



Every Story Counts

Annual & Sustainability Report 2020





Undeniably, 2020 has been a year marked by unprecedented and unexpected challenges. Humanity had to face it as a global community. It was a year in which we had to strip back any personal objectives and unite to be stronger than the virus we are still seeking to overcome as we write this report.

In such a context and marked by our profound belief that our planet's health, and its inhabitants deserve our best efforts, we have sought to transform this year's report into something more than a simple outline of our business results driven by standards and legal obligations. We wanted to give space to the voice of all those colleagues that have worked together endlessly to deliver the best impact possible to our patients and communities throughout the world.

Because #EveryStoryCounts.

Some of these unique and profoundly human stories can be found in the pages #EveryStoryCounts of this report.

#EveryStoryCounts

How a shared value project helped a man realise that there is a way to treat his rare disease!

Marilena Cojocar, Medical Advisor
and Maria Messerer, Medical Director
Chiesi Nordic

In 2020 we initiated seven new shared value projects, which we are very proud of and one in particular has brought us immense value: The Global Mitochondrial Disease Awareness Week. Together with the Swedish patient organisation the LHON Eye Society, we organised a project dedicated to improving and increasing the knowledge of LHON (a rare eye disease) for patients suffering from LHON and their families. One person found the webinar online and recognised the symptoms of

this rare disease as his own, something that had not been diagnosed or treated until that moment. He immediately contacted Chiesi, and we were able to contact his doctor and provide him with the latest data, which the doctor had been unaware of. The patient is now under treatment with a much better prognosis than he would have had. None of this could have happened if our seminar had not partnered with LHON and made our event public.

Sustainability is in our DNA,
something we can also say
for Chiesi

Julian Hemy from Presspart and Sergio Liberatore from IQVIA
(Chiesi's suppliers)

We have been working with Chiesi for years. We are both suppliers of Chiesi, a company that we are proud to work with, since it's one of the very few companies that really looks for innovation in supply materials, and distribution, in the general way of doing business.

"Chiesi is one of the few companies that really care about having green materials that are 100% recyclable and they always ask us to bring new ideas and initiatives when it comes to sustainability". Julian

"The pandemic came, -of course,- as a shock to all of us, from one day to the next we had to change the way things were done, implement new processes. We had to quickly learn how to respond to the increased demand, which

meant making all employees come to work, in a moment where everyone was advised to stay home. But knowing that they were part of something bigger made them proud and motivated to be working. Innovations in systems were put in place, something that would not have happened otherwise. It was also a moment of reflection and acceleration, so we recruited Sustainability Ambassadors from IQVIA to help drive the agenda in all departments". Sergio

"At Presspart, we are always searching for green alternatives, we have been producing aluminium that can be 100% recycled, and the process of recycling is also green. We are also exploring with plastic that is recyclable and has a green recycling process.

Change is slow because there is a lack of demand. Registration of new materials and licenses are expensive, but it will come. Chiesi always asks us for green alternatives and is always open to trying new materials". Julian

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Chairman's Statement Alberto Chiesi



2020 was a year we will never forget.

Choosing between the many emotions we all experienced, gratitude is the deepest feeling I want to express. I am grateful to all of Chiesi's people, around the world, who responded with all their humanity and professionalism during these trying times. In the general fear and uncertainty of not knowing how the pandemic would unfold, I was deeply moved by the dedication, the resilience and, most of all, the courage of all the Chiesi people.

Courage is not the absence of fear, but the resolve to act for the common good, and do what is right, despite the fear. In 2020, we all came together to pursue our mission and, while we mourn the loss of loved ones, we rejoice that we had the opportunity and the privilege to save lives. I was inspired by the force that so many of our colleagues demonstrated, not only by operating responsibly in the workplace but also by reaching out to the most vulnerable in their communities with generosity and ingenuity.

Beyond Covid-19, 2020 was also a year marked by increasing disruption related to social and racial injustice, and the ever-growing outcomes from the clash between humankind and nature, such as the worsening climate crisis and biodiversity loss.

But in every challenge, there is a gift: **As never before, we had the opportunity to positively change, evolve and play the most crucial role that our company, as a community of people, is called to play in society.** Our calling is to have a positive and regenerative impact not only on the patients, through our patient-centric approach, but on the communities and environment we are part of. Our long-standing belief that a sustainable business is the only

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way forward is now a widely recognised imperative, we are more than ever resolved to act, every day, to achieve our full potential in taking care of tomorrow.

