

SANDOZ FOUNDATION HOTELS

Département RSE

GOVERNANCE

ETHICS CHARTER



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MESSAGE FROM THE ETHICS COMMITTEE

Morality is simply behaving in a manner that respects the other. But it says nothing about “how to live” or “living well,” which is a choice. This choice of life, this ethic is built according to the values that we consider supreme. Life has meaning to the extent that we achieve the realization of the values that, for us, make it worth living.

MARCEL CONCHE

Artist, Author of philosophical works, Writer, Teacher, Historian, Historian of philosophy, Philosopher, Professor of philosophy, Scientist (1922 - 2022)

The ethics charter plays an essential role in guiding our actions within Sandoz Foundation Hotels, emphasizing three fundamental values: integrity, respect and transparency.

These values are essential in the exercise of our daily functions and must be adopted by each of us, at all levels of the organization. They go beyond simple legal obligations. They aim to establish a culture of responsibility and excellence.

This charter is of capital importance. By scrupulously adhering to it you contribute directly to strengthening the reputation of our group and to consolidating the trust of our customers, our suppliers and the community.

We are counting on your dedication to embodying these values daily and to becoming ambassadors of our ethical and social commitment. And we sincerely thank you for your professionalism.

Together, we will continue to make Sandoz Foundation Hotels an example of responsibility and excellence.

The Ethics Committee

our ethical
values

integrity,
respect,
transparency

APPLICATION

Who does the ethics charter apply to?

This Ethics Charter is intended to apply to:

- **all employees** of the Sandoz Foundation Group Hotels, including all permanent and temporary employees, agents and representatives of our hotels, its subsidiaries and the properties it manages;
- **the partners** of our hotels as part of their relationships and contractual agreements with our Group.

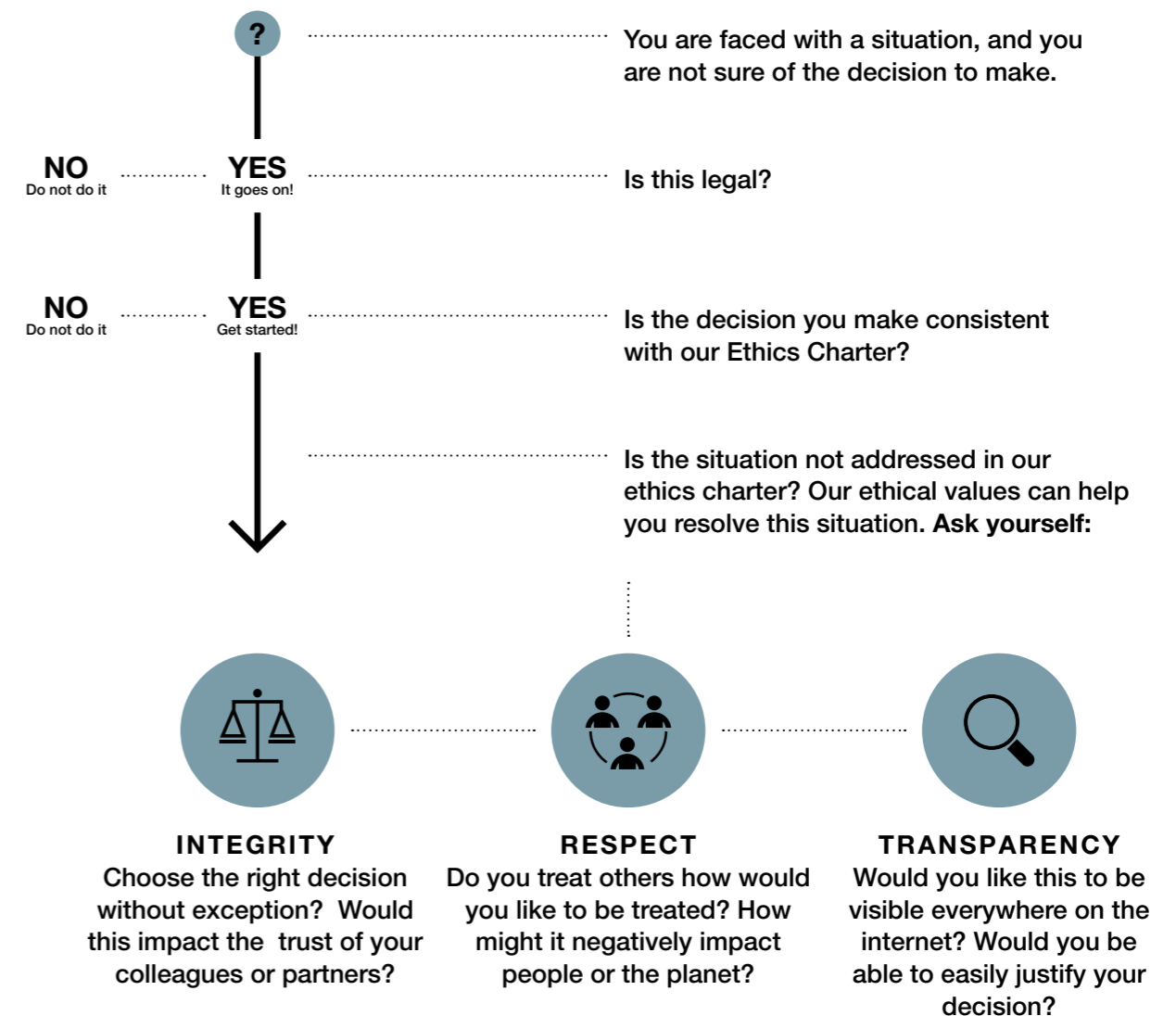
This Charter is available in three languages (French, English and German) on our hotel websites. It is transmitted and explained to all our employees during their integration into the company as well as to our partners.

