

Quality of Life

The Third
Helsinn Group
Sustainability Report – 2018



Published in 2019

HELSINN
Building quality cancer care together

Printed on recycled paper

Cover: Offset Nautilus white recycled 100% 250 gm² FSC

Inside: Offset Nautilus white recycled 100% 120 gm² FSC

printed in
switzerland



Table of Contents

LETTER FROM OUR LEADERSHIP	4
ABOUT THIS REPORT	6
OUR COMPANY	8
History & Milestones	12
Our Vision, Mission, Values.....	16
Our Business Model.....	18
SUSTAINABILITY AT HELSINN.....	20
Helsinn and the SDGs	22
Our Stakeholders	24
Material Topics: Focusing on What Matters Most	26
QUALITY OF LIFE FOR OUR PATIENTS	30
Our Products	31
Our Pipeline.....	33
Our Partnerships.....	36
QUALITY OF LIFE FOR OUR PEOPLE.....	42
Our Employees	43
Job Satisfaction, Motivation, Retention.....	45
Training.....	46
Safety, Health & Wellness	47
QUALITY OF LIFE IN OUR COMMUNITIES	49
QUALITY OF LIFE IN OUR ENVIRONMENT.....	53
Energy	55
Water.....	57
CO2e Emissions	58
Industrial Waste	59
Paper.....	60
ACTING RESPONSIBLY	61
The Compliance Program.....	61
Quality	63
ECONOMIC VALUE CREATION	65
Financial Highlights	66
GRI CONTENT INDEX.....	70
LIST OF ACRONYMS	75

Letter From Our Leadership

Dear Stakeholders,

These days it is easy to reduce sustainability to an overused buzzword. At Helsinn, we believe it should be at the core of everything we do and therefore we have reviewed our activity in the past two years to make sure that as a Group we are contributing to a better future.

In terms of economic value creation, the last two years have been characterized by a strong willingness to evolve the Group from a supportive cancer care company to a cancer therapeutics one. We invested heavily in R&D, with a focus on Akynzeo I.V. and on our product candidates pracinostat and anamorelin. In addition to this, we have increased our commercial portfolio with the acquisition of Valchlor /Ledaga, an approved and marketed alkylating agent for the topical treatment of mycosis fungoides type cutaneous T cell lymphoma, a rare type of skin cancer that is an incurable, highly symptomatic malignancy. We have also broadened our potential patient population by finalizing several licensing and distribution agreements worldwide and with the opening of a new branch office in Shanghai for our Helsinn Pharmaceutical China subsidiary.

Diversification of our R&D pipeline, our product portfolio and our geographical footprint were our key business goals in 2017 and 2018, particularly in the light of the patent expiry of palonosetron in several countries.

I don't ascribe to a philosophy in which the role of business is that of a silent bystander and where business as usual is enough. Milton Friedmans' thesis, which was the dominant idea of the 1970s and 1980s, considered making profits the sole purpose of a corporation. I rather believe that the private sector has an important role to play – possibly more important than the role of other stakeholder groups - in addressing society's challenges and providing solutions.

At Helsinn we are striving to be more than just a profitable business but also a good corporate citizen and an active participant in the transformation of society and our environment for the better. This can only happen through the constant review of the environment in which we operate and by challenging the status quo. These considerations served as the basis for the six areas of intervention in our first Quality of Life report. Since then, sustainability has been integrated into our communications and employee engagement and we are now targeting its inclusion in our strategic planning as well.

To make sure we are creating tangible shared value we tied our strategy to the Sustainable Development Goals outlined in the report. To successfully achieve this, we do need to deliver stakeholder value by growing the business, however, this is now being done with our sustainability goals in mind. Alongside a commitment to responsible growth, Helsinn is involved in a number of activities in our local area and beyond, including sponsoring high school graduates in Switzerland to advance them into their desired careers, partnering with several patient advocacy groups, supporting philanthropic activities in the arts, as well as promote, encourage, support and provide basic education for children, and reduce illiteracy and social injustice in Africa. At Helsinn we are dedicated to transforming business into a Force for Good. We pride ourselves on doing the right thing, not simply following regulations and laws because we are required to, but

because we choose to. As we tackle our daily tasks, we must remain mindful of our personal and corporate commitment to integrity and take responsibility for ensuring that our colleagues and business partners are acting according to the same standards. For this reason, in 2018 we substantially reinforced our Compliance program with the launch of our Integrity Portal, publicly accessible on our corporate website.

In every one of Helsinn's offices and plants, I see examples of our employees proactively seeking ways to make a lasting, positive impact toward our sustainability efforts. Helsinn's sustainability framework is reflected in our daily business, for example, we are committed to both delivering breakthrough products whilst reducing our environmental footprint. We are also seeking to give back to the communities where our employees live and work by supporting a range of non-profit organizations.

In our plants in Switzerland and Ireland, we remain committed to improving the environmental, health, safety and security performance of our processes and products. In Ireland for example, we deliver on these commitments through our comprehensive Responsible Care program, a global industry initiative to advance the safe and secure management of products and operations. In Switzerland, our facility is certified ISO 14001 and OHSAS 18001 compliant. It is important to underline that the approach to sustainability at Helsinn requires the involvement of every employee at every level of the organization. I am honoured to lead a team of almost 700 passionate people in seven locations across five countries, dedicated to making a difference and shaping Helsinn into a responsible corporation.

At Helsinn sustainability is a journey, because it's in the little improvements that we make can make a real difference: this report is intended as a springboard to continue creating value by being a proactive and good corporate citizen. I am proud of the steps that Helsinn has taken so far, but I want us to do more and better: more for our patients, our people, our community, and our environment.

A sincere thank you for your continuous support.

Riccardo Braglia

Group Vice Chairman and CEO
Helsinn Holding SA



About this Report

This is our third Group Sustainability Report. It covers our worldwide operations, including subsidiaries and representative offices, for calendar years 2017 and 2018 and with reference to previous periods.

The objective of the report hasn't changed: we want to present to our stakeholders our sustainability performance, commitments, and goals. We have also kept "Quality of Life" at the base of our Sustainability Framework, which represents our commitment towards becoming more sustainable every day as we strive to fulfill our mission: *To bring respect, integrity and quality to our products, services, and all that we do to improve the health and quality of life in every person affected by cancer.*

This report has been prepared in accordance with the GRI Standards: Core option. The Global Reporting Initiative is an international independent standards organization that helps businesses, governments, and other organizations understand and communicate their impacts on issues such as climate change, human rights, and corruption. The GRI represents the global and undisputed best practices for reporting on a range of economic, environmental and social impacts.

In September 2015, 193 member States of the United Nations met in New York to adopt 17 new Sustainable Development Goals ('SDGs') to make our world more prosperous, inclusive, sustainable, and resilient. This marked a major step forward in tackling some of the world's most pressing challenges. The 17 SDG goals contain 169 associated targets integrating the economic, social, and environmental components of sustainable development. They are the result of an extraordinary collaborative effort between businesses, NGOs, and governments from all over the world and serve as a plan of action to help people and the planet prosper.

Business has a critical role in the achievement of the SDG and since their introduction they were called upon by governments to use their creativity and innovation to solve the sustainable development challenges. Helsinn recognizes the transformative role that businesses can play in making the SDG a reality and we therefore support all 17 SDG goals. We want to encourage our partners and stakeholders at large to consider how they can also contribute to meeting the goals.

We recently conducted a review of our Materiality Assessment to monitor our priorities and highlight those themes that are of utmost importance to Helsinn and our stakeholders. This assessment is of fundamental importance because it is precisely our material issues that have the potential to significantly affect our performance, both in financial and non-financial terms. They are therefore the main topics which can influence our stakeholders when they form an opinion or make a decision relating to Helsinn and its activities. This sustainability report contains the quantitative and qualitative information necessary to understand the Group's material issues related to sustainability for the 2017-2018 biennial.

The report was submitted to GRI for the 'Content Index Service' (see page 70), which was successfully completed. Please refer to GRI's website - www.globalreporting.org – for more details on GRI and its activities.

We choose not to have this report externally assured, as most of the material information reported has either already been audited or complies with the most stringent criteria.

This report encompasses all our operations worldwide: it covers our operations in Switzerland - Helsinn Healthcare SA (HHC) and Helsinn Advanced Synthesis (HAS), in Ireland - Helsinn Birex Pharmaceuticals (HBP), in the US - Helsinn Therapeutics (HTU), in China - Helsinn Pharmaceutical (Beijing) Co. Ltd., P.R.C. (HPC), and in Monaco - Helsinn International Services (HIS), and in Luxembourg with our private equity fund - Helsinn international Fund (HIF).

The authors of this report are Giovanni Facchinetti, B4B Consulting with the collaboration of Manuela Pedretti, Executive Assistant to Group General Manager, Dr. Giorgio Calderari.

Phone: +41 (0) 91 985 2121

Mail: info-HHC@helsinn.com



Our Company

Helsinn is a privately-owned pharmaceutical company headquartered in Southern Switzerland, with subsidiaries in Ireland, the US, China and Monaco.

The main focus of our company is cancer care. We strive to improve and support the quality of life of cancer patients by providing cancer therapeutics and cancer supportive care products.

Helsinn was founded by Dr. Gabriele Braglia in 1976 as a simple pharmaceutical licensing business. Forty-two years later, the group has grown to become a global leader in its field. We currently have around 700 dedicated employees and a global network of over 90 commercial and marketing partners who work with us to offer a large portfolio of cancer-care therapies in almost every country.

Every business unit of our Group operates as a separate legal entity.

• Helsinn Healthcare SA — HHC

Our Headquarters in Lugano oversees all central functions: Group management, human resources, administration & finance, legal & compliance, quality assurance, R&D, CMC, pharmacovigilance and regulatory affairs, marketing, market access, commercial operations and business development operations, medical affairs, corporate communication.

Helsinn, a Family Company

- Focused on Quality of Life products in cancer care
- Private, well-established and profitable
- With a broad product portfolio
- And a unique R&D pipeline of technologies and new products

- **Helsinn Advanced Synthesis SA — HAS**

In our GMP manufacturing site in Biasca, we develop and produce Active Pharmaceutical Ingredients (APIs), High Potency Active Pharmaceutical Ingredients (HPAPIs), and Anticancer Compounds for our products and for third parties.

- **Helsinn Birex Pharmaceuticals Ltd. — HBP**

In our GMP facilities in Dublin, we develop and manufacture our finished dosage products and coordinate the logistics for the Group.

- **Helsinn Therapeutics (US), Inc. — HTU**

In the US, HTU oversees the US R&D activities, and distributes directly some of our products through a full-fledged integrated commercial organization.

- **Helsinn Pharmaceutical (Beijing) Co. Ltd., P.R.C. — HPC**

Our Beijing office coordinates clinical and regulatory activities for new product registration with NMPA, collaborates with and provides support to our partners. The Shanghai Branch established in 2017 is pursuing commercial activities. This reflects our long-term commitment to China. Together with the support of an internal team from the HQ, activities have been coordinated in this strategic emerging market, including the optimization of our R&D activities.

- **Helsinn International Services Sarl — HIS**

Founded in The Principality of Monaco in 2016, HIS coordinates selected strategic activities for the Group and supervises the activities of the Helsinn Investment Fund.

- **Helsinn Investment Fund SA — HIF**

Launched in 2016 and fully owned by Helsinn, HIF is a Luxembourg fund focused on early-stage investments in areas of high unmet patient need.

Helsinn Group's development, manufacturing and supply chain platform for finished drug products:

**Helsinn Birex Pharmaceuticals Ltd,
Dublin, Ireland**

- Production and worldwide distribution of Helsinn group's products
- External manufacturing network management
- R&D Centre-of-Excellence for oral solid dosage forms
- Stability Centre
- Drug Safety



Helsinn Group's US operations:

**Helsinn Therapeutics (US), Inc.
Iselin NJ, US**

- R&D
- Commercial Operations



**Helsinn International Services Sarl,
Monaco, Principality of Monaco**

Helsinn International Services provides advisory services to the Helsinn Investment Fund and coordination of selected Helsinn Group activities

Helsinn Group's manufacturing facilities:

Helsinn Advanced Synthesis SA Biasca, Switzerland

Development and manufacturing of:

- Active Pharmaceutical Ingredients
- Advanced Intermediates
- High Potency Active Ingredients
- Anticancer compounds all under cGMP for group's third parties

Helsinn Group's Chinese Operations:

Helsinn Pharmaceutical (Beijing) Co. Ltd., P.R.C.

Helsinn Group's entry into the Chinese market

Helsinn Group's Global Headquarters:

Helsinn Healthcare SA Lugano, Switzerland

Our headquarters in Lugano oversees all central functions: Group management, human resources, administration & finance, legal & compliance, quality assurance, R&D, CMC, pharmacovigilance and regulatory affairs, marketing, market access, commercial operations and business development operations, medical affairs, corporate communication



History & Milestones



1976

- Helsinn is established by the Braglia family in Ticino, Switzerland

1995

- Relocation of HBP to new premises in Damastown

1998

- Worldwide licensing agreement is signed with Syntex-Roche for palonosetron, a 5-HT₃ antagonist used in the prevention and treatment of Chemotherapy-Induced Nausea and Vomiting (CINV) and Post-Operative Nausea and Vomiting (PONV)

1999

- **Helsinn Advanced Synthesis SA**, the second Swiss manufacturing plant, is inaugurated in Biasca, dedicated to highly potent active pharmaceutical ingredients (HPAPIs)

1980

- Worldwide licensing agreement is signed with 3M Pharmaceuticals for nimesulide, a leading non-steroidal anti-inflammatory drug (NSAID)

1985

- **Nimesulide** is launched on the international market

1984

- **Helsinn Chemicals SA**, the Group's first manufacturing plant opens in Biasca, Switzerland

1990

- Acquisition of an Irish pharmaceutical company, now **Helsinn Birex Pharmaceuticals Ltd (HBP)**, in Dublin



2005

- Palonosetron is launched in EU and in Latin America;
- **Netupitant** is in-licensed from Roche with global rights for development and commercialization

2011

- New analytical laboratories open at HBP
- Our CEO Riccardo Braglia receives the prestigious "2011 Entrepreneur in Italian-Speaking Switzerland" award

2010

- Helsinn Chemicals SA, Biasca, Switzerland and Helsinn Advanced Synthesis SA, Biasca, Switzerland merger. The manufacturing facility is now called Helsinn Advanced Synthesis SA (HAS)
- A new R&D center of excellence opens at HBP

2003

- **Palonosetron** is launched in the US by our partner MGI Pharma, now Eisai Inc.



