

# WELCOME AND ALOHA



## Fairstainability Impact Report 2022

For the second year in a row, we are voluntarily and transparently publishing our efforts linked to Fairness and Sustainability in 2022. We continue our ambition to serve as a patient-centric, human-focused and sustainable strategic partner of choice for the pharmaceutical and biotech industry. This year marked a major milestone for ten23 health as our two sites in Basel and in Visp (formerly Swissfillon) have come together into one unified ten23 health.

In this report, we are proud to share our significant progress towards our fairness and sustainability agenda and goals in line with our overall commitments to Patients, People and Planet.

We also acknowledge the need for increased action to support having the chance to keep the 1.5°C goal for the benefit of humankind and the planet. Our ambition is to lead by example, to go the extra mile and to encourage and motivate our partners, customers as well as competitors in the pharma sector to drive positive change.

We are very proud of what we have already achieved during less than 2 years of existence!

If you have questions or suggestions on how we, at ten23 health, can become more transparent and more driven towards Patients, People and Planet, please contact us.

**Stay safe and healthy,**

**Carole Schanté**, Fairstainability Officer

**Hanns-Christian Mahler**, Chief Enablement Officer, ten23 health

**JanBart Wilmink**, Chief People Officer

**Tamara Hell**, JEDI and LGBTQ+ employee representative

On behalf of our Fairstainability Circle and the whole company

*Hanns-Christian Mahler*

*Schanté*

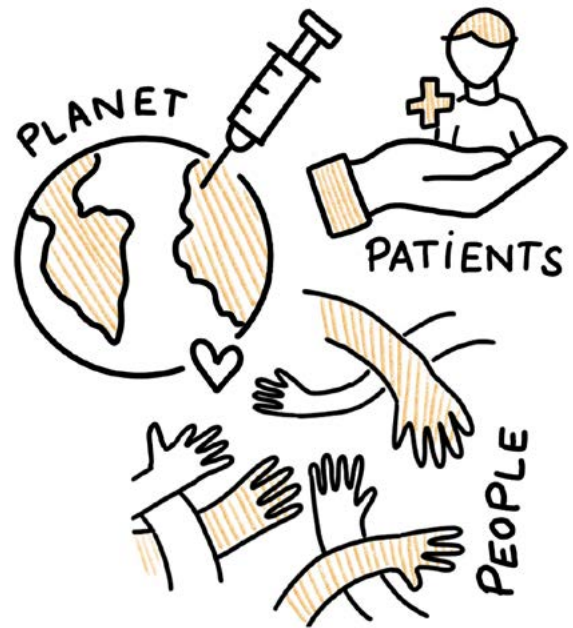
*Wilmink*

*Hell*



# Our pledges

At ten23 health, we established our Fairstainability fundamentals right at the company's inception. We believe that Sustainability and Fairness are not optional: they are mandatory values for the planet and humankind. These commitments to Patients, People and Planet are driving our actions:



## Patients

Create value for society as a whole in our mission to support our clients improving patients' lives

**SDG:** 3, 8, 12

**Other SDGs:**  
1, 6, 16, 17

## People

Foster and promote equality, diversity and wellbeing for our employees and their families

**SDG:** 3, 5, 8

**Other SDGs:**  
4, 10

## Planet

Become a climate positive business

**SDG:** 12, 13

**Other SDGs:**  
6, 7, 9, 11, 14, 15

Our focus on **Patients, People and Planet** is deeply engrained into our Purpose and DNA: we have included it in our chamber of commercial registry through clauses that state our strive for a material positive impact on the society and the environment.

# The Sustainable Development Goals

At ten23 health, we are committed to sustainable development for both our employees and stakeholders, including the planet. We believe that businesses have major incentives to contribute to the SDGs and that we as a new player in the pharmaceutical service (“CDMO”) space may play a role in becoming a posterchild to established companies in the field and leaving a heartprint – a transformative impact.

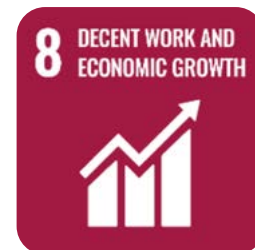
From the 17 Sustainable Development Goals (SDGs) developed by the United Nations, we have identified our 5 priority goals and have defined formal actions for each of them.

We aligned our strategy and business model with these goals, to identify and actively manage risks, identify opportunities for growth and increase trust with our stakeholders. We integrated our commitments to all stakeholders rather than only shareholders into our company governing documents and governance bodies. And we made public pledges that go beyond the industry standard in line with our sustainability ambitions for prioritized goals we can most influence.