The Ethics Charter is updated once a year, taking into account developments in our sector of activity and the regulatory framework. This charter does not replace the laws and regulations applicable in Switzerland; on the contrary, it aims to promote respect for them and to ensure their proper application.

UTILIZATION

How to use the ethics charter?

It helps you determine the right approach when you are faced with a situation, and you are not sure of the decision to make in alignment with our ethical principles.





our ethical values integrity

n. f. – lat. *integritas, -atis*

Quality of someone, of their behavior, of an institution
who is honest and honest. *The integrity of a judge.*

Syn. honesty, impartiality, incorruptibility, justice, probity, virtue.

Con. corruption, indelicacy, dishonesty.

INTEGRITY

Healthy relationships with our partners

Our company is committed to establishing and maintaining healthy relationships with all our partners.

The six pillars of a healthy and fruitful collaboration are:

Non-discrimination We are committed to treating all our partners fairly and without discrimination. Decisions regarding the selection, evaluation or promotion of partners are based solely on merit, competence and performance.

Transparency We are committed to maintaining an open and transparent relationship with our partners. All important information will be shared honestly and accurately. We strive to ensure that all stakeholders are informed and appropriately involved in decision-making processes that affect them.

Mutual Respect Mutual respect is at the heart of our professional relationships. We treat our partners with dignity and consideration, recognizing the value and contribution of each to our common success.

Collaboration ethics We are committed to maintaining ethical practices in all our interactions with partners. We strongly reject corruption in all its forms, including bribery and influence peddling. We expect our partners to share and apply these same ethical principles.

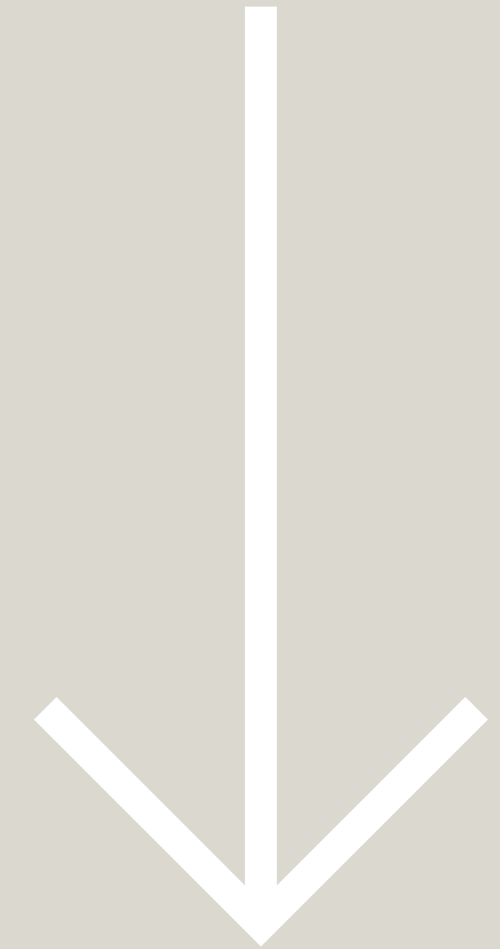
Sustainable development and social impact In our relationships with partners, we favor practices that promote environmental sustainability and positive social impact. We encourage our partners to adopt sustainable and ethical practices in their own operations.