This report is not just like any other annual report; **it is the report of the women and men who, every day**, make their company a living system. It narrates their contribution as a collective within our Team as well as how they brought our shared values beyond the scope of our organisation. Such stories demonstrate who the Chiesi people are, and we are proud to have included some of them in this document.

The collective voice emerging from these stories is one: we act to be a force for good, for all.

Letter from the CEO Ugo Di Francesco



2020 was a year like no other that came unexpectedly upon us all. The pandemic has changed the global landscape with full force, in what were already transformative times.

Within this context of adversity and need to manage the unknown, I am grateful for the organisation that we have demonstrated to be. The mobilisation of the Chiesi people has gone beyond the scope of our business and attested the values we share together. As a Benefit Corporation and B Corp, our shared value approach represents the solid foundation our company needs for the challenges of our time.

Today, it is essential to look back over the past year and review key moments that we will remember. 2020 has been a succession of decisions taken swiftly to react to the unthinkable, intertwined with those that were carefully designed to pursue our strategy with determination.

Our first priority was to make sure our people were safe.

I am proud of how we managed to come closer and support each other.

At the onset of the pandemic, we set up “Chiesi Emergency Management” teams in all our affiliates and at head offices. These teams constantly monitored the epidemiological situation and implemented measures to safeguard the health and safety of our employees according to the changing scenario, and following guidance provided by institutions and the World Health Organisation. Their actions focused on four main areas: Protecting, sharing, informing, and training all our people.

At the same time, we concentrated on guaranteeing the continuity of our shared value approach.

Our patients needed to have access to their life saving cures and avoiding the risk of shortages was vital. We found alternative means of transportation to ensure the timely delivery of all

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medicinal products. We implemented new procedures so that we could continue to collaborate and grow as a team despite the absence of physical interactions. Our communities needed our best effort and care. All our affiliates were encouraged to deploy any support to those most vulnerable around them. Globally, we donated more than 10 million euros worth of equipment, funds, and resources to hospitals, associations, and local institutions.

Our patient-centric strategy fueled our innovation and processes.

Innovation and patient-centricity are the two core pillars of our strategy and those that will lead the transformation of our industry.

We expanded and consolidated our Global Rare Diseases Unit in Boston, recruiting over 150 people, entirely dedicated to the research and care of rare diseases. To maintain our leading role in the innovation of respiratory diseases, we launched a strategic collaboration with Moderna, the biotechnology company pioneering messenger RNA (mRNA) therapeutics. The shift to patient-centricity is opening opportunities to work differently and cross-department. It is infusing new methodologies that enable us to enter our patients' world so that we best respond to their needs. Such an approach is leading to new solutions beyond medicinal products like patient services and digital health.

We uncompromisingly dedicated our resources to reduce our impact on the biosphere.

The latest climate evidence confirms a clear warning that we must dramatically curb temperature rise.

In 2019 Chiesi pledged to be carbon neutral by 2035, representing a pivotal change in literally everything we do. We therefore decided to ground the path in science and submitted our targets to the Science Based Targets Initiative; ensuring Chiesi complies with the Paris Agreement's goal to limit global temperature rise to 1.5°C above pre-industrial levels.

Internal initiatives intentionally aimed at contributing to this goal are multiplying. The first important results are inspiring all of our departments to play their part. We are proud to have achieved our newly built LEED Platinum Certified head office in Parma, the first of its kind in Italy and one of only 35 in the world. We also aim to reduce the impact of our products through a new project that will allow us to create eco-friendly products by design. Finally, we have launched successful inhaler recycling programmes in the UK and France.

Our values were restated so that they are the unequivocal guide for all Chiesi people.

In a year like no other, we felt the need to rewrite our values, so that they are clear, shared and lived by all of the Chiesi people. Additionally, we created a Gender Equality Committee who, following an in-depth analysis in 2020, are ready to implement an action plan as of 2021 aimed at reducing inequalities.

These above stories, and all the others told in our Report, including the struggles we have faced along the way, have one thing in common. Something I have been lucky enough to experience directly with all the people at Chiesi: The joy of change. This extraordinary form of energy makes us confident that together we will continue to build the future we seek as a community.