These public pledges were verified in Q2 2022 by the Swiss Triple Impact Program (STI) from B Lab Switzerland and can be found here:

[swisstripleimpact.ch](https://swisstripleimpact.ch)

## OUR FIVE PRIORITY SDGs



# Our Commitments

## Goal 1:

By 2025, will we remove twice as much plastic from the environment than we send to final disposal.

Our target on responsible consumption and production shows the sustained positive impact we aim to have. It is a clear incentive to go as far as possible to reduce, substitute or recycle plastics, as we do not simply aim to offset plastics waste that goes to final disposal. Removal of plastic waste from the ocean environment will be done through partnership and funding of projects (such as with Seven Clean Seas).

In 2022, we continued the implementation of the plastic recycling in Basel laboratories and overcame several initial hurdles. We initiated conversations about solutions to reduce plastic disposables in labs, switching to biodegradable or to reusable where possible, and we placed plastic waste collection bins in dedicated places to direct plastic waste to recycling. We also estimated the plastic content of our different waste streams (e.g. for hazardous waste when the contaminated plastics cannot be recycled) and decided to remove an equivalent quantity of plastics from the environment in 2022.

## Goal 2:

By 2025, we will reduce our greenhouse gas emissions by 50 % on Scopes 1 & 2, committing to being part of the Science-Based Targets initiative (SBTi)\*.

*\* On a 2021 basis, pro rata to the months of activity in the year, in tons of CO<sub>2</sub>e by revenue.*

When we think about sustainability, one of the major risk areas is climate change: if we continue 'business as usual', the consequences will be unmanageable for the planet, humankind and us as a business. We need to act now, across all sectors and levels, and jointly work towards a prosperous and equitable future for humanity on earth.

At ten23 health, our target to continuously use 100% renewable electricity and to offset our operational Scope 1, 2 and 3 greenhouse gas emissions through the purchase of gold-standard certificates. However we view compensation payment as a last resort and decided to walk the extra mile by setting a short-term goal to reduce our GHG emissions intensity by 50% by 2025 on a 2021 basis. In parallel, we will work on the establishment of science-based targets, to carve in stone our long-term engagement to help prevent the worst impacts of climate change.

In 2022, we reduced our GHG emissions by 10.6% (in tons of CO<sub>2</sub>e by revenue) compared to 2021 through energy efficiency actions.





# Our Commitments

## Goal 3:

By 2023, we will achieve equal treatment of all employees in the workspace, ensuring no gender pay gap\*.

*\* Carried out by third-party assessment.*

It is a priority at ten23 health to ensure fairness and equal treatment for all. We are committed to ensure and promote equity, diversity, and women empowerment through our core business.

In 2022, a gender pay-gap analysis was performed by an external third-party for all our Basel employees. The results show that there is no imbalance to the advantage of any gender. We have also aligned our internal processes between our sites in Basel and Visp, implementing a single set of company frameworks, including compensation and benefits to better align our practices. We will conduct another pay-gap analysis in 2023, this time covering both Basel and Visp sites.

## Goal 4:

By 2023, we promote diversity in the workspace by targeting minimum 50% non-cis-male employees and obtaining the Swiss LGBTI label certification.

In addition to gender equality, diversity and inclusion are key for us at ten23 health and we believe in equal treatment of all employees in the workspace.

In 2022, we already achieved our 2023 goal to obtain the Swiss LGBTI Label and organized internal events to promote diversity for example, Pride Month in June, trainings on Diversity and Inclusion, Pride office day on October 11. We expanded the team of LGBTQ+ employee representatives to two colleagues. We have also set clear diversity targets for recruitment for an inclusive and innovative work environment.

## What have we done for Sustainability and Fairness in 2022

### SDG 3:

#### Good Health and Well-Being

- Creation of a new role dedicated to mental and physical health and well-being
- Participation in the Bike to Work Challenge, with 9 teams and 36 participants, amounting to 195 days of biking, a total of 1870 km of cycling
- Roll-out of discounts for gym registration in Basel and Visp
- Weekly running and bouldering sessions in Visp for colleagues to join
- 12 colleagues in the role "Mental Health First Aider" who all completed the ENSA Training for Mental health first aiders.