Conflict resolution In the event of disagreements or conflicts with our partners, we are committed to seeking fair and mutually beneficial solutions. We favor constructive dialogue and mediation to resolve disputes in an ethical and fair manner.

To do

We organize a tender process to select a new bed linen supplier.

The Purchasing department solicits at least 3 suppliers and evaluates all proposals received based on objective criteria: product quality, cost, durability of materials, and delivery efficiency. All decisions are made transparently and documented to ensure a fair process.



What not to do

A hotel manager chooses a laundry service provider based on a personal recommendation from a friend, without carrying out a full review of other available offers. This choice is made without objective consideration of the merits or quality of the service offered by other providers. This approach not only lacks transparency, but can also be perceived as favoring a friend, at the expense of other potentially more qualified and competitive suppliers.

INTEGRITY

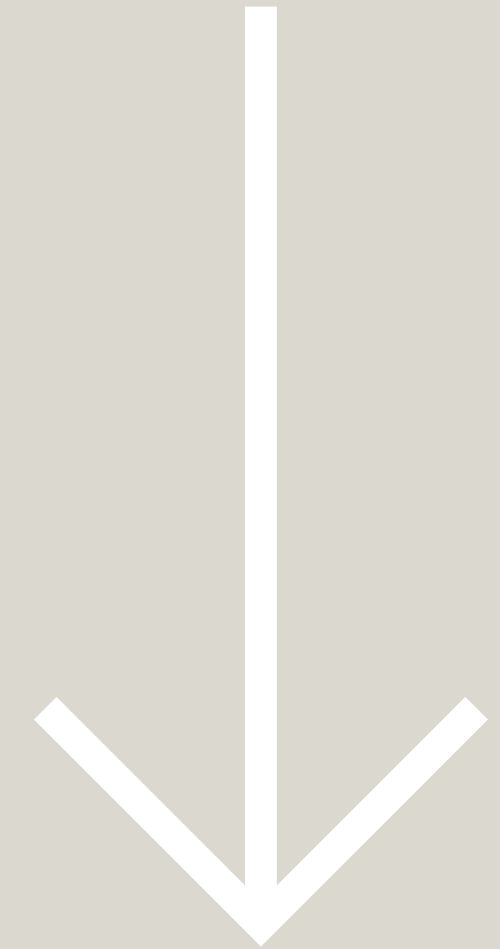
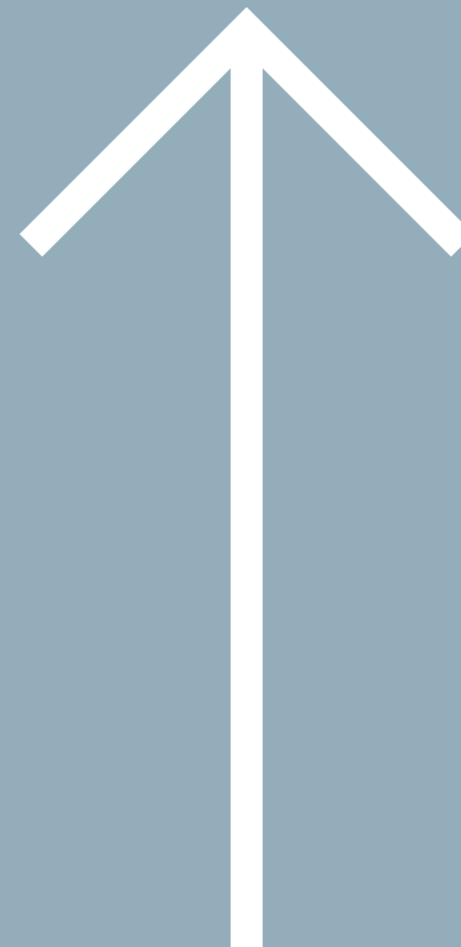
Fair competition

Compliance with competition laws	We strictly adhere to applicable competition and antitrust laws and regulations by avoiding any unfair business practices such as price fixing, collusion with competitors, or abuse of dominant market position.
Transparency in advertising and marketing	Our promotional and marketing efforts are committed to representing our services and products honestly and ethically, without misleading consumers or disparaging our competitors.
Professional relations with competitors	We maintain professional and respectful relationships with our competitors. This includes respecting non-disclosure agreements and protecting confidential information acquired through partnerships or negotiations.
Ethical responses to unfair practices	If we encounter unfair business practices from competitors, we respond professionally and ethically, seeking legal solutions and maintaining our own high standards of integrity.