2009

- The US biotech company Sapphire Therapeutics Inc. is acquired: creation of Helsinn Therapeutics (US) Inc. (HTU). The operation includes the rights for a ghrelin-based development platform and anamorelin, a novel therapy in development for the management of cachexia-related symptoms in cancer patients

2012

- Ernst & Young recognizes Riccardo Braglia as the "Best Entrepreneur in the High Tech/Life Sciences category in Switzerland" and selects him to represent Switzerland at The Worldwide Entrepreneur of the Year contest in Montecarlo
- Helsinn opens a representative office in Beijing in China and files for an IND application for netupitant/palonosetron fixed-dose-combination
- Helsinn opens a new chemical plant for the production of ANTICANCER compounds at HAS

2013

- Helsinn establishes a new commercial organization within its subsidiary HTU in order to conduct direct sales and marketing activities within the US market, and, with a dedicated sales force, initiates the co-selling of Aloxi® together with its partner Eisai
- HAS is the first company in Ticino, Switzerland, to prepare a Sustainability Report in accordance with the Global Reporting Initiative (GRI)



2013

2014

- The US Food and Drug Administration (FDA) approves Akynzeo® oral (netupitant/palonosetron fixed-dose-combination) for the Prevention of Chemotherapy-Induced Nausea and Vomiting (CINV). It is launched in the US in the co-selling partnership between HTU and Eisai
- FDA grants the pediatric indication to Palonosetron, based on the results of the largest clinical trials ever run in a pediatric population
- HBP is the first private company in Ireland to publish a Sustainability Report in accordance with the new Global Reporting Initiative framework, GRI G4

2014

2015

- The European Medicines Agency (EMA) approves Akynzeo® oral. The product has been launched in several European Countries
- Start of clinical trials for I.V. formulation netupitant/palonosetron fixed-dose-combination
- Helsinn obtains the Global CEO Cancer Gold Standard Accreditation, which recognizes our commitment to reducing cancer risk through the promotion of a healthier lifestyle, earlier disease detection and high quality care in the workplace
- Nimesulide, the active ingredient of the blockbuster Aulin®, celebrates its 30th anniversary
- HTU moves into the new offices, located in a LEED Gold building in Iselin, NJ
- The First Helsinn Group Sustainability Report ("Quality of Life") is published

2015

2016

- Helsinn obtains exclusive rights to promote and sells Akynzeo® in the US, previously co-detailed with Eisai
- Helsinn signs an agreement with MEI Pharma, Inc. an oncology company focused on the clinical development of novel therapies for cancer, to enter into an exclusive licensing, development and commercialization contract for **pracinostat**, a Phase III-ready drug candidate for the treatment of acute myeloid leukaemia (AML) and other potential indications
- Opening of **Helsinn International Services (HIS)** and launch of **Helsinn Investment Fund (HIF)** which is focused on early-stage investments in areas of high unmet patient need



2016

2017

- Helsinn Group Launches "Helsinn Cares" Patient Support Services in the US, a Patient Assistance Program and Voucher Program to support both insured and uninsured patients
- Helsinn starts a collaboration with Lyfebulb, a patient-centric company that empowers patient entrepreneurs to deliver innovative products and solutions to patients living with chronic disease
- On the roof of HBP in Dublin a new PhotoVoltaic electricity generator is installed. 200 panels capture solar power and generate up to 50KW/day
- The First Conquer Cancer Foundation/Anna Braglia Endowed Young Investigator Award in Cancer Supportive Care, is awarded
- The Shanghai Branch of **Helsinn Pharmaceuticals (Beijing) Co. Ltd.**, opens on August 7

2017

2018

- Acquisition of **Valchlor®/Ledaga®** from Actelion, marking Helsinn's first step into the cancer therapeutics field
- Helsinn International Services Sarl, Monaco signs a scientific collaboration agreement with the Scientific Centre of Monaco to support a research project aimed at developing pharmacological inhibitors for one of the most common forms of kidney cancer
- Helsinn receives the Global CEO Cancer Gold Standard accreditation for the 4th year in a row
- Our CEO, Riccardo Braglia, is nominated to the Board of the Conquer Cancer Foundation

2018

Our Vision, Mission & Values



At Helsinn, our vision is to help people with cancer get the most out of every day. We are committed to making everything we do count towards the best therapies and supportive care for cancer patients—from the products we license to the rigorous standards we apply as a pharmaceutical manufacturer. At Helsinn we are committed to extending the reach of our quality care and use our expertise to fulfill more unmet needs, and build better today's for more patients worldwide.

Our vision

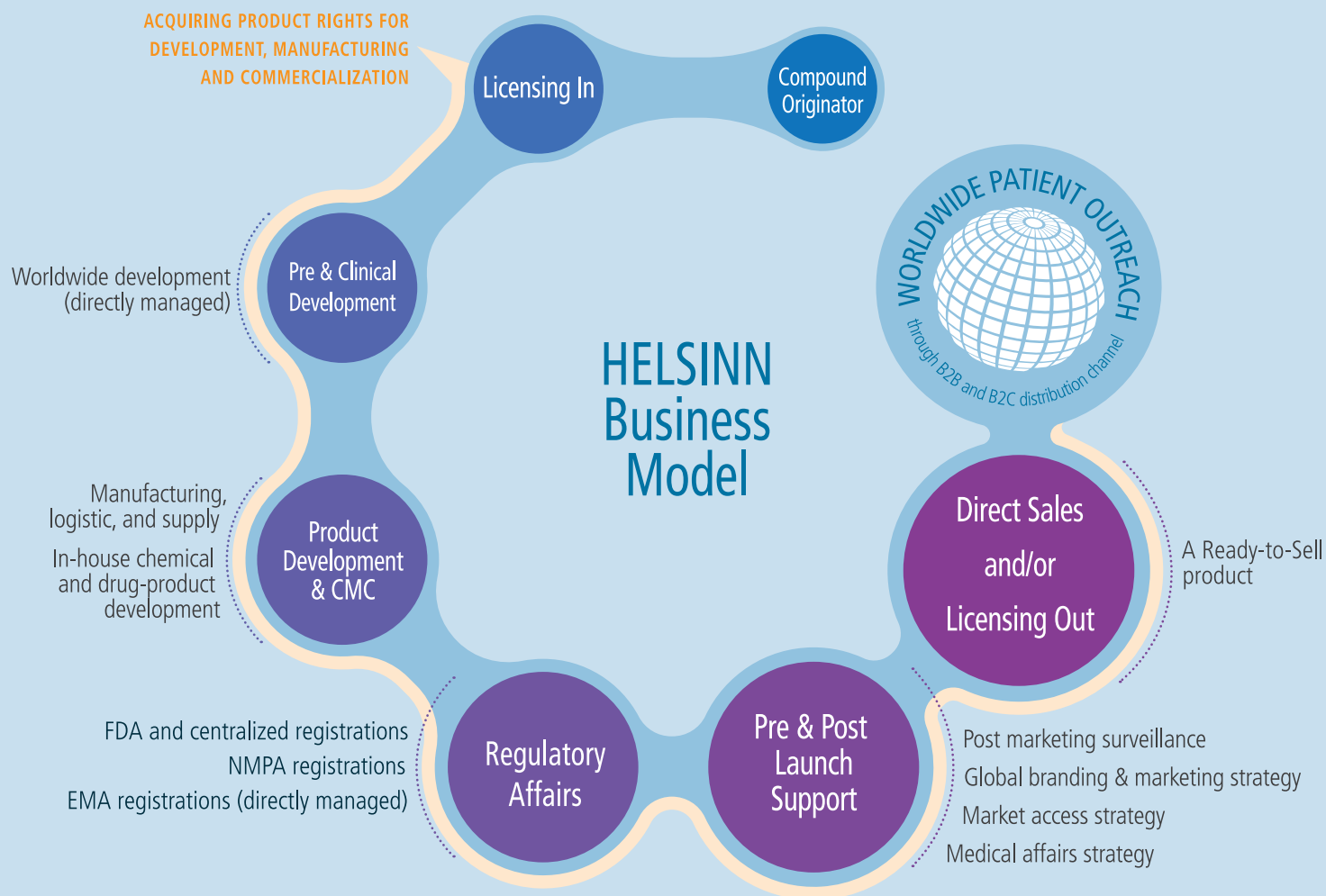
To shape the Helsinn Group into **one of the world leading cancer-care companies** with a focus on improving patients' quality of life.

Our mission

To bring respect, integrity and quality to our products, services, and all that we do **to improve the health and quality of life in every person affected by cancer.**

Our values

We are a family-run company, and have retained our founding **values of quality, integrity and respect**, which guide everything we do.



Our Business Model

At the base of our business model and of Helsinn's development in over the last 40 years, is the in- and out-licensing of pharmaceutical molecules. The first step of the process is to identify innovative early-to-late stage new chemical entities from third parties. After completing their development by performing pre-clinical and clinical studies, supported by chemistry, manufacturing and control development, we then proceed to file for their worldwide market approval. Thanks to this model we are able to build a network of partners that we assist and support by providing product and scientific management services (such as commercial, regulatory, financial, legal support, medical education and market access advice). Helsinn centrally manages the drug safety and pharmacovigilance of our products on behalf of our partners.

Thanks to a mix of integrated early and late stage licensing programs as well as our own development, we have been able to create a comprehensive portfolio of effective pharmaceuticals and specialist therapies that are currently sold in more than 90 countries. We also have therapy candidates in the late stage of the pipeline which address unmet medical needs in cancer treatment.

Production is carried out at Helsinn's facilities in Switzerland and Ireland. The Swiss plant is located in Biasca and is both a supplier for our group and a Contract Manufacturing Organization (CMO) for third parties. Both the active pharmaceutical ingredients and the finished products are manufactured according to the highest quality, safety and environmental standards, in compliance with the US Food and Drug Administration (FDA), EU European Medicines Agency (EMA), Swissmedic, Japanese PMDA, other local Authority agencies, and Pharmaceutical Inspection Convention (PIC).

In the US we market part of our product portfolio through our local subsidiary, hence creating substantial added value thanks to the direct contact with healthcare professionals. These B2B – B2C models allow us to effectively reach healthcare professionals and most importantly, a greater number of patients.

In 2016 we took our first step outside of cancer supportive care products and entered the development of oncology therapeutics. This was possible following a strategic agreement with MEI Pharma (San Diego, US), an oncology company focused on the clinical development of novel cancer therapies. Together we aim to develop and commercialize pracinostat for the treatment of Acute Myeloid Leukemia and other hematologic diseases. In 2018 we expanded our cancer care portfolio with the acquisition of Valchlor®/Ledaga® from Actelion.

Furthermore, through Helsinn International Services (HIS) and Helsinn International Fund (HIF), our Private Equity investment vehicle, we scout and invest in high potential privately owned companies with early stage technologies in cancer supportive care, in cancer diagnostics and therapeutics, and other areas.

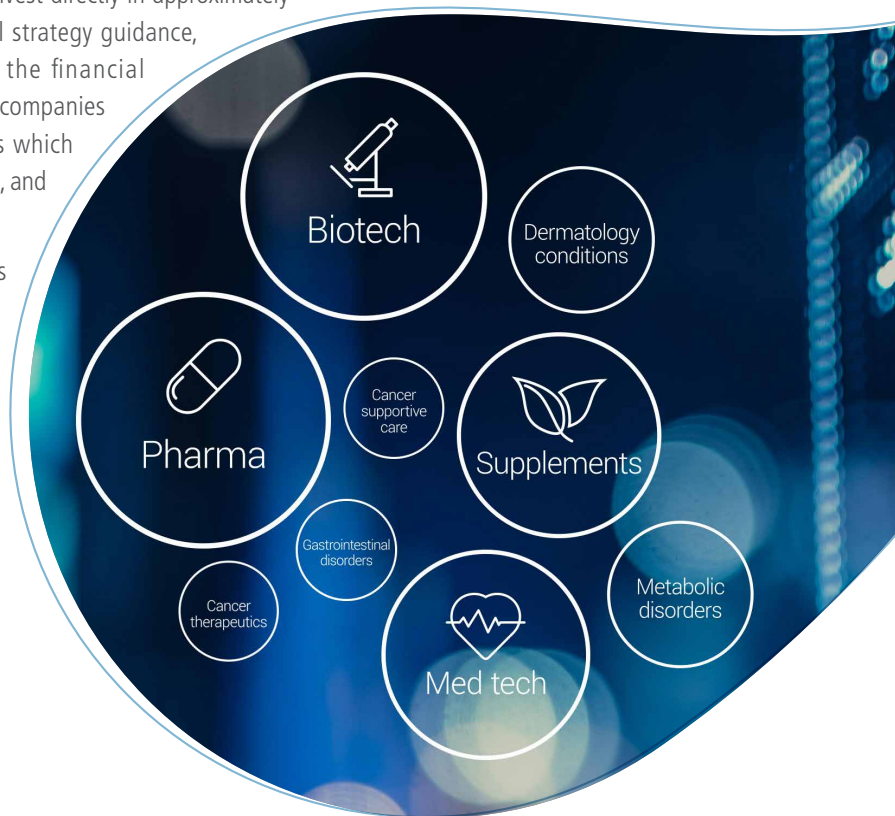
Helsinn Investment Fund

Launched in 2016, Helsinn's Investment Fund continues to provide early-stage investment opportunities in areas of high unmet patient needs. The Fund is fully backed by the Helsinn Group thanks to an initial commitment of three years, followed by up to five years through subsequent rounds. To date the Luxembourg incorporated fund has invested approximately 22 million euro.

Guided by the same core values of quality, integrity and respect, the goal of the Fund is to help companies with innovative early stage technologies transform their ideas into commercial solutions that can have an impact on the quality of life of patients. The investment fund selects companies from a range of areas including cancer therapeutics and diagnostics, cancer supportive care, metabolic and gastrointestinal disorders, and dermatology conditions, across biotechnology, pharmaceuticals, medical devices and food supplements.

Thanks to the Fund, Helsinn has been able to invest directly in approximately 10 companies, providing scientific and clinical strategy guidance, operational and board support alongside the financial investment. The Fund's strategy is to invest in companies with strong scientific and technological bases which have achieved at least preclinical proof of concept, and ideally with clinical data.

Before committing to an investment, all companies undergo a strict due diligence process, provide the highest standards from experienced management teams, and present realistic development plans and clear go-to-market strategies.



Sustainability at Helsinn

We have come a long way since our first Sustainability Report in 2012 for Helsinn Advanced Synthesis. Yet, every year we realize that sustainability is a never ending journey. Today sustainability is anchored in our culture and is a fundamental component of our long-term business strategy. The future of our planet will be determined by how we – as individuals, organizations, and nations – react to the challenges we are facing and that will impact our future. How can we confront issues such as resource scarcity, aging population, demographic shifts, climate change, or access to health care?

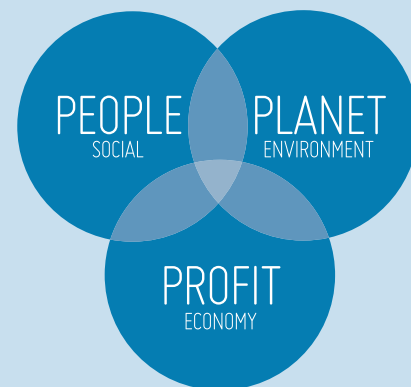
Our objective is to decrease our environmental footprint by continuously improving our highly compliant integrated manufacturing system and our seamless supply and distribution chain to achieve a major objective: making our products accessible to as many patients as possible.

Our co-workers and our associates often say they feel like they are part of a family at Helsinn. Considering we are a family business, this makes us incredibly proud. Taking excellent care of our team members, keeping patients' best interests in mind, building long-term, trust-based interactions with business partners, and playing an active role in our community are all crucial to create long-term, harmonious interactions and ensuring the company's success.

To accomplish this, we have been working with our partners in nearly one hundred markets, taking all needed measures to make our products accessible even when the volumes of sales do not cover the investments.

The first mention of the Triple Bottom Line framework appeared in the mid 90s. It was invented by John Elkington, who declared that organizations should measure their success not only in financial terms, but by taking into consideration the social, environmental and economic impacts created.

What was then considered an eccentric novelty, has become a popular framework to assess organizational performance. In short, the Triple Bottom Line, often referred to as the three P's (people, planet, profit), moves beyond purely financial measures of success to capture other forms of capital, namely social, human, and environmental capital.