## ROAD TO FAIRSTAINABILITY



# What have we done for Sustainability and Fairness in 2022

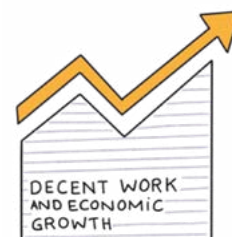
## SDG 5: Gender Equality

- Participation in the Pride Index, scoring a good 72.4%, and developing an action plan to further improve
- Finalization of the baby and child-friendly family room, for nursing mothers and parents at our Basel site
- Participation in a 12-month program for Target Gender Equity provided by the United Nations Global Compact Academia (2 team members)
- Pride Month (June) and Pride Office Day (October) events in Basel and Visp
- 12 colleagues in the role “Mental Health First Aider” who all completed the ENSA Training for Mental health first aiders.



## SDG 8: Decent Work and Economic Growth

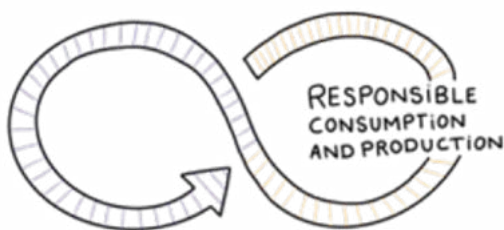
- Submission and approval as Pending B Corp member
- Increase of members in our Fairstainability Circle team to 14 and creation of new roles, including: Sustainability in the lab, Diversity, Inclusion and LGBTIQ+ Officer in Basel and in Visp, Fairstainable Travel Explorer, Visp Sustainability Emissary, Sustainability Innovation.
- Finalization and roll-out of Supplier Code of Conduct and questionnaire to our priority suppliers.
- Implementation and completion of Ethics & Compliance trainings for all
- Fairstainability Onboarding workshops for all new colleagues in Basel and in Visp.
- Additional Fairstainability trainings for all employees on multiple topics: Responsible purchasing, Zero Waste lifestyle, Zero Waste year-end celebration, Composting.
- Creation of 43 jobs in Basel and Visp (from 88 to 131 employees in 2022)
- Recipient of the 2022 **Modern Work Award** in the category “Modern Work Performer”, acknowledging our ambitions and performance in embodying our purpose- and value-driven culture throughout the company.



# What have we done for Sustainability and Fairness in 2022

## SDG 12: Responsible Consumption and Production

- Improvement of plastic sorting and recycling system in Basel
- Installation of filters for safe tap water drinking in Basel (already available in Visp) to avoid plastic bottle waste
- Implementation of availability of Viva Con Agua water and organic fairtrade Lemonaid drinks for guests, both brands supporting social projects.
- Implementation of Goldeimer toilet paper 'the social toilet paper' – all profits from this toilet paper are used for charitable purposes to support educational work and sanitation projects
- Successful test phase of Treerolls towels for hand-drying by RVR – 1 tree planted for each roll used
- Joining the Pharmaceutical Supply Chain Initiative (PSCI), a non-profit organization, to contribute to the establishment and promotion of responsible supply chain practices.
- Removal of 5 tons of plastic waste from the sea environment through Seven Clean Seas



## SDG 13: Climate Action

- Implementation of the Klima app to reduce personal CO2 footprint of our workforce and start offsetting for all employees. Total offset value: 1,685 tCO2e in 2022 (from Apr. 1 until Dec. 31, 2022). First activities to support our employees in reducing their personal CO2e footprint have been initiated.
- Active participation in Climate Strike with Fridays for Future on Sept 23<sup>rd</sup>
- Strong participation in the Time for Climate Action campaign by Leaders for Climate Action (LFCA)
- Roll out of Ecosia search engine as default for whole company. Ecosia is supporting planting trees with their profits.
- Setting of vegetarian catering as default during company offsite event
- Roll-out offering of sustainability mobility scheme: Swiss half-fare travel card ("Halbtax") for all employees and bike repair costs.
- Participation in the Climate Ambition Accelerator program from the United Nations Global Compact, to build the foundations of our science-based target 2025 strategy



# Our external participation in 2022

Our Fairstainability mindset pushes us to share our ideas, achievements and to seek inputs from different stakeholders outside the boundaries of the company. We believe that transparency and sharing are essential community values to be on-track with our ambitions. We give importance to attending events and contribute to discussions that are tied to our vision and goals including:



## Sustainability for Board masterclass (B-Lab/IMD) Masterclass

with practical steps, Board Members can take to support a Positive Impact Strategy in their businesses. [#SBA2030](#) members discussed and shared best practices on a broad range of important topics such as the evolving role of boards, stakeholder governance, supply chain engagement, bylaw changes and how to build a purpose-led organization and strategy.