To do

A hotel launches a marketing campaign to promote its spa. In this campaign, it highlights its assets, without making a direct or indirect comparison with the offers of its competitors.

It ensures that all communication is based on verifiable facts, and avoids any exaggeration that could mislead customers.



What not to do

The hotel is running a promotion comparing its spa services to those of a local competitor, insinuating that the services of the latter are of lower quality. This approach not only violates the principles of fair competition but can also damage the hotel's reputation as an ethical business.

INTEGRITY

*Conflict of interest, corruption and other illicit activities.
Zero tolerance!*

The fight against corruption in all its forms is at the heart of our principles. This includes - but is not limited to - zero tolerance of conflicts of interest, bribery, influence peddling, fraud, money laundering and any other form of corruption. We are committed to complying with all applicable anti-corruption laws and regulations in the jurisdictions where we operate.

Practices of ethical business We require that all our business transactions are transparent and accurately recorded in our books of accounts. We prohibit the use of undeclared funds or hidden accounts for any business transaction.

Verification partners and suppliers We carry out rigorous checks with our partners, suppliers and other third parties to ensure they are adhering to the highest ethical standards in this area, and we ask them to sign our purchasing charter.

Unbiased decision-making Decisions must be made in a way that serves the best interests of the group, without influence or personal considerations, and including the needs of all people affected by the decision made.

Gifts and bribes Our company is committed to prudent and transparent management of gifts and invitations, whether offered or received, to avoid any conflict of interest or perception of favoritism:

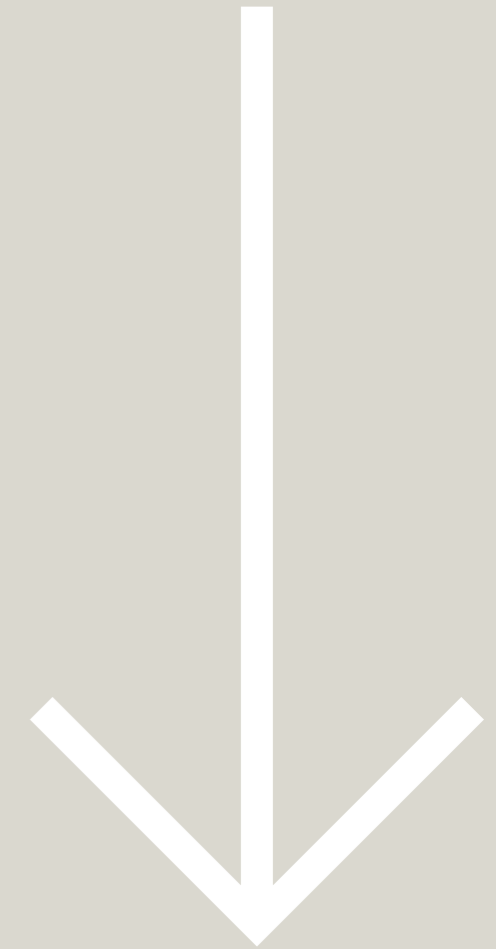
- Employees must politely refuse any gift or invitation that seems inappropriate, excessive, or that could be perceived as an attempt to influence. If in doubt, employees should consult their line manager or the ethics committee.
- All gifts and invitations, whatever their nature and their value, must be declared to the hierarchy or to the designated ethics committee. This approach ensures transparency and allows an objective assessment of whether the gift or invitation aligns with our ethical principles.

To do

During a contract negotiation with a potential supplier, the prospective supplier offers the member of the purchasing team an all-expenses paid trip to a luxury destination in exchange for the contract guarantee.

The employee immediately rejects the offer and informs their management, in accordance with the company's zero tolerance of corruption.