Helsinn and the SDGs

The United Nations Sustainable Development Goals (SDGs) cover a large range of topics across the social, economic and environmental scopes of SD such as poverty, education, climate change, environmental degradation, health, community development, consumption just to name a few. 17 goals are universally applicable both in developing and developed countries and are accompanied by 169 targets and 230 indicators. All 193 UN Member States have agreed to achieve the goals by 2030. What is unique about the SDGs is that they call specifically on all businesses to apply their resources to solve the sustainable development challenges.

We believe that the SDGs represent the most advanced framework available to government, business and civil society to direct the world towards a reversal of the environmental and social degradation we have witnessed in the past decades. We are working towards the following SDGs through the programs and activities we have in place.

SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD



SDG 3**Good health and Well-Being**

Creating a better Quality of Life for our patients and our people is at the core of our culture. We do so by providing effective therapies and making them accessible and by safeguarding and promoting the health safety and well-being of our employees.

SDG 4**Quality Education**

We support education in our communities and in emerging countries through scholarships and partnership with NGOs.

SDG 6**Clean Water and Sanitation**

We constantly improve the efficiency in the use of this precious resource in all our buildings and plants.

SDG 7**Affordable and Clean Energy**

We constantly improve our energy efficiency and we have increased the share of renewables in our energy mix.

SDG 8**Decent Work and Economic Growth**

Every year, we expand the distribution and create new partnerships with various organizations, we create job opportunities in our locations across three continents and provide superior working conditions, compensation and an inclusive and rewarding working environment for our employees.

SDG 9**Industry, Innovation and Infrastructure**

We continuously improve the efficiency of our buildings, of the technologies we use and of our chemical processes in order to minimize the footprint from the production of our therapies and our supply chain.

SDG 10**Reduced Inequalities**

We support SDG 10 through our Patient Assistance Program and Voucher program in the US, our sponsorship of charitable and educational initiatives.

SDG 13**Climate Action**

We carefully monitor the GHG emissions of our operations, implement reduction measures, and invest in emission-reducing technology.

SDG 16**Peace Justice and Strong Institutions**

We support SDG 16 through our compliance program, which provides a robust approach to ethics and accountability.

SDG 17**Revitalize the Global Partnership for Sustainable Development**

Through its Cancer Gold Standard Accreditation Helsinn has partnered with the CEO Roundtable on Cancer to fight cancer and save lives through programs that promote cancer prevention, early detection and access to quality care.

Our Stakeholders



Stakeholders

How we engage

PATIENTS, THEIR FAMILIES, PATIENTS' ASSOCIATIONS	Corporate website, product websites, support for disease awareness websites and campaign, non-promotional activities, support of patient association initiatives, sponsoring congresses and other educational activities, educational and research grants, periodical & ad-hoc meetings.
EMPLOYEES	Biannual CEO presentations, Helsinn News, ongoing communication via corporate intranet, company events, Code for Caring, staff town hall meetings, R&D retreats, training programs, project/product management meetings, Helsinn Academy, Quality, Safety, Integrity Portal, etc.
HEALTHCARE PROFESSIONALS	Advisory Board meetings, speakers' programs, data presentation at congresses, publications in peer reviewed journals, meetings related to clinical trials, meetings with clinical experts, product websites, Integrity Portal.
SHAREHOLDERS & BOARD	Periodical reporting on business progress, annual meeting.
BUSINESS PARTNERS	Regular meetings, congresses & exhibitions, InTouch knowledge sharing platform, constant interactions with commercial division, annual distributors' meeting, educational incentive trips for sales force, scientific trainings, support of local events, Integrity Portal.
SUPPLIERS	Partner selection meetings, audits, quality assurance inspections, business terms discussion, Suppliers' Code of Conduct.
GOVERNMENT, REGULATORS & PAYERS	Meetings and ongoing dialogues with regulatory authorities, environmental health and safety reports.
TRADE & INDUSTRY ASSOCIATIONS	Periodical meetings, Helsinn representatives on committees and boards, industry trade shows.
LOCAL COMMUNITIES, PHILANTHROPIC INSTITUTIONS	Scholarships, schools visits at our plants, sponsoring of cultural activities, sponsorship of educational institutions in Africa, contribution to charities and local community services, hiring and training of apprentices.

Material Topics: Focusing on What Matters Most

The 6 Material Areas in our Sustainability framework provide the basis of our analysis: they focus on the impacts of our products, our operations and our people through the whole value chain to ensure we're operating a responsible business. By asking ourselves which opportunities and threats are most relevant to our business in each of these areas, we are able to focus our sustainability on what matters most to us, now and in the future.

In early 2019 we carried out a new materiality assessment with the participation of all senior executives in all of our offices.

The material topics and their relevance were reassessed in terms of:

- their priority, both in terms of business strategy and importance for the main stakeholders
- how we, and our stakeholders, can control or influence these topics
- their potential to have a direct or indirect impact on an organization's ability to create, preserve or erode economic, environmental, and social value.

Within our 6 areas of focus, we reexamined the importance of those topics which were considered material during the assessment carried out in the previous years, as well as other potentially material topics. We took into consideration the GRI Standards, the SASB framework, the SDGs, research briefs on the Pharma, Biotech and Chemical sectors, as well as the analysis of our peers.

The most highly ranked topics are related to: Standards and Codes of Conduct, Manufacturing and Operational Excellence, Safety of Clinical trials, Waste and Effluents, Energy and Emissions, Innovation and R&D pipeline and Long Term Economic performance.

Topics & Boundary of Impacts

	Internal impact	External impact
Quality of Life for Our Patients		
Access to medicines		
Disease awareness, patients' education and assistance		
Safety of clinical trials		
Health outcome contribution & cost optimization		
Quality of Life for Our People		
Safety health & wellness		
Job satisfaction, motivation & retention		
Compensation & benefits		
Constant learning		
Diversity & equal opportunities		
Culture of excellence		
Quality of Life in Our Communities		
Local communities		
Philanthropic contributions		
Volunteer activities		
Commitment to education		
Quality of Life in Our Environment		
Water		
Energy		
Waste & effluents		
Emissions		
Acting Responsibly		
Standards & code of conduct		
Stakeholders' engagement & external communication		
Manufacturing & operational excellence		
Supply chain transparency & monitoring of suppliers		
Economic Value Creation		
Long-term economic performance		
Value added & redistributed		
Spending on local suppliers		
Innovation and R&D pipeline		

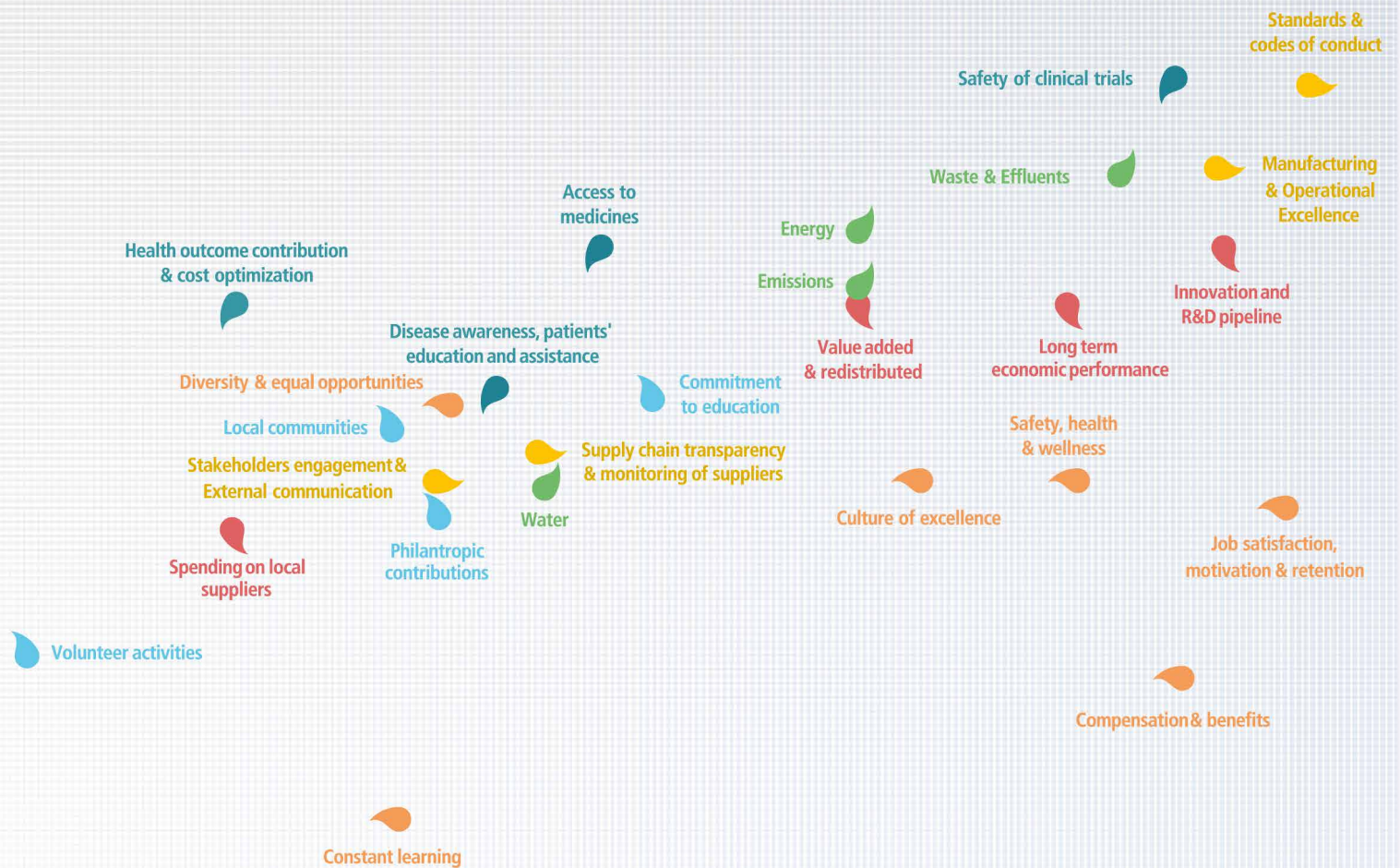
This matrix highlights the areas of importance for our sustainability performance and at the same time sets the base upon which we will develop our sustainability initiatives in the future.

It will be periodically revised and re-evaluated, in order to adapt to changing conditions and priorities.

VERY HIGH
HIGH
MEDIUM

IMPORTANCE FOR STAKEHOLDERS

- Quality of Life for Our Patients
- Quality of Life for Our People
- Quality of Life in Our Communities
- Quality of Life in Our Environment
- Acting Responsibly
- Economic Value Creation



IMPORTANCE FOR **HELINN**

HIGH

VERY HIGH

Quality of Life for Our Patients

At Helsinn we have a mission: to do anything we can to improve the health and quality of life of people battling cancer. This requires respect, integrity, as well as top quality therapies and services.

In 1998 we signed a licensing agreement with Syntex-Roche for palonosetron, a drug used in the prevention and treatment of CINV. Since then, we have focused on oncology and over time we have become one of the world's leading supportive cancer care companies, with a comprehensive portfolio of oncology drugs and therapies that help improve the lives of cancer patients all around the world. As from the very start, our commitment to the quality of life of our patients' remains at the forefront of our activity.

Unfortunately, the prevalence of cancer continues to grow but significant advances have been made in cancer care.

Today, even if a full recovery is not always possible many cancers can be controlled and managed thanks to advanced therapies. Indeed, the National Comprehensive Cancer Network (NCCN) believes that physicians and practitioners now consider certain types of cancer similarly to a chronic condition.



Quality of
Life for Our
Patients



Our Products

Cancer Supportive Care

We are convinced that every day is precious, perhaps even more so for people living with cancer. Unfortunately, the side effects of treatments, such as chemotherapy-induced nausea and vomiting, mucositis and dermatitis, can adversely affect the quality of their daily lives. We are therefore committed to providing new and targeted products to improve their quality of life.

Emesis for example, the uncontrolled chemotherapy-induced nausea and vomiting (CINV), is a common and dreaded side effect of cancer treatments and a major source of impact on a patient's day-to-day quality of life. The inclusion of Aloxi® and Akynzeo® in our product portfolio contributed to the expansion of the antiemetic arsenal thus improving the quality of life of patients and allowing them to focus on their cancer treatment plan.

Aloxi® (Palonosetron) is a prescription medication that helps prevent nausea and vomiting brought on by some types of chemotherapy. The second generation 5-HT₃ receptor antagonist is available in the I.V. and oral formulation, has a long half-life of 40 hours, and binds more tightly and differently to the 5-HT₃ receptor compared to other available drugs of the same class. At present it has been approved in over 70 countries worldwide.

Akynzeo® is a fixed-dose combination of the new NK1 RA, netupitant, and the pharmacologically and clinically distinct 5-HT₃ receptor antagonist, palonosetron. Its oral formulation was approved by the FDA in October 2014 and by the EMA in May 2015. A large phase II and III program demonstrated that a single oral dose is effective and well tolerated in preventing CINV. Akynzeo® complete response rates (no emesis, no rescue medication) was superior to palonosetron during all phases post chemotherapy and was effective over multiple chemotherapy cycles 1-3. The intravenous formulation on the other hand, was approved in April 2018 by the FDA and launched across the US in May of the same year. The marketing authorization application was recently submitted in Europe and China.

Gelclair® is an oral protective gel specifically formulated to aid in the painful symptoms of mucositis of the oropharyngeal cavity. It forms a protective film that, by adhering to the mucosa of the oropharyngeal cavity, can prevent further irritations thus contributing to the rapid relief of pain.

Lastly **Xonrid®** is a topical gel to ease radiotherapy induced dermatitis by preventing and treating skin symptoms such as erythema, itching, burning sensation, and pruritus. Helsinn moved into cancer therapeutics because we identified a real patient need area.

Cancer Therapeutics

Mycosis fungoides (MF) is a rare type of skin cancer that is an incurable, highly symptomatic malignancy characterized by the migration of malignant T cells into the epidermal layer of the skin in the early stages and into the lower dermal layer and the circulatory system in its advanced stages.

In 2018 Helsinn Group announced the acquisition of the worldwide rights to Valchlor®/Ledaga® (mechlorethamine/chlormethine) from Actelion Pharmaceuticals Ltd. an approved and marketed alkylating agent for the topical treatment of mycosis fungoides type cutaneous T cell lymphoma for patients who have received prior skin directed therapy.

Valchlor® is an FDA-approved topical formulation of mechlorethamine. It was launched in the US at the end of 2013, and it is (in 2019) being launched in several European Countries. In the US, approximately 15'000 patients are currently diagnosed with stage IA-IB MF-CTCL, qualifying it as a rare or orphan disease.

The US Food and Drug Administration has therefore granted it the Orphan Drug Designation (ODD).

Pain & Inflammation, Gastroenterology

Nonsteroidal anti-inflammatory drugs (NSAIDs) play a crucial role in the management of acute inflammatory pain.

Nimesulide is a non-steroidal anti-inflammatory drug (NSAID) with over 30-years of history in the treatment of acute pain and primary dysmenorrhea. It is currently licensed in over 30 countries, under various brand names in a number of markets: Aulin®, Ainex®, Donulide®, Eskafam®, Heugan®, Mesulid®, Nimed®, Nimedex®, Nisulid®, Scaflam®, Scaflan®.

Klean-prep® is a consolidated PEG-based specialty product for gastrointestinal lavage and preparation prior to diagnostic examination or surgery. In over 25 years, this effective and safe product has been used in several procedures worldwide. The main ingredient in Klean-Prep® is PEG 3350 which acts as laxative with various salts added to maintain the body's electrolyte balance.