Chiesi Research Center, Parma



Chiesi Headquarters, Parma

2020-2030: The Decade of Action

Since the 1970s, science has been calling for the transformation of economic development paradigms. Almost 50 years ago, the Club of Rome report; 'Limits to Growth', described how, by continuing the current development model, we would reach the limits of planet Earth's capacity around the year 2020. Since then, the earth's population has increased from 3.5 to almost 8 billion people, and the 'limitless model' we live in has accelerated even more.

The convergence in 2020 of disruption from the environmental, climatic, and social point of view should not surprise us, as the phenomenon and the evidence demonstrating it has been available for decades. We now know exactly what is going to happen if we do not take radical action.

As of 2021, nothing substantial has yet been done to re-establish the severely compromised environmental and social balances. To name just one of the ecological challenges, scientists are observing rising sea levels due to anthropogenic global warming: In the coming decades, sea water levels will rise by 3 to 6 meters, with devastating effects requiring the relocation of billions of people.¹

The Covid-19 pandemic itself is strongly linked to unsustainability trends, such as the loss of biodiversity and the destruction of natural habitats, and is one of the symptoms of the clash between natural and human systems.²

Despite this context, many of the most influential decision makers on the planet are shy about making needed radical choices. Today we are far away from the magnitude of action necessary to bring our economic models within limits called "Planetary Boundaries", identified by a group of Earth System and Environmental Scientists led by Johan Rockström and Will Steffen in 2009.

From the social standpoint, we are now facing a watershed moment in the history of capitalism: Many words have been spent on the concept of 'reset' of the shareholder primacy ideology, but also in this case, financial markets, above all, have not yet started to address adequate inclusion of people in the value creation equation.

¹ <https://acp.copernicus.org/articles/16/3761/2016/acp-16-3761-2016.pdf>

² <https://ipbes.net/pandemics>

Declarations or commitments to sustainability and decarbonisation are not enough, nor are calls for inclusion and a 'stakeholder centric' model of capitalism that considers people and the environment in the equation of value creation. It is essential to take strong, decisive and radical action. It is indispensable that everyone does their part to be a protagonist because anything less means a further and increasingly rapid acceleration of the decline of natural and social systems.

No business can prosper when the environmental and social systems of which it is a part degrade.

A different, more evolved, economic model is possible. In this model, all humans and the businesses they create and operate, act to help solve the greatest environmental and social challenges of our time. Businesses and human culture become regenerative, and life-sustaining.



Credits: Chiara Bonardi, Chiesi Headquarters



Our Purpose and Impact

#EveryStoryCounts

It's natural for Chiesi to put people first

Giota Giannopoulou

Respiratory Project Manager, BU Primary Care, Chiesi Hellas

In March 2020, Greece faced the first wave of the Covid-19 pandemic with a sudden and strict lockdown that obliged everyone, including patients that suffer from chronic respiratory diseases to stay home. Many of our patients were terrified since the virus attacked the lungs, their most fragile organ. In Chiesi, we couldn't stay with our arms crossed! It's part of our DNA at Chiesi to put patients first and offer care and support. We responded immediately by expanding our existing #happyBREATHday digital COPD awareness campaign online and on social media (Facebook, YouTube & website) under the auspices of the PanHellenic Respiratory Society. The initiative aimed to inform COPD patients, their families and caregivers about the Covid-19 virus, and give them information on the measures they should follow to protect themselves, especially those with high-risk medical conditions, and the importance of ad-

hering to their treatment. By mobilising key opinion leaders, members of the PanHellenic Respiratory Society, we managed to create a series of posts & videos. The awareness was high and the campaign reached more than 1.4 million people on the #happyBREATHday Facebook page. We felt rewarded not only because we could give people information but because we also received recognition by winning two silver awards in the categories "Prevention and Disease Awareness Campaigns Award: Respiratory Diseases" and "Improving Health: Improving Patients' Life Award" at Patient Partnerships Awards 2020 to crown our commitment to serving patients and the community. I am proud to be a member of this great team and member of the Chiesi family!

