary staff worldwide (collectively referred to as "ALK employees"), when dealing on behalf of ALK.

1.0 Our sustainability purpose and goals

In its production, working environment and in interaction with suppliers and other relevant stakeholders, ALK contributes to the UN 2030 Agenda for Sustainable Development. ALK is committed to positively contributing to the realisation of the UN Sustainable Development Goals throughout the ALK organisation where relevant as part of its business activities.

The sustainability purpose of ALK is to:

- continuously improve our social and environmental performance by setting incrementally improved sustainability goals, while maintaining a financially sustainable company for the benefit of people with allergy all over the world
- maintain appropriate standards of sustainability governance
- maintain robust management systems to monitor the social and environmental impact of our business in alignment with internationally acknowledged standards, principles and guidelines
- engage in open dialogue with our stakeholders to ensure that we meet their expectations

To fulfil our sustainability purpose ALK has set a strategic goal to ensure Access to Allergy Care for All and specific goals for our operational-level impact.

1.1 ALK's Access to Medicines strategy

The core of ALK's sustainability strategy is to ensure Access to Allergy Care for All and help as many people with allergy as possible. Over the years, its treatments have helped many

people around the world and today, they reach nearly two million people each year. However, millions more lack access to modern medical care for their allergies and related asthma.

ALK's ambition is to ensure:

Access to allergy care for all through earlier introduction of allergy solutions in the patient journey and better treatment outcomes

ALK achieves this by accommodating patients' needs for allergy diagnosis and treatment, by partnering with healthcare systems and healthcare professionals in providing effective allergy solutions to an increasing number of countries and patients across the globe. ALK aims to continue efforts in driving solid, evidence-based research and development of state-of-the-art pharmaceutical products, including maintaining their applicability across genders, ages and ethnicity. Additionally, ALK's responsibility extends to awareness-raising activities, training and education efforts of both healthcare professionals and people challenged by allergy.

Strategic-level SDG-impact achieved through our Access to Allergy Care for All strategy:



SDG 3 is a primary focus for ALK and is operationalised in programmes of democratisation and dissemination of allergy medicine. ALK enables access to safe, effective, quality and affordable essential medicines and vaccines for all. ALK contributes to healthy lives and promotes well-being for people with allergy at all ages.



SDG 9 supports Access to Medicines efforts through research-based development and digitised information about allergy ensuring quality of life for all groups. ALK enables increased accessibility to allergy immunotherapy, through research and development activities and technological development.

[See our Access to Allergy Care for All Policy](#)

2.2. Operational-level impact

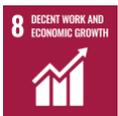
ALK recognises the global impact of our operations and aims to contribute positively to global development in all relevant areas within human rights, labour rights, governance, climate and environment and anti-corruption throughout the ALK value chain:

Through its operations and positions, ALK contributes to the realisation of several UN Sustainable Development Goals. ALK's positions are outlined below:

People: UN Global Compact principles 1-2 and 3-6



5.5 ALK ensures women's full and effective participation and equal opportunities for development and leadership at all levels.



8.2 ALK implements development programmes to upgrade employees' skills.
8.5 ALK protects labour rights and promotes safe and secure working environments for all employees.



10.2 ALK empowers and promotes the social and economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

Planet: UN Global Compact principles 7-9



6.3 ALK prioritises water efficiency across operations through responsible resource consumption.



7.2 ALK is committed to increasing the share of renewable energy in our operations.
7.3 ALK strives to reduce our resource consumption in cultivating and harvesting raw materials, as well as the manufacturing, packaging and transportation of our medicines.



12.5 ALK aims to reduce waste generation through prevention, reduction, recycling and reuse.



13.1 ALK applies a precautionary approach to climate challenges and seeks to reduce GHG emissions across the value chain.

Responsible business practices: UN Global Compact principle 10



16.5 ALK complies with laws and seeks to meet international standards in all areas of operations, including in interactions with suppliers and business partners. ALK promotes peaceful and inclusive societies, and is committed to substantially reducing corruption and bribery in all their forms.



17.7 Partnerships are instrumental means by which ALK can contribute positively to all beforementioned SDGs, including by assisting healthcare systems and healthcare professionals in providing efficient allergy care solutions.

3.0 Sustainability governance setup

ALK's sustainability planning and activities reflect actual and potential risks and opportunities for impacting human rights, labour rights, climate and environment, and anti-corruption – directly or via ALK's suppliers and partners.

The oversight, accountability, and responsibility for the ALK sustainability purpose and strategy rests with ALK's Board of Directors, who have delegated this responsibility to the Board of Management.

Relevant business units across ALK are responsible for the daily management of the Access to Allergy Care for All strategy, and the operational-level targets, including monitoring of development, risk identification and management, integration into decision-making and processes and internal reporting to the ALK Sustainability Committee. The ALK Sustainability team coordinates and supports implementation and daily management of the sustainability strategy. The identification and planning of connected activities are conducted by the ALK Sustainability team with final approval by the ALK Sustainability Committee.