Laxaclear® is based on Macrogol 3350, the active ingredient of Klean-Prep® (used for the preparation of the colon prior to colonoscopy and X-ray) but at a lower dosage and in a smaller package (5.9 vs 59g). Each dose of Laxaclear® powder comes in a handy sachet which is dissolved in water and can be taken up to 4 times a day.

Our Pipeline

Helsinn has developed a 'semi-virtual' R&D model, with over 120 highly skilled scientists. We employ a disproportionately large number of scientists and physicians in comparison with similar, 'mid-sized' European pharmaceutical companies. We understand that only **the most dedicated researchers, world-class facilities, and highest standards in science, quality, and ethics will deliver the results we need for our patients** – and help fulfil more unmet needs. Our growing pipeline includes first-in-class therapies aimed at providing new solutions where there are currently no options available and helping to lift the burden of cancer for our patients. Our main R&D efforts are concentrated in cancer therapeutics and cancer supportive care. A new generation of compounds acting on the ghrelin receptor for multiple potential indications constitutes our early-phase pipeline, as shown in the following figure.

Metabolism

The new generation of compounds acting on the ghrelin receptor for multiple potential indications constitutes our early-stage development pipeline. One **ghrelin receptor antagonist** is under development for the **Prader-Willi Syndrome**, which is the most common genetic form of obesity and that affects almost 400,000 individuals worldwide, and there is no treatment approved yet. Hypothalamic dysfunction characterized by high circulating levels of ghrelin. Hyperphagia is a cardinal manifestation of the disease after the age of 4 and in adulthood.

Cancer Supportive Care

Helsinn continues to develop drugs aimed at improving the quality of life of a cancer patient. Further than Emesis, another condition that affect cancer patients should be the **Cancer Anorexia-Cachexia Syndrome (CACS)**: this is a multifactorial condition defined by a loss of body weight that cannot be reversed by conventional nutrition support and leads to a progressive functional impairment. The main symptoms are loss of appetite, weakness, anaemia, muscle wasting, reduced food intake and altered metabolism. The syndrome brings patient to a less tolerability of treatments, a reduced response and a shortened survival time. Currently there is no a standard of care. Helsinn is performing phase III clinical studies with **anamorelin** for the treatment of cancer anorexia-cachexia in patients with non-small cell lung cancer (NSCLC) worldwide, and our partner Ono Pharmaceutical Co., Ltd. is managing the study and registration in Japan. Anamorelin is a novel, orally available, selective ghrelin receptor agonist that mimics the appetite-enhancing and anabolic effects of the ghrelin hormone.

Cancer Therapeutics

Pracinostat is a novel, orally available, histone deacetylase (HDAC) inhibitor under development in combination with azacitidine for the treatment of **Acute Myeloid Leukemia (AML)** in newly diagnosed patients not suitable for intensive induction therapy and other indications including high-risk **Myelodysplastic Syndrome (MDS)**. A Phase III clinical development program is ongoing in AML, and a Phase II clinical studies is ongoing in MDS.

Furthermore, Helsinn is developing a compound in close collaboration with Taiho Pharmaceutical Co., Ltd.: **HM06** is a selective, brain-penetrant inhibitor of **RET mutations in Solid Tumors**, currently in Preclinical Phase.

Compound	Indication	Phase
Cancer Therapeutics		
PRACINOSTAT	Acute Myeloid Leukemia (AML)	Phase 3
PRACINOSTAT	Myelodysplastic Syndromes (MDS)	Phase 2
HM06	NSCLC* with Rare Mutation	Preclinical
Metabolism		
HM04 - GHRELIN RECEPTOR ANTAGONIST	Prader-Willi Syndrome	Preclinical
GHRELIN RECEPTOR INVERSE AGONISTS	Obesity	Research

Compound	Indication	Phase
Cancer Supportive Care		
FOSNETUPITANT-PALONOSETRON FIXED COMBINATION I.V. - WORLDWIDE	Chemotherapy-Induced Nausea and Vomiting	Regulatory
NETUPITANT-PALONOSETRON FIXED COMBINATION ORAL - CHINA - KOREA	Chemotherapy-Induced Nausea and Vomiting	
PALONOSETRON I.V. and ORAL - CHINA	Chemotherapy-Induced Nausea and Vomiting	
ANAMORELIN - EUROPE	Cancer Anorexia-Cachexia in NSCLC* Patients	
PALONOSETRON - CHINA	PONV**	Phase 3
ANAMORELIN - CHINA	Cancer Anorexia-Cachexia in NSCLC* Patients	
ANAMORELIN - US	Cancer Anorexia-Cachexia in NSCLC* Patients	
ANAMORELIN JAPAN***	Cancer Anorexia-Cachexia	
NETUPITANT-PALONOSETRON FIXED COMBINATION ORAL	Chronic Nausea and Vomiting in Cancer Patients	Phase 2
NETUPITANT-PALONOSETRON ORAL SUSPENSION	Chemotherapy-Induced Nausea and Vomiting in Pediatric Patients	
NETUPITANT I.V. - JAPAN****	Chemotherapy-Induced Nausea and Vomiting	
ANAMORELIN	Cancer-Related Fatigue	
HM01 - GHRELIN RECEPTOR AGONIST 1	Chemotherapy-Induced Neuropathic Pain	Phase 1
HM03 - GHRELIN RECEPTOR AGONIST 2	Cancer Anorexia-Cachexia	Research

This graphic represents the development status of our pipeline at the end of 2018, and all products mentioned are investigational drugs, not yet established as safe or effective.

*NSCLC (Non-Small Cell Lung Cancer)

**Post-Operative Nausea and Vomiting

***Managed by Helsinn's partner in Japan: Ono Pharmaceutical

****Managed by Helsinn's partner in Japan: Taiho Pharmaceutical

Our Partnerships

To deliver the best possible care to our patients, we engage with a number of our stakeholders to create innovative collaborations. Our aim is to work together with researchers, patients, and advocacy groups in order to foster a transparent communication and interaction and to potentially speed up the discovery process.

Helsinn Cares

Launched in early 2017, Helsinn Cares is a US patient assistance program and voucher program that supports patients in gaining access to their medicine, independently of insurance. We are committed to providing information to support patients and providers with access and reimbursement. The goal is to make patient access easier: Helsinn recognizes that not all patients have access to the medicines that can significantly ease the burden of chemotherapy's side effects and that the process of establishing eligibility can be challenging.

The program works by assigning a dedicated case worker to each patient who will serve as a go-to point able to help resolve benefit and coverage issues, give reimbursement assistance and find co-pay assistance also for uninsured patients.

Research partnerships

We are honoured to continue working with a number of important research centres and world-class universities. During 2017 and 2018 we built on our privileged relationship with the following institutions:

- Duke University, Durham, US: investigation about the potential activity of NK-1 antagonists in oncology;
- Università Vita Salute, San Raffaele, Milano Italy: new studies on experimental cachexia models;
- University College of Dublin, Ireland: new mechanisms in the field of diabetes and obesity;
- Università Milano Bicocca, Italy: study of experimental models of neuropathic pain;
- Johns Hopkins University, Baltimore, US: study of the effect of new chemical entities on neuropathy-induced by some anti-tumor agents;
- University of Texas MD Anderson Cancer Center, Houston, US: clinical studies in cancer supportive and palliative care with a focus on fatigue, anorexia/cachexia, chemotherapy-induced neuropathic pain, diarrhea, chronic nausea and pruritus.

Compassionate care

We don't see our patients as our end consumers.

We recognize the impossible circumstances that they and their loved ones are facing and we want to be sure that we've done all we can to help.

As of 2018 Helsinn has introduced compassionate use programs (also referred to early access programs) which offer ethical, compliant and controlled mechanisms of access to investigational drugs outside clinical trials and prior to an official product launch.

This option is made available to those patients with life threatening diseases who have exhausted all available options.

Furthermore, we are excited to announce that we added a new partnership to the list thanks to a study on the effects of new ghrelin derivatives in the cardiovascular safety in the rodents with the University of Hong Kong (Hong Kong).

Advocacy

As part of its patient-centric mission and in order to support the oncology community, Helsinn works closely with Patient Advocacy Groups who protect the interests of cancer patients by helping them receive appropriate and timely care, education, support, and financial assistance when needed. We also collaborate with other advocates, that represent physicians and professional associations more in general, which inform healthcare professionals and consequently help patients to access treatments. For this reason, Helsinn is committed to building stable and fruitful relationships with these organizations and to learning more about the needs of the different disease areas they serve.

Helsinn is also involved in a number of committees and professional publications and provides sponsorships and contributions to several international organizations.

Our activities in this area for 2017 and 2018 are summarized in the image below:

Professional Societies

CONQUER CANCER™
THE ASCO FOUNDATION

ASCO®
AMERICAN SOCIETY OF CLINICAL ONCOLOGY

MASCC™

ACNN 5 YEAR ANNIVERSARY
Academy of Oncology Nurse & Patient Navigators®

APSHO
Advanced Practitioner Society for Hematology and Oncology

HOPA
Hematology/Oncology Pharmacy Association

aahpm
AMERICAN ACADEMY OF HOSPICE AND PALLIATIVE MEDICINE

IASLC
International Association for the Study of Lung Cancer

SIOG
INTERNATIONAL SOCIETY OF GERIATRIC ONCOLOGY

ES
European School of Oncology
Learning to care

AMERICAN SOCIETY OF HEMATOLOGY

ONS®
Where Oncology Nurses Connect

ESMO GOOD SCIENCE BETTER MEDICINE BEST PRACTICE

Patient Associations

EUROPEAN CANCER PATIENT COALITION

LUNGEVITY
Find It. Treat It. Live.

AMERICAN LUNG ASSOCIATION®

NCCS
NATIONAL COALITION FOR CANCER SURVIVORSHIP

CANCER SUPPORT COMMUNITY
A Global Network of Education and Hope

MyLifeLine.org

free to breathe
a partnership for lung cancer survival

BOYCE T. ADAMS LUNG CANCER FOUNDATION

CANCERcare®

LUNG CANCER ALLIANCE

FRIENDS of CANCER RESEARCH

prevent cancer®
FOUNDATION

Oncology Networks

CEO ROUNDTABLE ON CANCER

NCCN National Comprehensive Cancer Network®

Some highlights of our activities:

Anna Braglia Young Investigator Award

The Young Investigator Award (YIA) was established to honor the life of Anna Braglia, the wife of Helsinn Group Founder and Chairman Gabriele Braglia and mother of Vice Chairman and CEO Riccardo Braglia. Soon after her passing, Helsinn endowed this award as part of the Conquer Cancer Foundation's Grants and Award Program in order to encourage more aspiring physicians to move into all areas of oncology by supporting them as they move from academia to research. The Award funds physicians who are in their final years of training to aid their transition from a fellowship program to a faculty appointment. The aim of this one-year \$50,000 grant is to promote quality research in clinical oncology and supportive care.

In 2017 the inaugural YIA was endowed to Dr. Sarah A. Buckley, whose clinical interests include developing tools to improve medical decision-making for patients with aggressive myeloid malignancies. Dr. Buckley's YIA project was entitled "Validation of a disease-specific quality of life instrument in patients with Acute Myeloid Leukemia (AML)".

The recipient of the 2018 YIA, was Dr. Rajiv Agarwal. During his fellowship at Duke University Medical Center, Dr. Agarwal became the first fellow to pioneer a dual training path in medical oncology and palliative medicine. His project will examine the impact of a palliative care intervention at the start of Phase I targeted or immune-based therapeutic treatment on patients' expectations for therapeutic benefit, alignment of cancer treatment with personal values, and patient well-being.



2017

"I am honored to have been selected as the first recipient of the Anna Braglia Endowed Young Investigator Award. Patients with AML face a unique set of challenges, many of which are not captured adequately by the quality of life questionnaires that are available. The clinical focus of my group is in developing a Quality of Life questionnaire that is specific to issues faced by patients with AML, and we propose a study to see how this questionnaire works in practice. The Anna Braglia Endowed YIA, supported by Helsinn through the Conquer Cancer Foundation, will provide critical support as we progress towards the validation of a disease-specific Quality of Life instrument."

Dr. Sarah A. Buckley

"Dr. Sarah Buckley is an outstanding candidate for this award as her work holds the potential to radically improve our understanding of the support needed by patients with AML. In everything we do, Helsinn is committed to helping people with cancer improve their quality of life. Dr. Buckley's work is highly complementary to this goal. We are delighted to be able to support her valuable work and wish her the best with her project."

Riccardo Braglia

Helsinn Group Vice Chairman and CEO

2018

"I am honored to receive the second Anna Braglia Endowed Young Investigator Award. Patients with advanced cancer hope to benefit from the ongoing advances in precision medicine and immuno-oncology, but may be further supported with concurrent palliative care. With funding from the Anna Braglia Endowed YIA, I will seek to improve patients understanding of their illness so that they can plan for the future as they receive potentially transformative cancer therapies."

Dr. Rajiv Agarwal

"Dr. Rajiv Agarwal is a highly deserving candidate for this award, which embodies Helsinn's values of quality, integrity and respect and its commitment to pursuing and supporting innovation in improving the lives of people with cancer. His work focuses in on the areas of palliative care that patients and families find the most challenging to bring to light, their experience of the palliative element of cancer treatment. Dr. Agarwal's work complements Helsinn's broader goal of helping people with cancer improve their quality of life. We are thrilled to be able to support his work and wish him all the best with his project."

Riccardo Braglia

Helsinn Group Vice Chairman and CEO

Lyfebulb-Helsinn Innovation Summit and Award

In an effort to promote entrepreneurship, in January 2018 Lyfebulb and Helsinn Investment Fund SA invited patient entrepreneurs who endured the real life experiences of cancer to compete for the Lyfebulb-Helsinn Innovation Award. Linking entrepreneurs with senior team and board members from Helsinn and Lyfebulb want to spotlight their efforts and ideas, and provide professional discussion, direction, and inspiration.

Helsinn-Lyfebulb Innovation Summit is open to patient entrepreneurs building groundbreaking companies of all sizes to advance the prevention, diagnosis, management, or cancer care. Entrepreneurs eligible to enter the competition include cancer patients, cancer survivors, or those having a close relative or loved one with cancer, who have established a company to address issues they have personally encountered.

The **Award** recognizes outstanding potential among entrepreneurs who have demonstrated an ability to develop and bring to the market innovation designed to improve the quality of life of people with cancer using drugs, medical devices, consumer products and healthcare information technologies.

In March 2018 the finalists were invited to compete at the Lyfebulb-Helsinn Innovation Summit & Award in Oncology event, which was hosted by Lyfebulb and Helsinn, in Monaco. Over the course of the summit, the finalists presented their businesses to an independent, curated panel with expertise in oncology.

The winner was selected from eleven finalists: Lorenzo Pradella of GreenBone Ortho, srl was the winner of the first ever Lyfebulb-Helsinn Innovation Award in Oncology.

SDA Bocconi and Helsinn explore the new frontiers of mHhealth

Helsinn and Bocconi shared a common goal: to open new pathways in therapeutic management and in the relationship between patients and healthcare facilities

After years of collaboration and research, SDA Bocconi and Helsinn, have developed LuCApp, a Lung Cancer App (trade name Azalerta™), a mobile application aimed at improving the quality of life of lung cancer patients.

The app allows patients to self-monitor their condition by sending data to the health care provider, which receives an alert whenever abnormalities are recorded. This gives patients more control over their condition, and gives healthcare facilities a better chance of detecting problems sooner.

The original vision for LuCApp was to create an empowerment tool for people with lung cancer and their caregivers. The app is now undergoing a randomized clinical trial in collaboration with three main Italian cancer centers. The results are expected to be published in 2021.