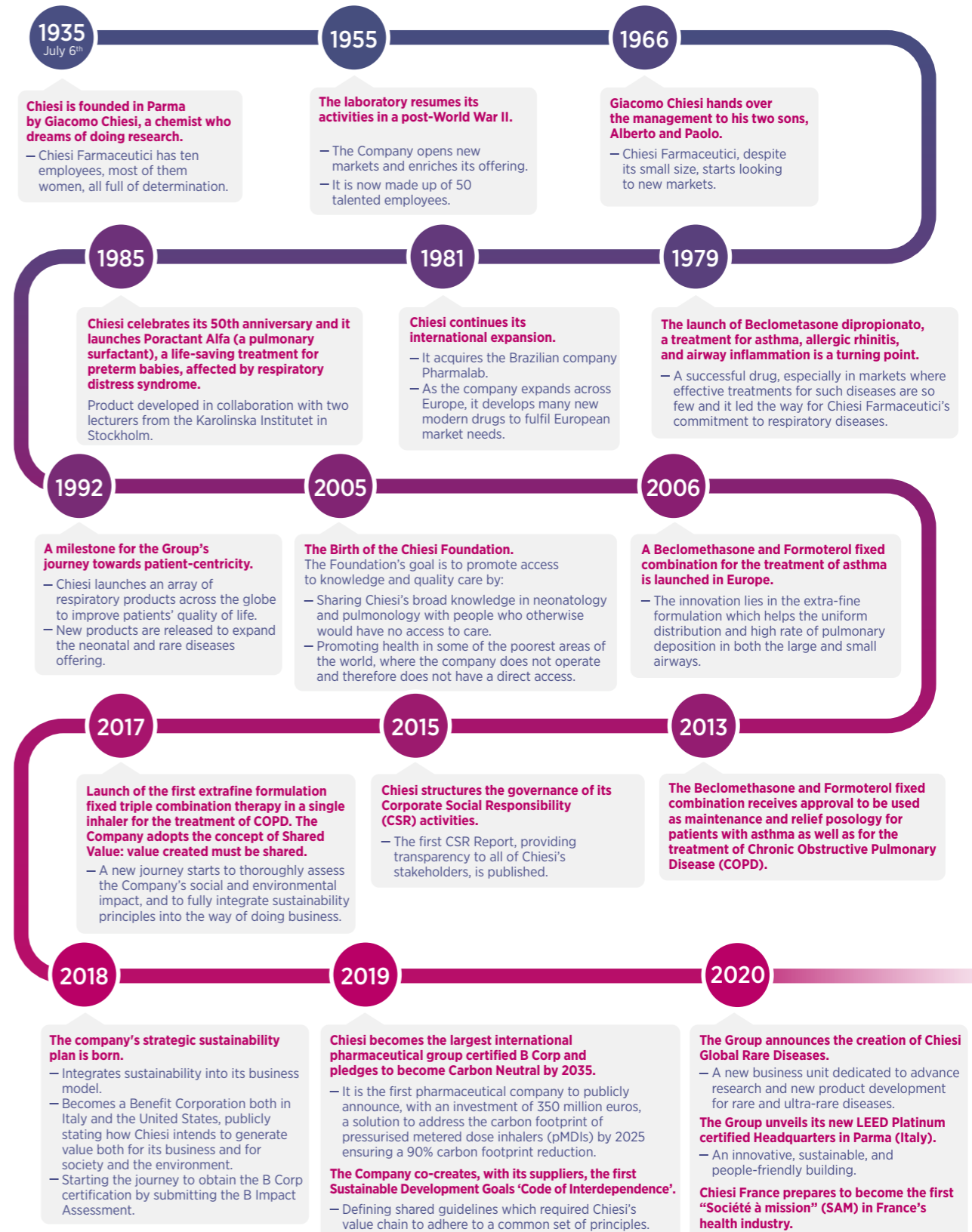
Giota Giannopoulou, Chiesi Hellas



Our Purpose

1. Why we are in business

"It all started in two rooms, an office with a distiller, containing a handful of barrels of cod liver oil and distilled water, and of course an enterprising young chemist".



Chiesi: certified B Corp and Benefit Corporation

A pioneer in its sector, Chiesi Farmaceutici became Società Benefit (Benefit Corporation) under the Italian¹ law in 2018, by changing its bylaws to ensure that Chiesi always considers a stakeholder-driven perspective and the impact of its decisions on its workers, suppliers, customers, the community, and the environment.

Together with the purpose of developing and commercialising medicines to improve patients' quality of life, we integrated into our bylaws four goals of common benefit for the creation of positive impact on the society and the environment, thus embedding the concept of creating shared value in our way of doing business. Chiesi USA also became a Benefit Corporation² in 2018.

In 2021, Chiesi France became the first French "Société à mission" (SAM)³ in the health industry. Thanks to an iterative process, Chiesi France defined and published its purpose ("raison d'être") and how it intends to contribute positively towards all its stakeholders.