## “New Pay” Innovathon with the University of Zurich

“New Pay” Innovathon with the University of Zurich: We collaborated by tasking an Innovathon on “how to compensate in a new-work organization” - and our project and student team even won!

**See Post**

## And also

- **BaselArea Sustainability in Healthcare Panel Discussion**  
[OPEN MIC: NEXT IN HEALTH SERIES – Net Zero Healthcare](#)
- **Swiss Triple Impact**  
[Regional Platform Chapter event](#)
- **Inner Development Goals (IDG) Switzerland Community Gathering**
- **Doughnut Economics Workshop**, doing a Doughnut EconomicsmAction Lab (DEAL) workshop assessment for ten23 health
- **Loop Fellow Forum in Berlin**, presenting on “Looping in einem pharmazeutischen Service-Provider Startup”



# Partnerships, Memberships, Associations

“If you want to go fast, go alone; if you want to go far, go together”. We strongly adhere to this African proverb and put a big focus on collaboration and collective action to expand, guide and support our ambitions. We want to be part of a bigger whole, a movement towards a more inclusive, equitable, and regenerative economy. Our partnerships and memberships are important and key for our commitments and goals.

- **Swiss Triple Impact:** we participate in events and are listed in their [Directory](#).
- **Pending B Corp:** we obtained the Pending status at B [Corporation](#), being a strong engagement demonstrating that we take measures to manage our social and environmental performance.
- **UN Global Compact:** we reiterated our support to the UN Global Compact in our [Communication on Progress 2022](#).
- **Swiss Boards for Agenda 2030 (SBA2030):** an alliance of CEOs and board members committing to take actions for positive impacts aligned with the UN SDGs.
- **Leaders For Climate Action:** we participated in the [Time For Climate Action campaign](#) and their Mastermind group for Health Care.
- **ÖBU (Verband für nachhaltiges Wirtschaften, Gemeinwohlökonomie):** to exchange on growing a sustainable and people-focused business.
- **Klima app:** we support a [carbon-neutral workforce](#).
- **Joined the “equal pay” initiative Switzerland,** that confirmed us as 3rd party of our equal pay, this participation as mentioned before indicated we are treating genders not different with respect to compensation & benefits.
- **Swiss LGBTI label** to support and advance our LGBTQ+ awareness and efforts
- **Seven Clean Seas:** Through our continuing partnership 5 tons of plastic have been pulled out from the marine environments and coastal areas in 2022



We are committed to compensating for the negative climate impacts of our operations by working with different partners to offset our unavoidable Scope 1, 2 and 3 operational Greenhouse Gases (GHG) emissions, through different solutions and projects. In 2022, we supported local moorland renaturation projects in Switzerland, as well as acquired more shares to protect primeval rainforests (now 1 hectare), both ecosystems being key for biodiversity conservation.

We support direct air capture (the process of removing carbon dioxide from the air to store it – crucial to avoid the most catastrophic impacts of climate change, thanks to the durability of the storage), and Gold-Standard clean development projects (promoting the expansion of renewable energies in developing countries, essentials to reaching the UN SDGs).

## Our projects selection is split as follows

<b>Direct air capture:</b>	<b>5 tCO2 offset (Partner: ClimeWorks)</b>
<b>Primeval forest protection:</b>	<b>20 tCO2 offset (Partner: The Generation Forest)</b>
<b>Renaturation of Swiss Moors:</b>	<b>25 tCO2 offset (Partner: MyClimate)</b>
<b>Clean development projects:</b>	<b>330 tCO2 offset (Partner: Atmosfair)</b>

Through these projects and initiatives, we offset a total of 510 tCO2e, more than our 495 tCO2e operational carbon footprint. In addition, and beyond our company boundaries, through Klima, we support a carbon-neutral workforce by offsetting 120% of the average Swiss personal carbon footprint for each

employee, helping and educating our interested employees in learning how to reduce emissions related to their work as well as to their private lives. Total offset value: 1,685 tCO2e in 2022. A small portion of which compensates for the 130 tCO2e related to our GHG Scope 3 emissions from employee commuting.



## Our People

We are proud of all our colleagues working together at ten23 health. We value the talents, expertise, knowledge and strengths of each individual. Together we want to create the best work environment for all to thrive and grow, ensuring diversity, inclusion and fairness.