In the area Quality of Life for Our Patients, we support the following SDGs through:



our focus on Quality of Life, facilitating the access to our medicines for

underprivileged patient groups in the US, our R&D activities in search of therapies for unmet medical needs, and our partnerships with organizations and institutions whose goal is to improve the lives of cancer patients.



our support of initiatives aimed at creating awareness and

sharing information among patients and healthcare professionals.



our "Helsinn Cares" Patient Assistance Program and Voucher program in the US.



its Cancer Gold Standard Accreditation Helsinn has partnered with the CEO

Roundtable on Cancer to fight cancer and saving lives through programs that promote cancer prevention, early detection and access to quality care

Quality of Life for Our People

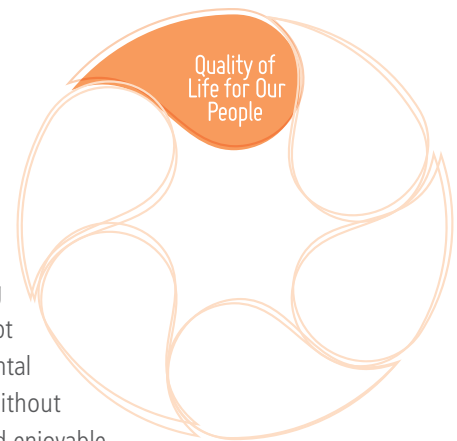
At Helsinn, we believe that our people are the foundation of our business.

This philosophy, deeply rooted in the owner's family values, has been a cornerstone for more than 40 years of activity in the industry.

In a world that is rapidly changing, our people and their skills will increasingly become a key component for our future success. We understand that the upcoming generations and technology are changing the future of work and we want to adapt and improve to maintain our employee satisfaction. Work-life balance is of fundamental importance, for this reason we want our employees to develop their careers without having to abandon their personal goals and we strive to provide a stimulating and enjoyable work environment.

Both our headquarters and our chemical manufacturing site are located in Ticino, in the Southern part of Switzerland, a canton with a thriving pharmaceutical industry that represents one of the main pillars of the local economy.

Our finished dosage and logistic site is located in Dublin, Ireland and our US subsidiary in New Jersey, both world-class sectoral hubs that host hundreds of pharmaceutical and biotech companies.



Our Employees

Thanks to the expansion of our business, both geographically and in terms of our operations, we have been growing substantially compared to the previous years and at the end of 2018 we employed more than 700 people. Indeed, in 2017 and 2018 the number of employees at group level grew by 1.7 and 7.9% respectively compared to the previous year. Although all business units increased their headcount, the increment has been particularly significant in our US subsidiary, where in 2018 the team welcomed 33 new colleagues.

In 2018, 37% of management positions were occupied by women, a percentage which is stable since 2016.

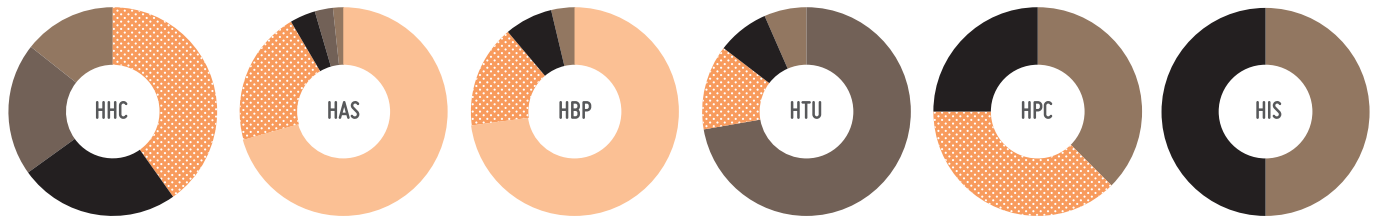
These numbers confirm that Helsinn is a healthy company and a strong employer, creating high level jobs and economic development in the communities in which it is present. The employee turnover has historically been very low in Switzerland, while in Ireland and in New Jersey we have been able to maintain our turnover below industry levels. At present, there are no bargaining agreements in place in any of our companies.

		2016		2017		2018	
Employees							
	Total	650	100%	661	100%	713	100%
	of which: male	376	57.85%	383	57.94%	434	60.87%
	of which female	274	42,15%	278	42.06%	279	39.13%
of which Temporary Staff							
	Total	37	5.69%	40	6.05%	48	6.73%
	of which: male	19	2.92%	10	1.51%	17	2.38%
	of which female	18	2.77%	30	4.54%	31	4.35%
of which apprentices							
		15	2.31%	21	3.18%	20	2.81%
Employee Turnover*							
		47	7.23%	62	9.38%	82	11.50%
Hours of Training							
	provided by year	15'256		10'517		13'904	
	per person	23		16		20	

* Voluntary leaves, including interns and apprentices at the end of their training

Group Employees by Division

- Management & Legal
- Commercial
- R&D
- Production
- Admin/Support Services



Age Group in 2018

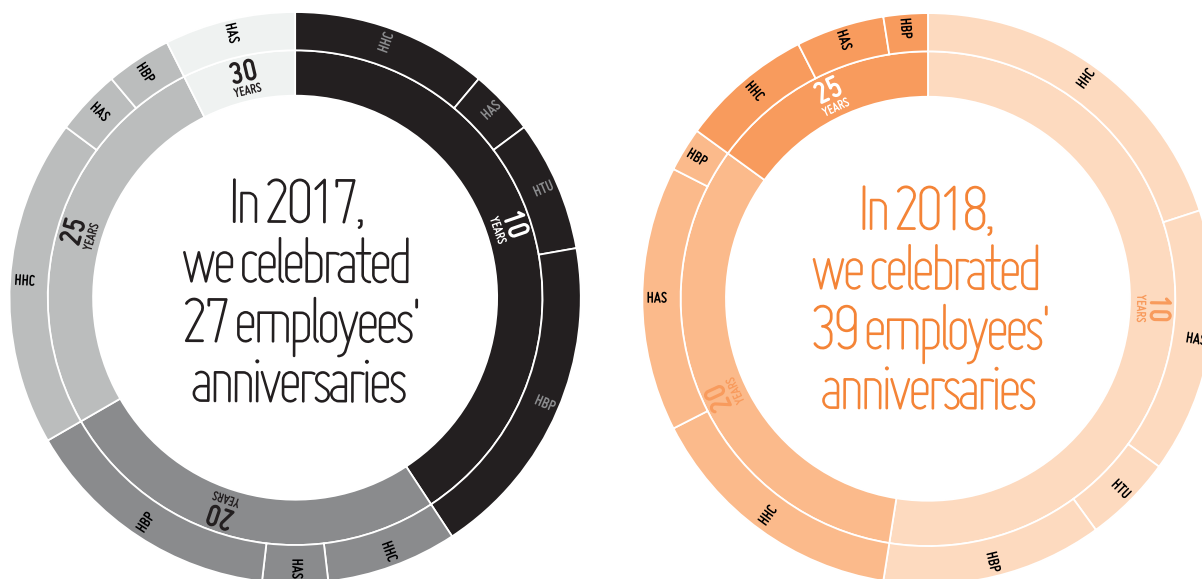
	<30	30-50	>50	Total
HHC	7	133	69	209
HAS	25	103	49	177
HTU	1	64	66	131
HBP	32	118	38	188
China	1	6	1	8
Total	66	424	223	713
	9%	59%	31%	100.0%

Years Service as of 31 Dec 18

	<1	1-5	5-10	10-15	15-20	20-25	25-30	30+	Total
HHC	8	60	58	39	27	11	6	0	209
HAS	18	42	43	29	22	9	5	9	177
HTU	61	52	15	3	0	0	0	0	131
HBP	34	71	20	40	17	6	0	0	188
China	2	3	3	0	0	0	0	0	8
Total	123	228	139	111	66	26	11	9	713
%	17%	32%	19%	16%	9%	4%	2%	1%	100%

Job Satisfaction, Motivation, Retention

The growth and the success we have witnessed in over the last 40 years would never have been possible without the essential contributions made by our employees in all of our companies. We are therefore proud to confirm a low turnover rate, particularly among the Swiss units, and high degree of loyalty. The commitment and loyalty of our people are demonstrated by the high average length of service. Every year we celebrate our colleagues who reach their 10th, 20th, 25th, and 30th working anniversaries. In 2018 an employee at HAS reached the remarkable target of 35 years of service. We continuously develop our leadership team to empower high achievement while nurturing the core values of respect and integrity. We make sure there is equity amongst peer compensation in every employee group. Our remuneration system is therefore based on objective professional criteria, such as skills level, knowledge, experience, and qualifications.



Temporary employees are offered equitable conditions comparable to those of full-time employees in terms of remuneration and benefits such as health insurance, sick pay and pension fund contributions. Some initiatives and changes that we have implemented in these last few years and that we believe have contributed to our employees' satisfaction are described in the following pages.

Training

We have made a considerable investment in regular internal and external training in order to continuously develop our employees' professional, managerial, and personal skills. Training is required across all levels of our company, from our apprentice programs, to leadership and strategy courses for our management. We've calculated that on average over the past two years, everyone at Helsinn has received 18 hours of training.

As Helsinn was founded in a country with a traditionally strong **apprenticeship system**, we are proudly playing a role in providing younger generations the skills required to succeed in tomorrow's work force. We are proud that one of our apprentices in the HAS laboratory won the 2017/2018 Award for Best Laboratory Technician. Having seen the success of this model first hand, in October 2018 HBP lead the way in the creation of a National Laboratory Apprenticeship program, the first of its kind for the biopharmaceutical industry in Ireland. Two apprentices from HBP were part of the inaugural class.

The **Helsinn Academy** and **Helsinn Lecture Series** organized in collaboration with **Bocconi University** in Milan aims to invite global thinkers to reflect on the topical issues in life sciences, management challenges, and on the impacts that technology has on today's economic environment. What originally started as a yearly event has been enhanced to provide a long-term framework for leadership development across the Group. Furthermore, together with Bocconi we designed and implemented an additional program called "Make the difference" that started in 2018 and mainly addressed to the middle management.

We have also partnered with the **University of Applied Sciences and Arts of Southern Switzerland** (SUPSI) to provide training on communication and team work to management and middle management.

In the context of **recruitment**, in our offices in Ticino, we have established and consolidated the following partnerships:

- With the Regional Employment Office and their new company-focused service for professional reintegration of the unemployed and the integration of re-qualified personnel.
- With SOS Ticino, the local authority for the reintegration of refugees and the unemployed.

Safety, Health & Wellness

Providing a safe and healthy work environment for employees, contractors, and other stakeholders is another of our key objectives. Indeed, we have set an ambitious target of achieving Zero Incident Rate across all our companies. Helsinn seeks to create a mindset and an environment in which all employees know that it is possible to work injury free, regardless of their role.

At Helsinn we register even minor accidents without personal or material consequences in order to analyse the situation and take the needed corrective action to avoid recurrences. In 2017 and 2018 we had a total of 45 and 74 reported accidents or near misses (including damage to property). Of those, 2 in 2017 and 7 in 2018 caused an absence of at least one day of work.

In 2018 HAS obtained the renewal of its OHSAS 18001 certification after a successful inspection by the Société Générale de Surveillance (SGS).

The group achieved the Global CEO Cancer Gold Standard re-accreditation for the 4th consecutive year. These recognitions come in response to a variety of wellbeing related activities for our employees such as fitness training, prevention screening, as well as social activities.

At the end of 2018 we inaugurated a canteen in our Lugano offices, an addition that many employees had suggested. It is expected that daily, between 60 and 80 of our collaborators will take advantage of this new addition. Well balanced meals are therefore now being offered in our Irish and Swiss locations, while in our office in New Jersey our US team can buy quality meals from the external canteen catering to the office building.

2018 also saw the introduction of the possibility to work remotely. At headquarters, the first year of this pilot project involved two thirds of our directors group, who for the most part adopted Fridays as their remote work day. The positive feedback received has encouraged us to expand this possibility to new participants starting in 2019.

The exemplary case of our Irish plant: in 2017 HBP won the Company of the Year at the National Workplace Wellbeing Awards. HBP was praised for its holistic and varied approach to ensuring the wellbeing of their employees.

HBP's annual wellness plans continue to address fitness, nutrition, mental health, health screening, smoking cessation, work-life balance and general wellbeing, involving a variety of methods such as seminars, workshops, one-off events and fitness programmes. In addition, HBP offers free GP care, Annual Medical Health Checks and Health Insurance to all employees to ensure as far as reasonably possible to the wellness of their staff. Furthermore, in order to improve work-life balance, 2017 marked the introduction of a new job-sharing policy for eligible employees.



Benefits exceeding local labor laws are granted to our employees, reflecting local practices, qualification and seniority within the organizations. Below a few examples:

- flexible working time
- teleworking
- job-sharing policy (introduced in 2017)
- seminars
- company car or car allowance
- mobility plan, contribution to public transportation, free parking, and electrical bikes
- subsidized canteen or meals allowance
- contribution towards kindergarten
- medical consultation and check-up
- employee assistance program, supplemental pension fund
- loyalty, family related events awards

In 2018 at our headquarters in Lugano, in order to support our employees', need for a more sustainable mobility, we put in place a series of measures:

- public transport travel pass Arcobaleno at 90% discount for those employees requesting it and willing to give up their parking space
- 8 free parking spots for employees who carpool to work
- covered parking places for 10 bicycles and e-bikes charging stations
- 4 new free charging stations for plug-in cars
- 2 new e-bikes and 1 scooter

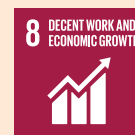
In the area **Quality of Life for Our People**, we support the following SDGs through:



the promotion of health & wellness practices and the commitment to the highest safety standards in our factories and offices.



the continuous education and training programs for our employees



the creation of job opportunities in our locations across three continents and by providing superior working conditions, compensation and an inclusive and rewarding working environment for our employees.

Quality of Life in Our Communities

At Helsinn we believe that in order to be an excellent corporate citizen we need to take an active role in the locations where we operate. Indeed, we want to expand beyond our business and contribute to the advancement of the communities in which our people live and work, and to give back to society. It is precisely for this reason that we participate in a variety of initiatives ranging from sports to education, to culture and charities, by providing financial support or by being directly involved in these projects. In this chapter we want to present some of the important initiatives that we have supported during the past two years.



Fondazione Gabriele e Anna Braglia

Founded in 2014 by Anna and Gabriele Braglia, the foundation is dedicated to cultural and educational art and organizes, supports and promotes art exhibitions, conferences and a series of cultural activities. After having spent the last 50 years exploring their passion for art and growing their collection, the wish of its founders was to share their collection with a wider audience. The collection, which boasts several works by prominent artists such as Picasso, Modigliani, Klee, and Kandisky among many others is on display in an exhibition space on the Lugano waterfront and open to the public.



Foundation New Flower in Africa

In 2011 the Braglia family founded the New Flower Foundation in order to support education and vocational training in Africa. At present the Foundation is active in 14 projects in 6 countries: Ethiopia, Ghana, South Sudan, Congo, Togo, and Madagascar. It aims to promote basic education for all children in the hope of reducing the illiteracy rates in these countries and to fight social injustice. In 2018, 11'200 children were enrolled in the schools founded and managed by the Foundation. The work on the ground is carried out with the help of well-established and recognized local organizations in order to guarantee the long-term sustainability of the projects.