The company then initiates an internal investigation and reconsiders its relationship with this supplier.



What not to do

A senior executive accepts tickets to a prestigious sporting event from an entrepreneur who is seeking a large contract with the company.

Even if the employee thinks that this will not influence their decision, this action constitutes a potential conflict of interest and goes against the company's zero-tolerance policy for corruption.



our ethical values respect

n. m. – lat. *respectus*

Feeling of consideration towards someone or for certain things, and which leads to treating them with special consideration. *Manifestations of this regard.*

Syn. consideration, esteem, piety, reverence.

Con. casualness, impertinence, insolence, disrespect, irreverence, disconsideration, disdain, contempt, profanation, violation.

RESPECT

Confidentiality

Our privacy policy is a key element of our integrity and reputation. All employees are required to comply with them.

Our company is committed to protecting and respecting the confidentiality of sensitive information, whether about our customers, employees, partners or the company itself, in order to maintain trust, integrity and security. According to the Federal Act on Data Protection (DPA), we are committed to the confidentiality of personal and sensitive data.

- **Personal data** is all information that relates to an identified or identifiable person. The data can contain direct identifiers (name, telephone number, etc.) or indirect identifiers (which can reveal the identity of a person when they are compared).
- **Sensitive data** is personal data revealing opinions or activities on religious, philosophical, political or union interests; health; intimate information; ethnic or racial identity; social assistance measures; criminal and administrative proceedings or sanctions. Sharing sensitive data can harm the health and safety of individuals.

Utilization of data Confidential information should only be used for business purposes. Any use for personal or unauthorized purposes is strictly prohibited.

Responsible communication Employees are encouraged to communicate responsibly and to avoid discussing sensitive information in public places or on unsecured platforms. Procedures regarding the use of social networks and external communication must be respected.

Respect of privacy Respecting the privacy of employees, customers and partners is a priority. All personal data must be processed in accordance with data protection and privacy laws.

Internal confidentiality Internal information relating to business strategies, innovations, financial operations and human resources must be treated with the strictest confidentiality.

Partnerships and third parties In our relationships with suppliers and other partners, we require and maintain a high level of confidentiality, in accordance with agreements and applicable legislation.

To do

A customer tells us about their food allergies during a meal in our restaurant. We note this information in their profile in order to protect their health during a visit to one of our establishments.



What not to do

If this customer is part of a group whose stay is organized by a third party that has informed us about the allergies, information relating to their allergies may not be kept in our system, as the customer has not entrusted us with this data directly.

RESPECT

Safety, health and quality

Our commitment to safety, health and quality is supported by:

- the Security department which watches over our customers and our staff;
- the Human Resources department which ensures the well-being of our employees;
- the CSR department which is responsible for controlling and analyzing our Health, Safety and Quality processes.

High Quality Standards High (HAACP) We are committed to the quality standards of the hospitality industry in the manufacture and supply of our products and services. This involves rigorous quality controls at every stage. Food safety and hygiene are two of our chief priorities.

Our Policy
"I see something / I say something" All employees are encouraged to proactively report any near misses, dangerous situations, or inappropriate behavior they observe, to help prevent actual incidents and ensure a safer working environment for everyone.

To do

An employee of a luxury hotel notices a defect in the safety equipment of a room (e.g., a faulty smoke detector).

The employee immediately reports the problem to the hotel's security department. The security department quickly replaces the equipment and checks other rooms to ensure their smoke detectors are working properly, ensuring the safety of guests and compliance with the hotel's standard.