The ALK Sustainability Committee is overall responsible for ensuring implementation and monitoring of the ALK Sustainability Policy and governance.

Relevant business units are responsible for daily management of operational-level sustainability activities, including monitoring, risk identification, management and reporting. It is the business units' responsibility to ensure relevance, completeness, consistency, transparency and accuracy of all data collected and disclosed to the ALK Sustainability team.

The achievement of ALK's sustainability purpose and goals is guided by a set of guidelines, the ALK Code of Conduct, which promotes ALK's Cultural beliefs and business integrity, and underlines the obligation to comply with legislation. All ALK employees must observe the Code of Conduct in relation to customers, colleagues, shareholders, society, suppliers and partners. Sustainability-related risk assessments are carried out as an integrated part of business-relevant risk assessment schemes and procedures or as a sustainability due diligence process.

Function	Roles and responsibility
Board of Directors	Overall responsible for ALK's sustainability strategy and purpose, and have delegated the responsibility to the Board of Management
Board of Management	Responsible for approval of all sustainability-related policies, development of strategy and purpose
ALK Sustainability Committee	Responsible for ensuring implementation and monitoring of the ALK Sustainability Policy and governance
ALK Sustainability team	Responsible for coordinating and supporting implementation and daily management of the sustainability strategy, including identifying and monitoring risks and relevant, complete, consistent, transparent, and accurate reporting. The ALK Sustainability team is also responsible for advising policy owners on policy content
Global Human Resources, Global Product Supply, Global EHS, Commercial Operations, R&D, Global Procurement and other relevant business units	Responsible for daily management, monitoring and execution of the sustainability plans of action. Responsible for reporting to the ALK Sustainability team on a quarterly basis
Managers	Responsible for role-modelling the behaviour and expectations outlined in the ALK Sustainability Policy. Also responsible for communicating ALK's sustainability efforts to employees
ALK employees	Responsible for following the ALK Sustainability Policy and other relevant policies and reporting any discrepancies via relevant channels

3.1 Stakeholder engagement

It is of vital importance for ALK to engage in open dialogue, interaction and cooperation with relevant stakeholders in the local areas in which it operates.

ALK pursues engagement with a variety of stakeholders, including authorities, private and public institutions and non-governmental organisations involved in promoting good health and well-being through prevention, diagnosis and treatment of respiratory allergic rhinitis and allergic asthma, decent working conditions, environmental challenges, quality, and ethical conduct.

ALK also engages in dialogue with suppliers on their responsibility to contribute to social, environmental and economic sustainable development.

4.0 Grievance Mechanisms and Remediation

Grievance mechanisms applied by ALK for both internal and external stakeholders, such as communities, healthcare professionals, people with allergy etc. are inspired by Principle 31 of the UN Guiding Principles for Business and Human Rights.

ALK has established an internal whistleblowing scheme, the ALK Alertline, to provide the opportunity for confidential reporting of illegal or unethical behaviour, including behaviour and practices that do not comply with the social responsibility of ALK to respect human rights and labour rights, protect the environment and work against corruption. In addition to the ALK Alertline, ALK has several internal grievance mechanisms for attending to less serious issues. These include but are not limited to preventive/protective functions within: Employee Representative Groups, Human Resources, Environment, Health and Safety and Legal. These business units are responsible for managing and resolving grievances, as well as reporting these to the ALK Sustainability Committee on an ongoing basis.

5.0 Reporting principles and selection of indicators

ALK uses Global Reporting Initiative's (GRI) Sustainability Standards as guidance to determine report content in terms of stakeholder inclusiveness, context, materiality and completeness. The report's quality is defined by balance, comparability, accuracy, timeliness, clarity and reliability.

In our operations and governance setup, ALK respects the principles outlined in the UN Global Compact, UN Guiding Principles for Business and Human Rights, OECD Guidelines for Multinational Enterprises and other relevant standards and guidance.

In our reporting and selection of indicators, ALK is inspired by reporting practice from various ESG frameworks, Global Reporting Initiative (GRI) Sustainability Standards, and the UN Sustainable Development Goals.

6.0 Communication of the ALK Sustainability Policy

The ALK Sustainability policy is communicated internally to the employees and externally to other stakeholders, including on ALK's corporate website, ALK's intranet and in the annual sustainability report. The annual report outlines how this policy is transformed into activities supporting the fulfilment of the sustainability targets, including the results of risk assessments and steps taken to prevent, mitigate or eliminate sustainability-related risks, as well as applied indicators (KPI's), achieved results and expected progress.

The ALK Sustainability Committee is the overall responsible for disseminating information about ALK's sustainability strategy, plans and progress.

This Sustainability Policy is reviewed by the Board of Management on an ad hoc basis to ensure alignment with the overall strategy of the ALK group. The current version of the Sustainability Policy was considered and approved by the Board of Management on 1 February 2021.