More information can be found at www.nuovofioreinafrica.org





Scholarships Helsinn Advanced Synthesis

Since 2014, every year Helsinn Advanced Synthesis awards 10 to 11 educational scholarships worth 50'000 Swiss francs. The recipients are deserving students that reside in Ticino who will attend academic or professional training in the fields of chemistry, pharmacy, biology or biochemistry. They are selected on the basis of their academic achievements and their socio-economic status.

Tavolino Magico

The local chapter of a Swiss-wide initiative, Tavolino Magico collaborates with major food distributors across the country to collect and distribute food to families in need. The philosophy of the initiative is that no food should be wasted: excess food from distributors, retailers, and restaurants is therefore put to good use and reaches approximately 1500 people. Every year, Helsinn contributes with a cash contribution equivalent to the amount the company would have spent in Christmas cards and presents for our staff. Furthermore, in 2017 Helsinn contributed 30'000 Swiss Francs towards the construction of a distribution center in Biasca.

Orchestra della Svizzera Italiana

In 2014 Helsinn signed a 5 years sponsorship agreement with the Orchestra della Svizzera Italiana, which is considered one of the most prominent exponents of the Swiss-Italian art scene on the international stage. We support the orchestra by helping to fund tours and concerts, focusing in particular on expanding its international reach.



Compagnia Finzi Pasca

Helsinn supports the internationally renowned Compagnia Finzi Pasca, a major independent artistic company. Its founder, the Lugano native Daniele Finzi Pasca, over the years has become a prolific and well-known creator, producer and director.



Biobank Ireland Trust

Helsinn Birex has committed €10,000 per year from 2018-2020 to Biobank Ireland Trust, a charitable trust founded in 2004 in St. James Hospital. It oversees a network of biobanks in Ireland which hold tissue samples from cancer patients donated for research (to date it holds 9000 samples). Its mission is to "fast-tracking cancer research to better diagnosis and treatment". The donations are made in memory of our friend and colleague Ann Bradshaw.



Other initiatives that we regularly support are:

- Greenhope Foundation
- Associazione Samaritani Biasca
- Corsa della Speranza Lugano
- Helsinn Lecture Series – Bocconi University
- Purple Stride NYC
- Irish Cancer society
- ARC Cancer Support Centres
- St. Francis Hospice
- Temple Street Children's Hospital
- Erin go Bragh GAA Club
- Corduff National School
- Technological University Dublin – The Jackie Bradley Award (in memory of our colleague)

The Life Science Valley in the Heart of Switzerland

Over the years, Helsinn has been an active member of Farma Industria Ticino (FIT) and Giorgio Calderari, our Group General Manager, serves as its acting Chairman.

Founded in 1980, the association of chemical and pharmaceutical industries in the Swiss canton of Ticino is a private organization that counts 31 member companies and a combined workforce of more than 2900 employees.

With a total annual turnover of 2.45 billion Swiss Francs and over CHF 255 million in wages paid to their employees, FIT brings together the majority of Ticino-based companies of the sector and represents almost 40% of the industrial sector and 8.3% of the cantonal GNP (gross national product).

Several investments accounting for almost half a billion Swiss francs have been implemented in Ticino from 2016 to 2018, mainly in R&D and innovation.



Farma Industria Ticino

FIT's Talent Project

The goal of the project is to support young people from Ticino in their search for employment. It offers placements with excellent working conditions, professional development and future growth through internships with affiliated companies.

A typical internship lasts between three and six months. The internship is open to all Italian-speaking students attending a Swiss university program focused on sciences, such as medicine, pharmacy, biology, chemistry and chemical engineering.

The project is run by FIT associate companies, including Helsinn, in collaboration with the Department of Finance and Economy of the Canton of Ticino.

Other Associations and Forums

Besides offering our support to philanthropic initiatives, we believe that we can provide an important contribution to the community by being actively involved in a number of associations and forums.

We are members of:

- Associazione Industrie Ticinesi (AITI) – Switzerland
- Bio NJ – US
- Camera di Commercio Industria Artigianato (Cc-TI) – Switzerland
- Consultancy Forum for Pharmaceutical Engineers – UK
- Dublin Chamber of Commerce – Ireland
- Engineers Ireland – Ireland
- Farma Industria Ticino (FIT) – Switzerland
- International Society for Pharmaceutical Engineering – US
- Irish Business and Employer's Confederation – Ireland
- National Industrial Safety Organization – Ireland
- New Jersey Business Industry Association (NJBIA) – US
- New York Pharma Forum – US
- Parenteral Drug Association – US
- Pharma Chemical Ireland – Ireland
- Schweizer Chemische Gesellschaft (SCG) – Switzerland
- ScienceINDUSTRIE – Switzerland
- Swiss Irish Business Association – Ireland

In the area **Quality of Life in Our Communities**, we support the following SDGs through:



training programs, our scholarships and our sponsoring of the New Flower Foundation.

Quality of Life in Our Environment

Climate change is rapidly becoming what the medical publication The Lancet has termed *"the biggest global health threat of the 21st century"*.

Climate change has a massive impact on the healthcare industry: some of its consequences are surges in heat-related illnesses and death, extreme weather-related injuries and mortality, chronic illnesses, spread of infectious diseases, increases in respiratory allergies and chronic disorders, growing malnutrition and child development complications, increases in stress-related and mental health disorders, growing health impacts related to both population displacement and migration. The healthcare sector has finally realized that climate change will have major impacts on health care costs, services, and delivery. GHG emissions, water, energy resources will increasingly become important risk and cost factors which require a careful and integrated management.

In all our locations, and particularly in our manufacturing units in Switzerland and Ireland, we have put in place stringent measures to reduce the environmental footprint of our operations.

By using resources more effectively and enhancing our productivity by working closely with our stakeholders, we can decrease our expenses, minimize our footprint and increase our competitiveness. This is a clear example of the Triple Bottom Line can be pursued and generate win-win outcomes for all stakeholders.

We want to spotlight a few of the initiatives that were put in place and their remarkable result. Many of them are the result of suggestions from and discussions with our staff. We are proud that our push to innovate and improve is felt by our employees and that they share their expertise, experience, and abilities.

At HBP, over the past 2 years, energy usage has been stable despite an increase in production. Since 2017 the totality of the electricity that we use is derived from renewable sources. In April 2018 a new PhotoVoltaic (PV) electricity generator was installed at the facility in Damastown, Dublin, with almost 200 PV south-facing panels installed on the roof to capture solar power. It can produce up to 50 KW on a sunny day and between 10 and 15 KW of energy on a cloudy day.



These panels make a difference particularly during the day when the plant is in operation, which corresponds to peak consumption. Helsinn Birex Pharmaceuticals has invested approximately 90,000 euro to support this program, which has been further supplemented by local energy rebate grants.

In 2018 HAS saw a 20% saving in heating oil compared to previous years. This drastic reduction was due to the fact that the district energy system fuelled by biomass coming from the woods in the surrounding area was connected to our premises which allowed the removal of a boiler. In the course of 2019 we will completely eliminate the use of heating oil as we connect the rest of our plant to the biomass plant. Also at HAS, all light bulbs were replaced with LED lighting throughout the building and chargers for electric vehicles were installed for both employees and visitors. Substantial investments were implemented to modernize the exhaustion abatement systems

At headquarters the installation of a new air conditioning compressor that occurred in 2018 allowed for a reduction in total water consumption of almost 60% versus the previous year.

In order to decrease non-essential professional travel we have been continuously encouraging staff to make better use of the state of the art technology available such as video conferencing and web meetings.

In all our offices we collect and separate waste, which is then recycled. We have a separate collection for paper, aluminium, glass, PET and batteries and boast a very high recycling rate (close to 100%).

The calculations for energy, water and emissions that follow do not include our offices in China and Monaco. However, because the impact of these offices on the total is extremely limited, the resulting figures represent the group's performance with a very high level of accuracy. In this report we performed some marginal reconciliation of some data presented in previous reports thanks to the slight improvement of the data collection process.

Energy

Total Energy Consumption

KWh	2014	2015	2016	2017	2018	Var. 2018 vs. 2014	Var. 2018 vs. 2016
Total Energy Consumption	22.564.994	21.852.361	21.441.552	22.529.475	21.407.624	-5,1%	-0,2%
Total Energy from Renewable Sources	4.258.792	3.994.469	4.261.515	7.606.258	8.550.929	100,8%	100,7%
% from Renewable Sources	18,9%	18,3%	19,9%	33,8%	39,9%		
Total Energy Consumption per Employee (Intensity)	40.439	37.742	32.987	34.084	30.025	-25,8%	-9,0%
Total Energy Consumption per Turnover (Intensity)	13.226	12.104	9.366	20.613	25.756	94,7%	175,0%

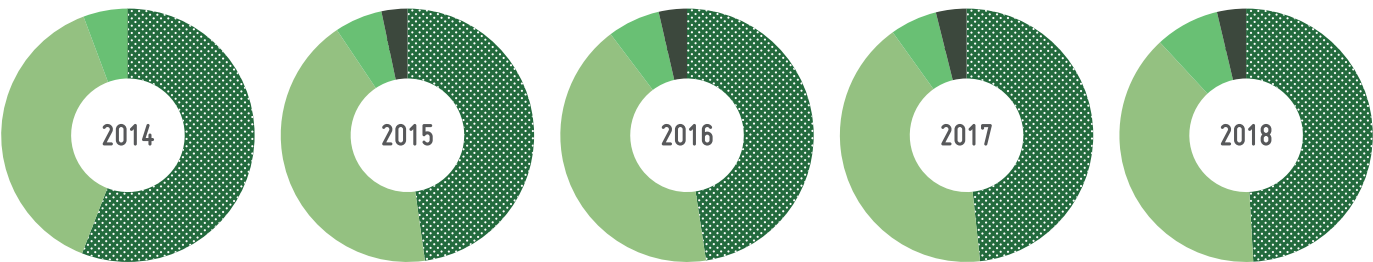
We use three energy sources: natural gas (Dublin, Lugano HQ, US offices), heating oil (Biasca) and electricity (all locations).

Despite a small increase in 2017, in 2018 we markedly reduced our energy usage and we are continuing our trend of reducing the energy intensity of each employee.

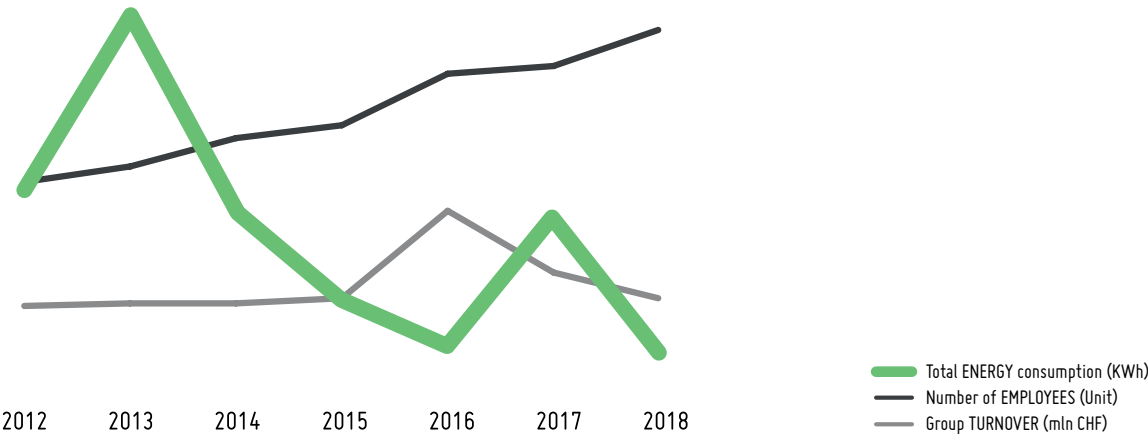
Thanks to a switch to 100% renewable electricity in Ireland, a better electricity mix in Switzerland and a significant reduction in the use of heating oil in 2018, our overall quote of energy coming from renewable sources climbed to 40%, a remarkable result.

Our energy consumption by Business Units in %:

	HHC	HAS	HBP	HTU
2014	5,7%	38,4%	55,9%	NA
2015	6,1%	42,8%	47,8%	3,3%
2016	6,7%	42,1%	47,6%	3,6%
2017	6,0%	41,8%	48,3%	3,9%
2018	8,2%	39,0%	49,1%	3,7%



Trends – Total Energy Consumption, Turnover, Employees



Water

Total Water Consumption

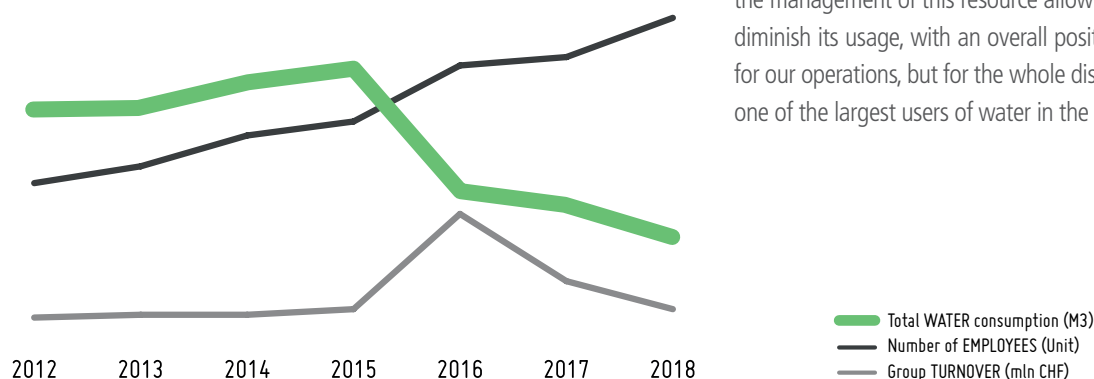
M3	2014	2015	2016	2017	2018	Var. 2018 vs. 2014	Var. 2018 vs. 2016
Total water consumption*	944.557	969.708	729.890	698.250	636.239	-32,6%	-12,8%
Total water consumption per employee (Intensity)	1.693	1.675	1.123	1.056	892	-47,3%	-20,5%
Total water consumption per turnover (intensity)	2.933	2.939	1.604	1.892	1.916	-34,7%	19,5%

Our water consumption by Business Units in %:

	HHC	HAS	HBP	HTU
2014	1,4%	97,3%	1,3%	NA
2015	1,3%	97,8%	0,9%	NA
2016	1,6%	96,9%	1,4%	NA
2017	2,3%	96,1%	1,6%	NA
2018	1,0%	97,3%	1,7%	NA

Our water consumption is highly concentrated at our chemical plant in Biasca (HAS). This is explained by the fact that the production of chemical ingredients is a water-intensive activity, especially due to cooling processes. In the past years we were able to markedly decrease the amount of water used to cool the condensers, therefore reducing our overall water consumption by 32% in the 2014-2018 period. This corresponds to a saving of approximately 180-200 mln liters per year. Continuous improvement in the management of this resource allowed us to drastically diminish its usage, with an overall positive effect not only for our operations, but for the whole district, where HAS is one of the largest users of water in the region.