<b>Number of employees:</b>	<b>131 (compared to 88 end 2021)   54 in Basel   77 in Visp</b>
<b>Non cis-male employees:</b>	<b>55%</b>
<b>Non-Swiss:</b>	<b>53%</b>
<b>Nationalities:</b>	<b>21</b>
<b>Handicapped:</b>	<b>1 person (Collaboration with <a href="http://www.Mitschaffe.ch">www.Mitschaffe.ch</a>)</b>



# Our Performance Data 2022

ten23 health Group	2021 <sup>1</sup> Aug-Dec 2021 (Basel) Full Year 2021 (Visp)	2022 Full Year 2022
<b>ENERGY (kilowatt-hour kWh)</b>		
<b>Total energy consumption <sup>2</sup></b>	<b>3 220 280</b>	<b>5 004 793</b>
Purchased electricity	2 478 229	3 230 136
Purchased heating (steam, hot water, other)	742 051	1 774 657
<b>Energy intensity (Employees, kWh/FTE)</b>	<b>50 004,4</b>	<b>43 238,0</b>
<b>WATER (m3)</b>		
<b>Total water withdrawal</b>	<b>17 217</b>	<b>62 070</b>
From third-party (contact water)	1 568	2 608
From surface water (cooling water)	15 649	59 462
<b>OPERATIONAL WASTE (metric tons)</b>		
<b>Total waste generated <sup>3</sup></b>	<b>n.d.</b>	<b>18,7</b>
<b>% waste recycled</b>	<b>n.d.</b>	<b>38%</b>
<b>Plastic offsets <sup>4</sup></b>	<b>10,0</b>	<b>5,0</b>
<b>GREENHOUSE GAS EMISSIONS (tCO<sub>2</sub>e)</b>		
<b>GHG total Sc1+2 (market-based)</b>	<b>115,6</b>	<b>131,3</b>
GHG Scope 1	0,0	0,0
GHG Scope 2, purchased energy (market-based) <sup>2</sup>	115,6	131,3
<b>GHG emissions reduction (in tCO<sub>2</sub>e by revenue)</b>	<b>Baseline</b>	<b>10.6%</b>
<b>GHG total Sc1+2 (market-based) per FTE</b>	<b>1,79</b>	<b>1,13</b>
GHG Scope 3, fuel and energy related activities	70,7	78,2
GHG Scope 3, waste generated in operations	70,8	17,3
GHG Scope 3, business travel	24,1	54,0
GHG Scope 3, employee commuting	117,3	131,6
<b>GHG Scope 3 operational emissions <sup>5</sup></b>	<b>282,9</b>	<b>281,0</b>
<b>GHG total Sc1+2+3 operational emissions <sup>6</sup></b>	<b>480,3</b>	<b>494,8</b>
<b>GREENHOUSE GAS EMISSIONS OFFSETS</b>	<b>490 (102%)</b>	<b>510 (103%)</b>

## Notes:

1. Our 2021 dataset covers 12 months of Operational data for our site in Visp, and 5 months of operational data (Aug-Dec) for our site in Basel (which we took over in August 2021)
2. In 2022 we are operating on 100% renewable electricity. Steam and hot water are still generated from natural gas.
3. We improved our waste data collection process in 2022 in line with our ambition to divert plastic waste from final disposal.
4. We commissioned Seven Clean Seas to recover 5000kg of plastic from the marine environments and coastal areas.
5. In 2022 we improved data quality across all categories. Scope 3 emissions included in our operational GHG emissions are: fuel- and energy-related activities not included in Sc1 or Sc2; waste generated in operations; business travel; and employee commuting.
6. Due to the use of some statistical values and assumptions, an uncertainty margin of 20% is added to our emissions result to cover our full operational climate impact through our offsetting.



Disclaimer:

ten23 health is providing the information in this Fairstainability report as of 17. April 2022 and does not undertake any obligation to update any forward-looking statements as a result of new information, future events or otherwise.

These materials contain forward-looking statements, that can generally be identified by words such as „potential“, „expected“, „will“, „planned“, or similar expressions.

Such forward-looking statements are based on current beliefs and expectations of management regarding future events, and are subject to significant known and unknown risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, this might lead to materially different results from those set forth in the forward-looking statements.

You should not place undue reliance on these forward-looking statements. In particular, our expectations could be affected by, among other things: uncertainties regarding the success of key products and services and commercial priorities; global trends uncertainties regarding future demand for our product and services; uncertainties in the research and development of new healthcare products of and services to our customers, including clinical trial results and additional analysis of existing clinical data; the impact of pandemic diseases such as COVID-19 on research, development and manufacturing timelines; and other risks and factors.