"Becoming SAM is a key milestone for Chiesi France and we are proud of it". Patrice Carayon, Chiesi SAS President

To better evaluate progress concerning its social and environmental impact, the Chiesi Group engaged B Lab in June 2019 to conduct a B Impact Assessment of its work. Scoring an 87.5, made Chiesi the largest pharmaceutical Group to obtain a B Corp certification.

Chiesi's long-standing commitment to community and sincere focus on the ethical conduct of its business meant that the decision to move in this direction was a natural fit for its future development.



1. Law no. 208/2015
 2. Delaware DEL. CODE ANN. tit. 8, §§ 361-368 (2019)
 3. Loi Pacte, 2019

About B Corporations®

Certified B Corporations are for-profit companies that use the power of business to build a more inclusive and sustainable economy. They meet the highest verified standards of social and environmental performance, transparency, and accountability. To date, there are more than 4,000 B Corps in 150 industries and 74 countries around the world.

About B Lab®

B Lab® is a non-profit that serves a global movement of people using business as a force for good™. Their initiatives include B Corp Certification, administration of the B Impact Management programmes, and advocacy for governance structures like the benefit corporation. B Lab® envisions an inclusive and sustainable economy that creates shared prosperity for all.

2. Our Mission

"Our mission is to provide outstanding therapeutic solutions and improve people's quality of life worldwide". Alberto Chiesi, President of the Chiesi Group



Our aim is to be recognised as a research-focused international Group, able to develop and commercialise innovative pharmaceutical solutions to improve the quality of human life.



We wish to maintain a team characterised by innovative pharmaceutical self-confidence and a collaborative spirit.



Our goal is to combine commitment to results with integrity, operating in a socially and environmentally responsible manner.

3. Our Vision

VISION 2025

By 2025 we aspire to be a point of reference for patients affected by chronic respiratory disorders, neonatal pathologies, rare diseases and other health conditions which are difficult to treat. We commit to offering patients, and those who take care of them, innovative solutions in the management of their needs, even exploring new frontiers in treatment and care.

As a family-controlled company, we want to continue to grow sustainably by focusing on key markets such as the US and Europe, but also expanding patients' access to care in key emerging countries like China. We aim to maintain a profitability level adequate to support our investments in innovation and development and our internationalisation efforts.

As a Benefit Corporation, we want to act as

a force for good, promoting a conscious and different way of doing business, that strives to achieve a positive impact on society and nature, handling resources in a circular way and creating a new harmony, finally sustainable.

We work to embrace state-of-the-art technologies to identify and develop new therapies, to streamline processes, improve efficiency, favour people working proximity and sharing.

We believe we can achieve all this only through teamwork, taking care with particular attention of the wellbeing and the excellence of all the people working with us. Leveraging diversity and creativity, we want to promote a working environment that welcomes everyone's contribution and awards personal accountability.

*EVERY ONE OF US IS DIFFERENT,
EVERY ONE OF US IS CHIESI*

The program named We ACT – We Actively Care for Tomorrow, was launched in 2018 as the expression of Chiesi's commitment towards sustainability:



SUSTAINABILITY MANIFESTO

We live in a time of great changes. The planet is exploited beyond its limits and its equilibriums are in continuous transformation. We are changing ourselves in the way we live and think about our society. The most fragile and vulnerable are paying the price: those who are often left behind in this rush forward.

At Chiesi we have always believed that it is necessary to take care of our planet and the people who inhabit it, rediscovering the value of mutual solidarity, as we are aware that every individual, as well as every living organism, is unique and irreplaceable.

This is why we want to make the assurance of high-quality medical research available for the most fragile individuals so that we can closely listen to and understand them as people rather than as patients.

We want to act as a force for good, promoting a conscious and different way of doing business which strives to achieve a positive impact on society and nature by handling resources in a circular way and creating a new harmony and sustainability. The well-being of all depends on this balance. For us, this is the only true form of progress.

Our team of professionals is highly motivated and open-minded as our culture guides us, valuing the diversity of each individual.

*The health of our planet and its inhabitants
deserves our best efforts.*

4. Our Values and Behaviours

Our values and behaviours form the basis of our company's culture and are the drivers of our energy. They are Chiesi's soul and they guide our everyday actions and relationships.

In 2020 we felt the need to re-align and refine those values in order for them to live alongside our shared value perspective more coherently. Our values are reinforced by our B Corp and Benefit Corporation status.