Trends – Total Water Consumption, Turnover, Employees



CO₂e Emissions

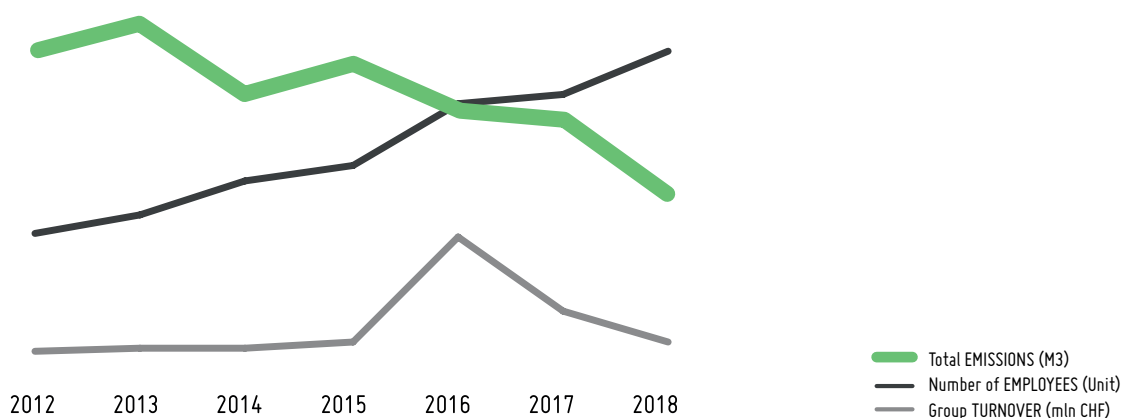
Substantial progress was also recorded in the total emissions both for Scope 1 and for air travel. Particularly remarkable are the scope 1 emissions obtained in 2018, mostly thanks to the measures implemented at HBP and HAS. The positive trend continues and we are able to reduce our emissions despite our growing activity and team. A more careful approach to business travel has also contributed to an overall reduction of the environmental footprint of our activities.

TOTAL CO₂e EMISSIONS (Scope 1*)

Tons	2014	2015	2016	2017	2018	Var. 2018 vs. 2014	Var. 2018 vs. 2016
Total CO₂e emissions - Scope 1*	2728	2899	2651	2603	2215	-18,8%	-16,4%
Total CO₂e emissions - Scope 1* per employee	4,9	5,0	4,1	3,9	3,1	-18,5%	-23,8%
Total CO₂e emissions - Scope 1* per turnover (Intensity)	8,5	8,8	5,8	7,1	6,7	-34,4%	15,8%

* Scope 1 Emissions - The Greenhouse Gas Protocol (GHG-P) defines as Scope 1 all direct emissions that arise from sources that are owned or controlled by the reporting entity. They include fuel combustion, company vehicles and fugitive emissions.

Trends – Total Emissions, Turnover, Employees



CO₂e EMISSIONS – Air Travel

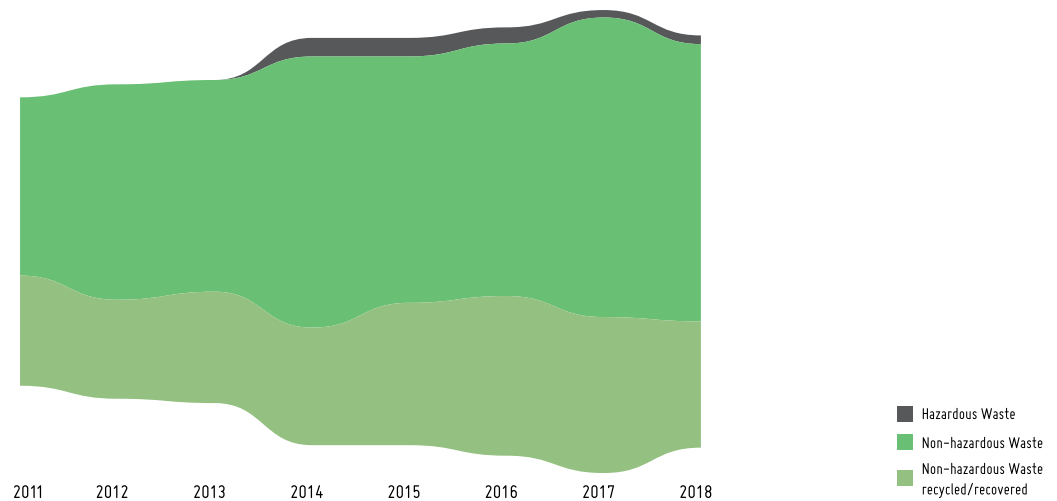
Tons	2014	2015	2016	2017	2018	Var. 2018 vs. 2016
TOTAL CO₂e EMISSIONS Air Travel	NA	2.232	2.780	2.281	2.087	-24,9%
TOTAL CO₂e EMISSIONS Air Travel Per Employee	NA	3,9	4,3	3,5	2,9	-31,6%

Again, in the past two years we were able to markedly improve our CO₂e intensity, highlighting a low correlation between our scale and our emissions,

Industrial Waste

At HBP, non-hazardous waste for 2016 has increased slightly by 2.5% on the previous year – 204 tons compared to – due to an increase in production output, while hazardous waste diminished from 15 to 13 tons.

At HAS, between 2017 and 2018, the industrial waste produced increased by 3% due to the production process of a new compound which requires a high quantity of solvents. Due to a decision of the Swiss Railroad to suppress part of the cargo service catering to the Biasca industrial area, the part of industrial waste that was carried by rail has now to be transported by truck. We regret this decision and we are working with other companies in the region in order to resume this service.



Waste Management Figures

Tons	2011	2012	2013	2014	2015	2016	2017	2018
Hazardous Waste	2,1	6,5	7,1	15	15	13	6	7
Non-hazardous Waste	144	174	171	219	199	204	242	224
Non-hazardous Waste recycled/recovered	89	80	90	95	115	129	126	102

Note: Approx 96% of all mixed waste sent from the site is recovered by the waste operator.

Paper

All the paper we use in our offices/sites is FSC (Forest Stewardship Council) and PEFT (Program for the Endorsement of Forest Certification) certified. These are the two most important certification bodies which ensure that products come from well-managed forests that provide environmental, social and economic benefits.

We were able to reduce our use of paper thanks to a more careful document management and improved digitization of different workflows. Of particular significance was the kick-off of the Paperless project at HQ in 2017 which led to a reduction of printing paper usage by 35% compared to the previous biennial.

In Kg	2014	2015	2016	2017	2018	2018 vs 2016 in %
TOTAL	16.216,0	14.695,0	15.785,0	10.180,0	12.214,0	-22,6%
Consumption per Capita	29,1	25,4	24,3	15,4	17,1	

In the area **Quality of Life in Our Environment**, we support the following SDGs through:



a sustainable, proactive management of this precious resource in order

to minimize consumption in our operations and offices.



by constantly improve our performance through a proactive approach to sourcing and a constant innovation in our processes and buildings.



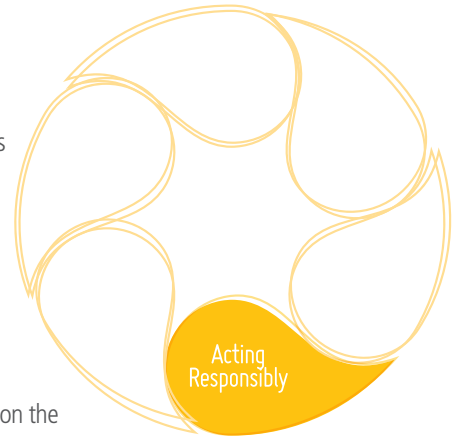
by continuously improving the efficiency of our buildings and of our processes in order to minimize our environmental footprint.



investments in emission-reducing technology, by constantly looking for measures to reduce our GHG footprint.

Acting Responsibly

Helsinn is committed to ethical, social, and environmental responsibility. We always operate to ensure honesty, high-quality standards, and integrity in everything we do. These principles are strongly embedded in our culture and we have always based all of our activities on these standards.



The Compliance Program

A robust compliance program and a strong culture of integrity can have a positive impact on the long-term success and sustainability of our Group.

At Helsinn a Group Compliance Officer (GCO) and Business Ethics Board (BEB) are responsible for operating and monitoring the compliance program, which include the written standards of conduct, policies, and practices that detail the company's commitment to compliance and set forth the ethical and compliance principles applicable to all employees. Our Compliance program is based on Prevent-Detect-Respond pillars in order to: Prevent compliance violations through creation of new policies and procedures, Compliance Help-desk and trainings Detect compliance violations - by monitoring for compliance effectiveness and continuous improvement Respond to these compliance violations - disciplinary actions and consequences for misconduct The US Office of Inspector General's (OIG) voluntary Guidance for Pharmaceutical Manufacturers (the OIG Guidance) serves as the basis of Helsinn's Compliance Program on which is continuously updated.

The Compliance Program is designed to address areas of potential problems or high risk, as determined by the GCO. The goal is to keep strengthening our compliance program as we continue to expand our business.

Prevent

Since 2016, Helsinn's Compliance Program is presented in the Compliance Manual, a document whose main elements are:

1. Business conduct standards and procedures
2. Compliance Oversight, Structure and Operation
3. Training and Communications
4. Monitoring and Auditing
5. Reporting and Investigating
6. Enforcement and Discipline: Response and Prevention
7. Risk Assessment
8. Organizational Culture



The other compliance Policies and Procedures are detailed in the following documents, all of which are available on our integrity portal:

- The Gold Book - A synopsis of Helsinn Policies on Business Conduct Standards and Ethics.
- The Red Book - Global Principles for all interactions with Healthcare Professionals and Patients.
- The Helsinn Code for Caring - A key document to establish the standards to be observed regarding Business conduct and Ethical behavior.
- The Supplier Code of Conduct - The most recent addition (2018) describes the principles that we expect our Suppliers to follow in the conduct of their business. This expectation represents an important component of our Supplier evaluation and selection. Suppliers should also apply these or similar principles to the partners with whom they work in providing goods and services to Helsinn.

Helsinn is committed to developing and providing effective compliance training for all of its employees, not only on the elements of the Compliance plan, but also on the pertinent legal and regulatory standards.

Detect

Helsinn conducts internal auditing and routine monitoring to evaluate compliance with company policies and identify risks. Furthermore, we have open lines of communication between the GCO and all employees, including a process for managing complaints and responding to questions. In 2018 we introduced the Helsinn Compline for reporting issues, which protects the anonymity of employees who make complaints and prevents any forms of retaliation. The Compline is operated by an independent third party, and allows reports to be submitted anonymously and confidentially. These channels are available 24 hours a day, 7 days a week and in the local languages of the countries where we operate.

Respond

We have put in place mechanisms to promptly and properly investigate and respond to reports of non-compliance, including processes to initiate corrective measures and to report offenses to the relevant government authorities where appropriate. The enforcement of compliance obligations is carried out through policies that include penalties for non-compliance.

Quality

Quality Assurance is an essential aspect at Helsinn. For the manufacturing and logistics of products distributed in more than 90 markets, for the management of more than 30 Active Ingredients projects, as third party Contract Manufacturing Organization and for our extensive R&D activities worldwide, having a world-class QA is absolutely crucial for our success. Our manufacturing sites have the most stringent quality, safety and environmental standards, and are periodically monitored by external entities to ensure their compliance. We continuously develop new products for our group and for third parties; hence we adopt new technologies and install new equipment at our manufacturing sites. Due to this ongoing innovation, an impressive program of quality audits has been implemented by several agencies, aimed at certifying Helsinn's compliance to Good Practices (GxP) rules and regulations.

Between 2017 and 2018 we were successfully certified by the following organizations:

- **US FDA** – Current Good Manufacturing Practices – HBP Dublin, HAS Biasca
- **HPRA Ireland** – Pharmacovigilance audit – HBP Dublin
- **ANVISA Brasil** – Current Good Manufacturing Practices – HBP Dublin, HHC Lugano
- **Swissmedic** – Certificate of Good Manufacturing Practices – HAS Biasca
- **ISO 14001 Certification** – HAS Biasca
- **OHSAS 18001 Certification** – HAS Biasca
- **ISO 13485 certification for Medical Device** – HBP Dublin
- **Investigational Medicinal Product (IMP) Licence** – European Medicines Agency – HBP Dublin
- **Russian Health Ministry** – HBP Dublin, HAS Biasca
- **South African Health ministry** – HBP Dublin, HAS Biasca

Apart from these inspections, previously to this report our plants in Biasca and Dublin were certified by the governmental agencies of Korea (MFDS) and Japan (PMDA).

On average, we have a quality, safety or environmental protection inspection approximately every month at one of our locations. In Ireland, Helsinn Birex Pharmaceutical is a member of the Responsible Care Initiative, which is the global chemical industry's unique initiative to improve health, environmental performance, enhance security, and to communicate with stakeholders about products and processes.

The CMO Leadership Awards, which recognize the best contract manufacturing organizations as nominated by their customers, are organized annually by Life Science Leader magazine (<http://www.lifescienceleader.com/>) and are designed to recognize leading contract manufacturing organizations that achieve a top 10 percentile score in one or more of the 6 categories

We are very proud that for the fourth year running, HAS has won across all core award categories at the 2018 CMO Leadership Awards: Quality, Reliability, Capabilities, Expertise, Compatibility, Service.



In the area **Acting Responsibly**, we support the following SDGs through:



our Compliance Program, ensuring a robust approach to ethics and accountability to prevent any form of corruption and bribery.

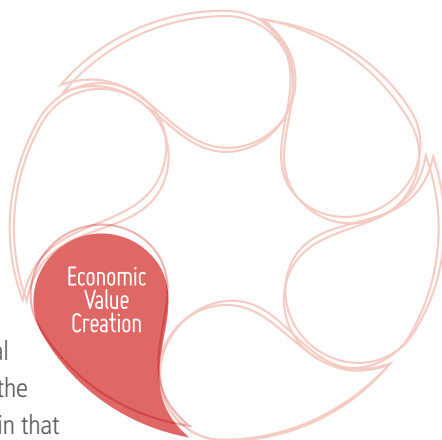
Economic value creation

This Report serves as proof that at Helsinn we value the social, environmental and economic components of our business. We continue to pursue profit maximization, but not without taking into consideration our social and environmental externalities.

The financial principles that govern Helsinn guarantee that we remain economically stable, independent, and flexible. After adopting a conservative 100% self-financed approach for four decades, in 2018 we decided for the first time to access the financial markets to support the acquisition of a compound which would mark our entrance in the field of cancer therapeutics. While this implies some external constraints, we are certain that it was a step towards future growth.

Our contribution to society comes in different forms, one of which is the economic impact (both direct and indirect) that we have on the community. Thanks to taxes on our profits, income taxes paid by our personnel, purchases from local suppliers, charitable contributions, and all indirect effects generated by our activities we redistribute a large part of the value we create. The main recipients of our redistributed value added remain our employees, our suppliers, our governments and our shareholders.

Considering our ties to the territory and the family values that have characterized our approach in over four decades, we strongly believe that it is our duty to support the local economies where we work and live. For this reason, the unwritten rule at Helsinn is that whenever possible, we support the local suppliers of goods and services.



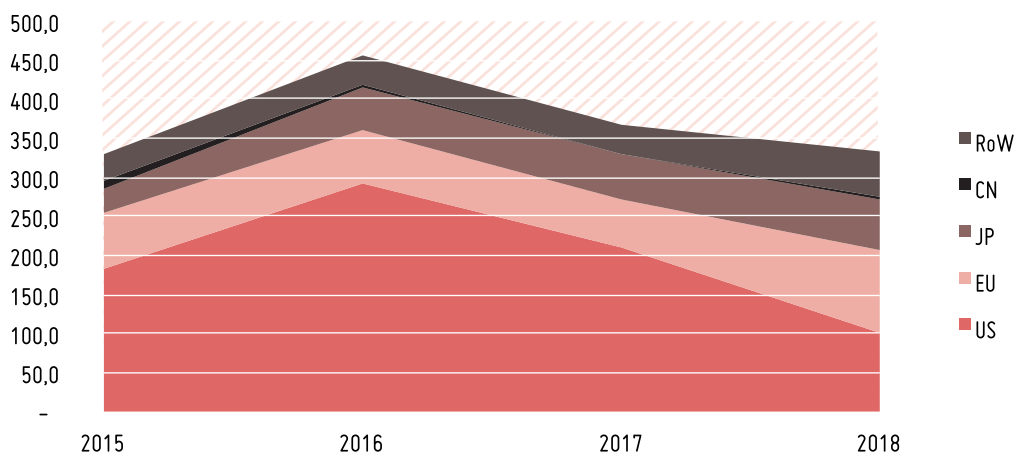
Financial Highlights

Helsinn is fully owned and controlled by the Braglia family. In terms of economic value creation the last two years have been characterized by the strong willingness to evolve the Group from a cancer supportive care to a cancer therapeutics company. We invested heavily in R&D in particular in pracinostat and Akynzeo® I.V. and increased our commercial portfolio with the acquisition of Valchlor®/Ledaga®, an approved and marketed product. In 2018, around 25% of our consolidated turnover was invested in R&D, a figure which confirms the trend of the past 5 years.