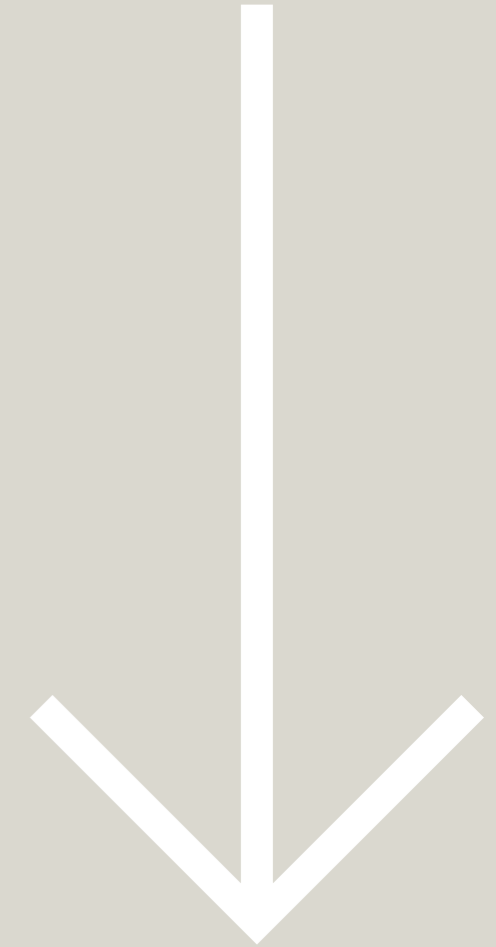


What not to do

A hotel employee discovers that some food products served at the buffet are not stored at the appropriate temperature, presenting a potential risk to the health of customers.

Instead of immediately reporting this problem to the hotel management, he chooses to ignore it to avoid inconvenience or additional work.

This negligence could lead to serious health risks to customers and damage the reputation from the hotel.



RESPECT

Human rights

We are committed to respecting and promoting fundamental human rights and guaranteeing fair and respectful working conditions for all our employees.

We place our ethical approach within the universal framework established by the major principles, standards and international agreements, and adhere, in particular, to:

- the Universal Declaration of Human Rights
- the Charter of Fundamental Rights of the Swiss Confederation;
- the guiding principles of the Organization for Economic Cooperation and Development (OECD);
- the United Nations Global Compact, of which we are members, and which encourages companies to adopt, support and apply within their sphere of influence a set of ten fundamental values in the following areas: Human Rights, Labor Standards, Environment, Fight against Corruption;

Respecting human rights We are committed to respecting the rights of all our employees, including the right to a safe working environment, free from discrimination, harassment or abuse of any kind.

Fair working conditions We ensure that all our employees benefit from fair working conditions, including fair remuneration. We compare the compensation (salaries and benefits) offered to our employees with other hotels in the region to ensure we offer appropriate compensation.

Diversity and inclusion We promote a culture of diversity and inclusion, recognizing and valuing the richness that diversity brings to our establishment. The Group does not tolerate any discrimination internally, whether based on race, ethnicity, gender, age, religion, sexual orientation, or political or union opinions.

These principles apply to all Group hotels and our suppliers must commit to respecting them.

To do

An employee is responsible for the budget used to organize an event at the hotel.

The employee keeps detailed records of all expenses and ensures that each purchase is justified and in accordance with the objectives of the event.

They then present a transparent report to management, detailing how the budget was used.

This shows responsible and transparent management of the hotel's financial resources.



What not to do

Employee neglects hotel recycling protocols and throws away recyclable materials in regular trash cans.

Ignoring respectful practices pertaining to the environment is diametrically opposed to the hotels' efforts to minimize their ecological footprint.



RESPECT

Respect for Provided Resources

Our employees are committed to using all resources entrusted to them responsibly and ethically to ensure the sustainability of our business and the quality of our service.

Ethical use of resources We ensure that all hotel resources, including equipment, supplies and funds, are used efficiently, and for legitimate business purposes, avoiding any waste or abuse.

Accountability and transparency Each employee is responsible for the appropriate use of the resources entrusted to them. All use of hotel resources must be transparent and justifiable.

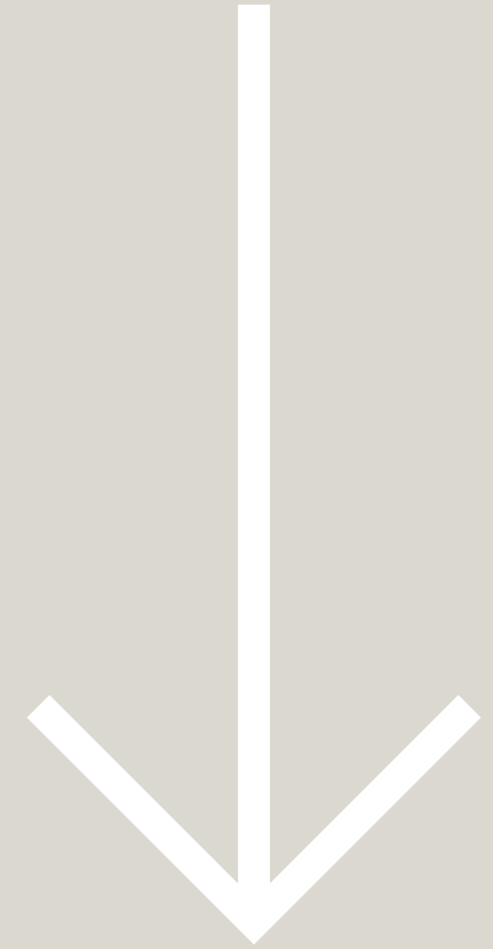
Waste prevention We encourage practices that (1) minimize resource waste, (2) recycling, and (3) efficient use of materials. We are committed to (4) limiting food waste through careful inventory management, and (5) training teams in food optimization.