5. Measuring Our Global Impact: Our Frameworks

How we approach impact measurement and integrate ESG frameworks in core business

The success of a sustainable business model can only be achieved by measuring its impact. To this end, from the onset of our journey, we have developed a systemic approach which

integrates the various impact measurement and representation frameworks that we believe are key for our ESG and shared value strategy.

Specifically, the tools and frameworks we use are the following:

- B Impact Assessment™ of B Lab;
- Impact Profile;
- Benefit Corporation legal framework;
- Materiality and GRI standards; and
- SDGs of the UN (United Nations) and the SDG action manager from UNGC and B Lab.

To achieve our societal goals, it is crucial that this approach to business is an integral part of the very structure and core of the business. Our primary initiatives to deliver against this point of view are:

- **Core business and strategy:** In 2018, we built a strategic plan fully dedicated to sustainability, pinpointing the areas in which Chiesi would intentionally seek to increase its positive impact in the years to come. In 2020, we merged this process with the core business strategy. This enabled us to apply the shared value perspective and to consider impact-related considerations in everyday decisions which each function and affiliate will make now, and in the future;
- **Good impact, good decision, good data:** We believe that every good decision should be data driven. To do so, based on the above-mentioned frameworks, we support impact measurements with a structured and rigorous internal process for ESG data gathering. The process is now fully digital and will be further complemented by a new integrated tool to collect and manage ESG data worldwide;
- **Enterprise Risk management (ERM):** In 2018, we started a comprehensive ERM approach to have a unified risk management process for the Group. After a two-year set up and coordination process, in

2020, we integrated ESG issues and as well as a materiality analysis within ERM procedures;

- **Impact governance:** Establishing a structured governance, that allows shared value mindset integration, has been essential for us. We have a specific Shared Value & Sustainability department that oversees coordinating this integration in constant alignment with all key internal stakeholders such as Global Strategy and Global Finance departments. We have an Impact Committee reporting to our Board of Directors, responsible for monitoring and reporting about impact objectives. The Impact Committee includes Shared Value & Sustainability, Global Communication & Public Affairs, Research & Development, Global marketing, Global procurement, Global Rare Diseases, Corporate Compliance, Health, safety & Environment and Human Resources departments; and
- **Engagement and incentives:** Since 2017 the Group has carried out activities specifically aimed at spreading the shared value mindset among all employees. For example, our yearly event **We ACT Day**. Moreover, we ensure that these topics are embedded in the company's culture by providing yearly incentive plans at a Group and individual level related to achieving sustainability objectives.

The Group is engaged at an international level to follow the continuous evolution of the ESG frameworks and promote a stronger global harmonisation. We also have a specific focus in the pharmaceutical sector by participating in ad hoc workstreams within EFPIA, IFPMA and innovative platforms such as the Biopharma Sustainability Roundtable.

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1. Reporting Framework and Purposes of Common Benefit

Following the work begun in 2019 we have chosen to narrate how the company operates in practice using four dimensions. This is a comprehensive way to think about business alignment with the SDGs, proposed by Professor Jeffrey Sachs.⁴ This framework assesses the performance of a company through the analysis of products, processes, global value chain, and corporate citizenship. It allows for companies to duly report their contribution to the Sustainable Development Goals.

Chiesi has changed legal status in Italy, US and France according to the Benefit Corporation legislation. Chiesi integrated into its bylaws four key purposes of common benefit which are aligned to the above-mentioned four dimensions. The four purposes chosen by Chiesi Farmaceutici are:

- Commitment to continuous innovation to

- render all company processes and procedures sustainable to minimise negative impacts and enhance positive impacts on people, the biosphere and the local area;
- Positive impact on people and patients, with the aim of improving their health, well-being and quality of life;
- Contributing to the development of the local communities where the company operates; and
- Promoting an informed and sustainable approach to doing business, while also generating collaborative exchange with stakeholders.

The scope of each purpose of common benefit corresponds to one of the areas of Professor Sachs' model, thus creating a full alignment. Below illustrated is the visual representation of the Jeffrey Sachs model.



4. Columbia Center on Sustainable Development, Aligning Corporations with the Sustainable Development Goals, Summary of Conference Proceedings, November 2019

2. Impact Profile

Chiesi's Impact Profile is a qualitative graphic representation of the company's positive impact on different areas. The development of the profile begins with the impact areas found in the BIA (B Impact Assessment™) - governance, people, community, suppliers, environment, patients - and the related scoring system. The impact profile offers a common framework within the Chiesi Group and allows for an easier understanding of the relationships and interconnections between sustainability and the company's strategy.