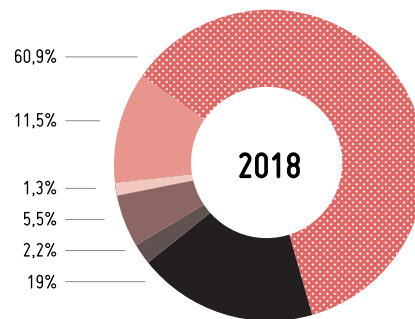
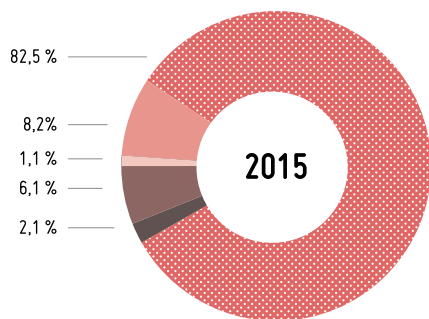
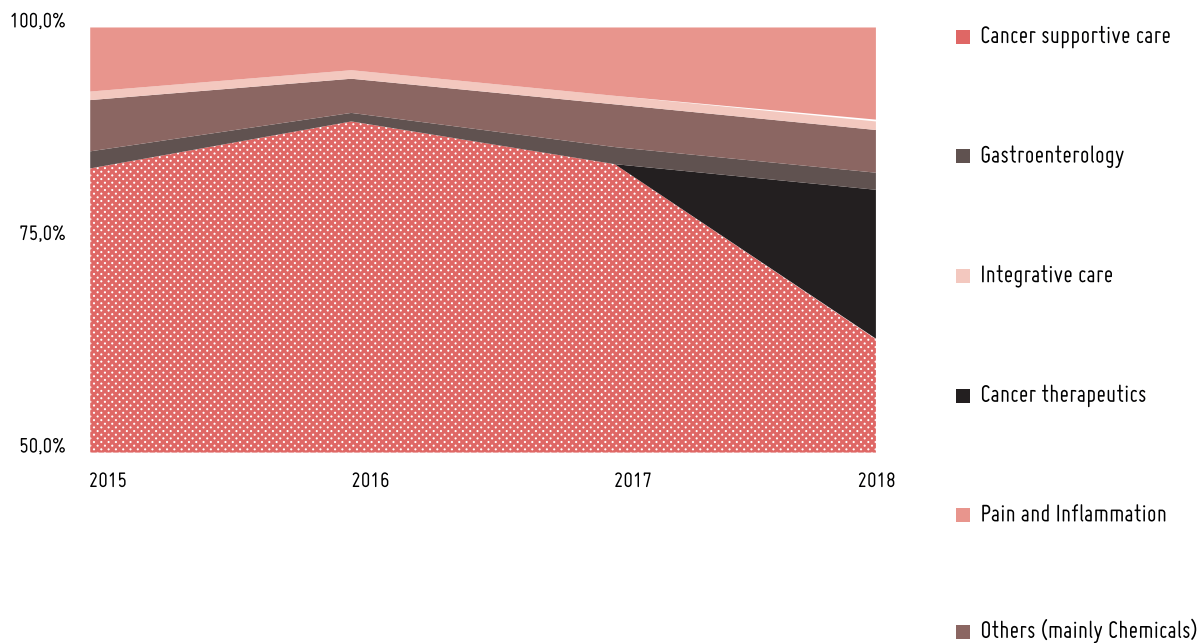
Diversification of our R&D pipeline, of our product portfolio and our geographical footprint have been our main business targets in 2017 and 2018, also in order to off-set the patent expiry of Aloxi® in several countries with a particular and expected impact in the US market starting from 2017. With reference to the turnover trend of recent years, as represented in the following chart, the data analysis clearly shows how the company is diversifying its business both in terms of geographic and therapeutic areas: the cancer supportive care still represents the main source of revenues but starting from 2017 part of that comes from the oncology area. The growth of new geographical markets is a conspicuous part of this result.

	2015	2016	2017	2018
Consolidated Total Net Revenues (mln/CHF)	329	456	369	332
US	55%	64%	57%	30%
EU	23%	15%	17%	32%
JP	9%	12%	15%	19%
CN	4%	1%	1%	1%
RoW	10%	8%	10%	17%

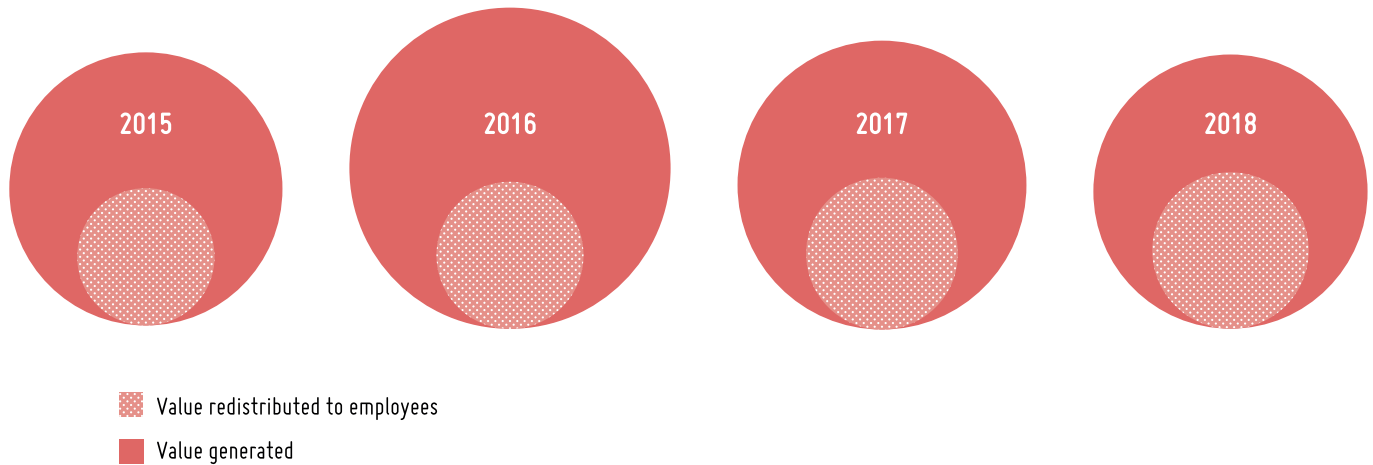
Net revenues by geographic areas (mln/CHF)



Net revenues by therapeutic areas (%)



Value generated and redistributed to employees



	2015	2016	2017	2018
in million CHF	83,3	95,5	101,7	108,0
Net consolidated revenues	329,4	455,5	368,5	331,9
in %	25%	21%	28%	33%

As privately owned company, our policy is to not publish a detailed account of our financial figures. However, we are able to disclose that the value generated and redistributed to employees in the past two years was approximately 28%.

In the area **Economic Value Creation**, we support the following SDGs through:



the creation of job opportunities every year and by providing above-average compensation, by prioritizing local suppliers of goods and services.

GRI CONTENT INDEX



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.*

GRI Standard	Disclosure	Page number(s) and/or direct answers	Omission
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016	Organizational profile		
	102-1 Name of the organization	8	
	102-2 Activities, brands, products, and services	7-11	
	102-3 Location of headquarters	8	
	102-4 Location of operations	8-11	
	102-5 Ownership and legal form	8, 66	
	102-6 Markets served	31-35	
	102-7 Scale of the organization	8-9, 43	
	102-8 Information on employees and other workers	42-45	
	102-9 Supply chain	17-18	
	102-10 Significant changes to the organization and its supply chain	No significant changes occurred during the reporting period	
	102-11 Precautionary Principle or approach	20	
	102-12 External initiatives	22-23, 37	
	102-13 Membership of associations	52	
	Strategy		
	102-14 Statement from senior decision-maker	04-05	
	Ethics and integrity		
	102-16 Values, principles, standards, and norms of behavior	61-62	
	102-17 Mechanisms for advice and concerns about ethics	61-62	

Governance

102-18 Governance structure	https://www.helsinn.com/about-us/our-management-and-board/
102-25 Conflicts of interest	61-62

Stakeholder engagement

102-40 List of stakeholder groups	24-25
102-41 Collective bargaining agreements	There are no collective bargaining agreements in place
102-42 Identifying and selecting stakeholders	24-25
102-43 Approach to stakeholder engagement	25-26
102-44 Key topics and concerns raised	27

Reporting practice

102-45 Entities included in the consolidated financial statements	8-9
102-46 Defining report content and topic Boundaries	24-27
102-47 List of material topics	27
102-48 Restatements of information	No restatement of information vs. previous reports
102-49 Changes in reporting	No significant changes
102-50 Reporting period	2017-2018 fiscal years
102-51 Date of most recent report	2017 (for 2015-2016)
102-52 Reporting cycle	Biannual
102-53 Contact point for questions regarding the report	info-hhc@helsinn.com
102-54 Claims of reporting in accordance with the GRI Standards	6
102-55 GRI content index	70-74
102-56 External assurance	7

GRI Standard	Disclosure	Page number(s) and/or direct answers	Omission
Material Topics			
GRI 200 Economic Standard Series			
Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 61-62	
	103-2 The management approach and its components	61-62	
	103-3 Evaluation of the management approach	61-62	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	61-62	
GRI 300 Environmental Standards Series			
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 53-56	
	103-2 The management approach and its components	55-56	
	103-3 Evaluation of the management approach	55-56	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	55-56	
	302-3 Energy intensity	55-56	
	302-4 Reduction of energy consumption	55-56	
Water			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 53, 57	
	103-2 The management approach and its components	27, 57	
	103-3 Evaluation of the management approach	27, 57	
GRI 303: Water 2016	303-1 Water Consumption	27, 57	
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 53, 58-59	
	103-2 The management approach and its components	58-59	
	103-3 Evaluation of the management approach	58-59	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	58-59	
	305-4 GHG emissions intensity	58-59	
	305-5 Reduction of GHG emissions	58-59	

Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 53, 59-60
	103-2 The management approach and its components	59-60
	103-3 Evaluation of the management approach	59-60
GRI 306: Effluents and Waste 2016	306-4 Transport of hazardous waste	59-60
GRI 400 Social Standards Series		
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 42-45
	103-2 The management approach and its components	42-45
	103-3 Evaluation of the management approach	42-45
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	42-45
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 47-48
	103-2 The management approach and its components	47-48
	103-3 Evaluation of the management approach	47-48
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	47
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 46
	103-2 The management approach and its components	46
	103-3 Evaluation of the management approach	46
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	46

Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 49
	103-2 The management approach and its components	49-52
	103-3 Evaluation of the management approach	49-52
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	49-52
Customer Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27, 30-41
	103-2 The management approach and its components	30-41
	103-3 Evaluation of the management approach	30-41
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	30-41

Acronyms List

AML	Acute Myeloid Leukaemia
API	Active Pharmaceuticals Ingredient
ANVISA	Agência Nacional de Vigilância Sanitária (Brazil)
CACS	Cancer Anorexia-Cachexia Syndrome
CCWC	Corporate Compliance Working Committee
CEO	Chief Executive Officer
CINV	Chemotherapy-Induced Nausea and Vomiting
CMC	Chemistry Manufacturing and Control
CMO	Contract Manufacturing Organization
CRO	Contract Research Organization
EMA	European Medicines Agency
EU	European Union
FDA	Food and Drug Administration (US)
FSC	Forest Stewardship Council
GCO	Group Compliance Officer
GHG-P	Greenhouse Gas Protocol
GM	General Manager
GLP-2	Glucagon-like peptide 2
GRI	Global Reporting Initiative
GxP	Good (Anything...) Practice
JP	Japan
HAS	Helsinn Advanced Synthesis SA
HHC	Helsinn Healthcare SA
HBP	Helsinn Birex Pharmaceuticals Ltd
HDAC	Histone Deacetylase
HIS	Helsinn International Services Sarl
HIF	Helsinn international Fund SA
HPAPI	High Potency Active Pharmaceuticals Ingredient
HQ	Headquarters
HTU	Helsinn Therapeutics (US), Inc
HVAC	Heating, Ventilating and Air Conditioning
IND	Investigational New Drug application
ISO	International Organization for Standardization
LEED	Leadership in Energy and Environmental Design (green building certification)
MAA/MAH	Marketing Authorization Application/ Marketing Authorization Holder

MDS	Myelodysplastic syndrome
MFDS	Ministry of Food and Drug Safety (Korea)
NCCN	National Comprehensive Cancer Network
NGO	Non-Governmental Organization
NISO	National Irish Safety Organization
NISG	Northern Ireland Safety Group
NMPA	National Medical Products Administration (Chinese agency, formerly CFDA)
NSAID	Non-Steroidal Anti-Inflammatory Drug
NSCLC	Non-Small Cell Lung Cancer
NJ	New Jersey
NYC	New York City
ODD	Orphan Drug Designation
OHSAS	Occupational Health & Safety Management System
OIG	Office of Inspector General
PAP	Patient Assistance Program
PEFT	Programme for the Endorsement of Forest Certification
PEG	Polyethylene glycol
PET	Polyethylene terephthalate
PIC	Pharmaceutical Inspection Convention
PM	Particulate Matter emissions
PMDA	Pharmaceuticals and Medical Devices Agency (Japan)
PONV	Post-Operative Nausea and Vomiting
QA	Quality Assurance
QoL	Quality of Life
R&D	Research & Development
RET	REarranged during Transfection
RoW	Rest of the World
SA	Società Anonima (anonymous company)
SASB	Sustainability Accounting Standard Boards
SDA	Scuola di Direzione Aziendale (Bocconi University, Milano)
SDGs	Sustainable Development Goals (United Nations)
SGS	Société Générale de Surveillance
UN	United Nations
US	United States

As a company,
we have made a promise to ourselves
and to our planet to do more.



"The Twin Bottles: Message in a Bottle", Venice Grand Canal 2019

Helidon Xhixha and Giacomo Jack Braglia

PLASTIC<LESS@HELSINN

Oceans cover 70% of the earth's surface and their health is crucial in order to maintain our planet's ecobalance.

Yet they are in peril: 8 million metric tons of plastic enter our oceans every year and the Great Pacific Garbage Patch is growing.

Bold actions are desperately needed at the international level, but we ALL need to make significant changes to our daily lives.

We need to realize that what may be in our lives for seconds, will circulate in the ocean for centuries.

Going forward, this promise will serve as one of the cornerstones of our sustainability strategy.

To minimize our environmental impact and help conserve the health of the world's oceans, we aim to reduce to the very essential the use of plastic in all our offices and production facilities.

We want to encourage each, and every member of our team, spread across the world to play their part as well, at work and at home.