Protection of company assets We protect company assets against loss, theft, misappropriation or any other form of compromise.

Environmentally Responsible When using our resources, we consider their impact on the environment and strive to minimize our environmental footprint.

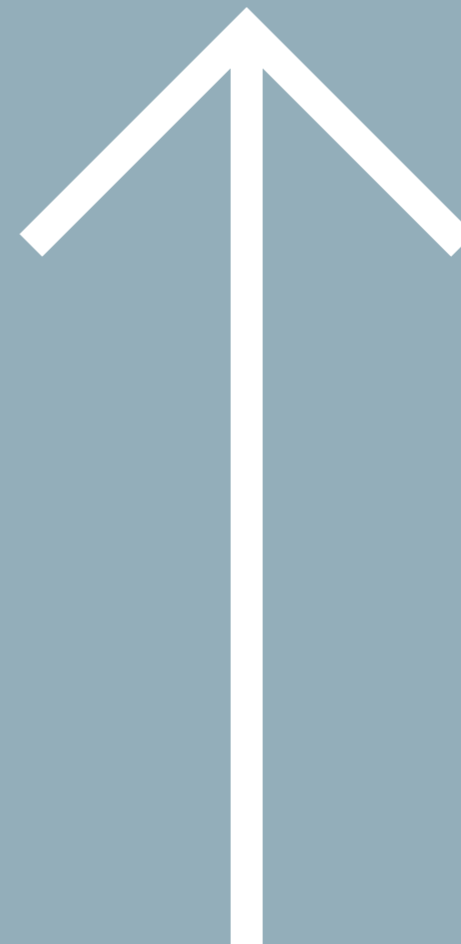
To do

An employee is responsible for using a budget to organize an event at the hotel. They keep detailed records of all expenses and ensure that each purchase is justifiable and in line with the event's objectives. They then present a transparent report to management, detailing how the budget was used. This demonstrates responsible and transparent management of the hotel's financial resources.



What not to do

An employee neglects the hotel's recycling protocols and throws recyclable materials into regular trash cans. Ignoring environmentally friendly practices goes against the hotel's efforts to minimize its environmental footprint.





our ethical values transparency

n. f. – lat. *transparens*

Perfect accessibility of information

Syn. clarity, intelligibility.

Con. hermeticism, opacity.

TRANSPARENCY

The Group and its employees are committed to responsible, sincere, non-misleading, precise, balanced internal and external communication that combats unfounded allegations.

Transparent Communication We are committed to providing clear, accurate and verifiable information to our customers, employees, partners and other stakeholders. All communication must reflect the reality of our services and products, without exaggeration or omission.

Veracity of information We ensure that all information disseminated is based on proven facts and reliable data. We avoid any form of manipulation or distortion of information.

Balance and impartiality Our communications should present a balanced point of view, recognizing the positive aspects and limitations of our offerings. We refrain from disparaging our competitors or making misleading comparisons.

Reactivity and responsibility We respond transparently and responsibly to the questions and concerns of our stakeholders. Any errors or incorrect information will be corrected quickly and transparently.