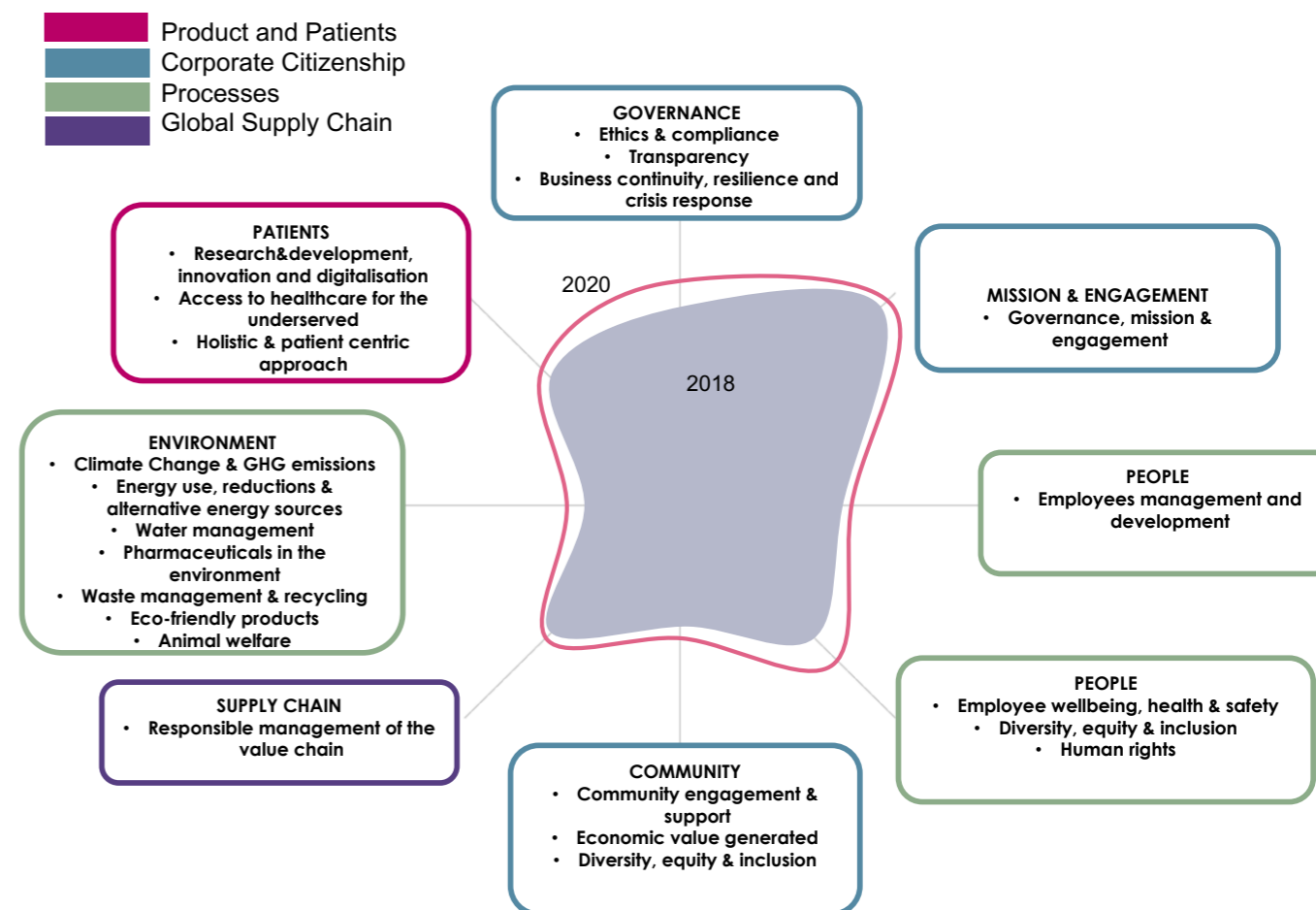
The profile is a compelling and clear way to communicate the strategy, that the company wants to pursue, this being to have a positive impact on Environmental, Social and Govern-

ance (ESG) issues. It allows us to engage our people in the realisation of common goals and put in place real actions to improve our profile.

All the actions included in the profile are in line with the concept of shared value.

The profile also serves as a comparison tool to monitor both performance and targets over the years and to compare the performance among affiliates.