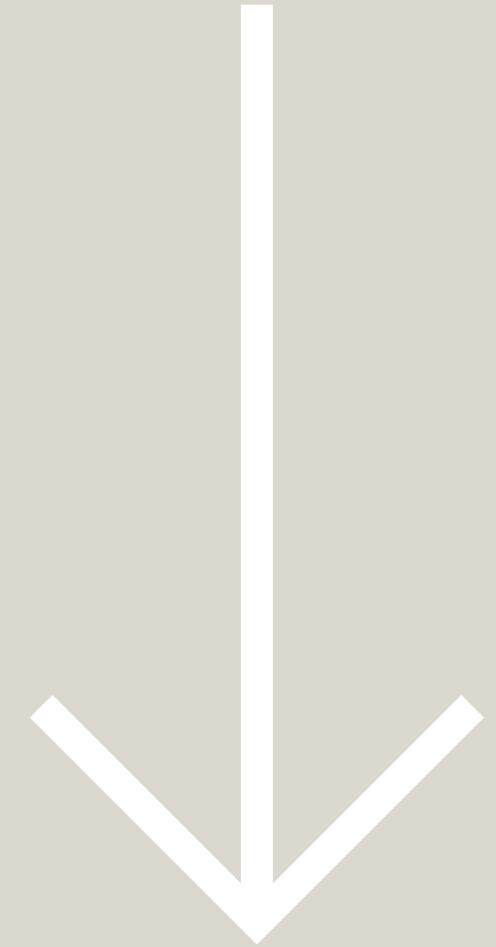
Psychological safety We work to create a work environment where employees feel confident to speak up, ask questions, share ideas and admit mistakes without fear of negative repercussions, such as teasing, criticism or sanctions. It is an organizational culture that values mutual respect, inclusion and openness, allowing everyone to feel valued and supported.

To do

During team meetings, the manager actively encourages all members to express their ideas and concerns.

The manager listens attentively, asks questions to better understand employees points of view, and thanks everyone for their contributions.

This creates an environment where mistakes can be learning opportunities and not failures to be punished.



What not to do

To embellish the hotel's performance, a department manager modifies the figures in internal reports, giving a false impression of success.

This manipulation of information can lead to decisions based on incorrect data and a loss of confidence among employees.

QUESTIONS

Who to contact with an ethical question or concern?

In the event of ethical concerns, doubts or questions, you can contact, in complete confidentiality, Unique Staff Switzerland to report any behavior or situation contrary to this Charter.

Unique Staff Switzerland

+41 79 478 80 82 contact@ethicshotline.ch

Sandoz Foundation Hotels ensures the confidentiality of these proceedings and prohibits any form of retaliation against employees who express their concerns in good faith, in accordance with our ethical and corporate social responsibility principles. The members of the Board of Directors, the Management Committee, the directors and general managers of our hotels have a crucial role in the promotion and application of the Ethics Charter.

Our group has set up a dedicated Ethics Committee which guarantees the alignment of our practices with our fundamental values.

The members of this committee are:

Jacques Ballois

Group Purchasing Director

Thierry Buffeteau

Group Executive Chef

Benjamin Chemoul

Managing Director of Beau-Rivage Palace SA

Henry Cornet

Group IT Director

Nathalie Currat

Group HR Executive Assistant

Sébastien Custot

Group Chief Financial Officer

Quentin Delohen

Managing Director Lausanne Palace SA

Elisabeth de Pins

Group Communications Director

Pauline Laurent

Director of the Hôtel Palafitte

John Leglise

Group CEO

Pascal Lorquin

Group quality, health and safety manager

Jennifer Roux

Group sustainable development manager

If you have any questions related to the Charter, we invite you to contact one of the members of the Ethics Committee:
ethique@sandoz-hotels.ch

NON-RESPECT

What are the sanctions for non-compliance with this charter?

Non-compliance with the Ethics Charter may result in sanctions for the Group but also, on an individual basis, for any manager or employee responsible for a breach of these principles.

The consequences can be differentiated depending on the parties:

- **For employees:** a violation of the Ethics Charter may lead to disciplinary sanctions such as a warning, and dismissal for serious misconduct.
- **For partners:** a violation of the Ethics Charter can lead to the termination of commercial relations, particularly if the partners do not respect our established values and ethical principles.

LAUSANNE
BEAU-RIVAGE PALACE
LAUSANNE PALACE
CHÂTEAU D'OUCHY
ANGLETERRE & RÉSIDENCE
NEUCHÂTEL
PALAFITTE
ZERMATT
RIFFELALP RESORT 2222M

The logo features the word "Sandoz" in a white, elegant, cursive script. A white, brush-like stroke extends from the bottom left of the "S" and underlines the word "Sandoz".
SANDOZ FOUNDATION HOTELS
SWITZERLAND