In 2020 the profile was aligned with the material topics identified in the materiality analysis which are included under each area in the image below.



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3. Materiality Matrix

According to the GRI Standards, material issues are "those topics that have a direct or indirect impact on an organisation's ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large".

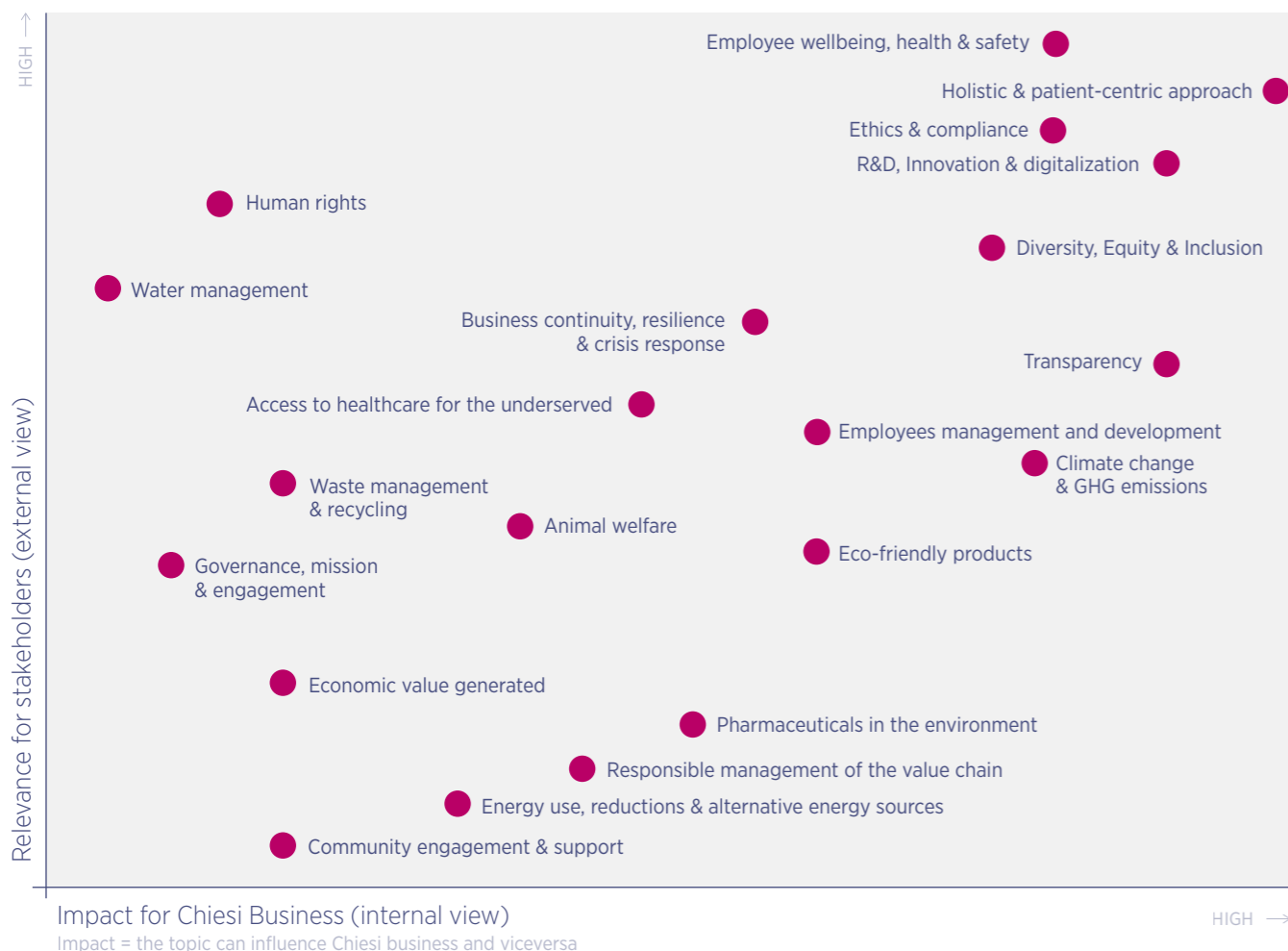
The Materiality Analysis is a key tool to help understand which issues are of relevance for stakeholders and, in general from an external perspective, should receive close attention by company management.

We updated the analysis in 2020 to rank the materiality of each issue on two levels: The impact of the issue in relation to the Chiesi

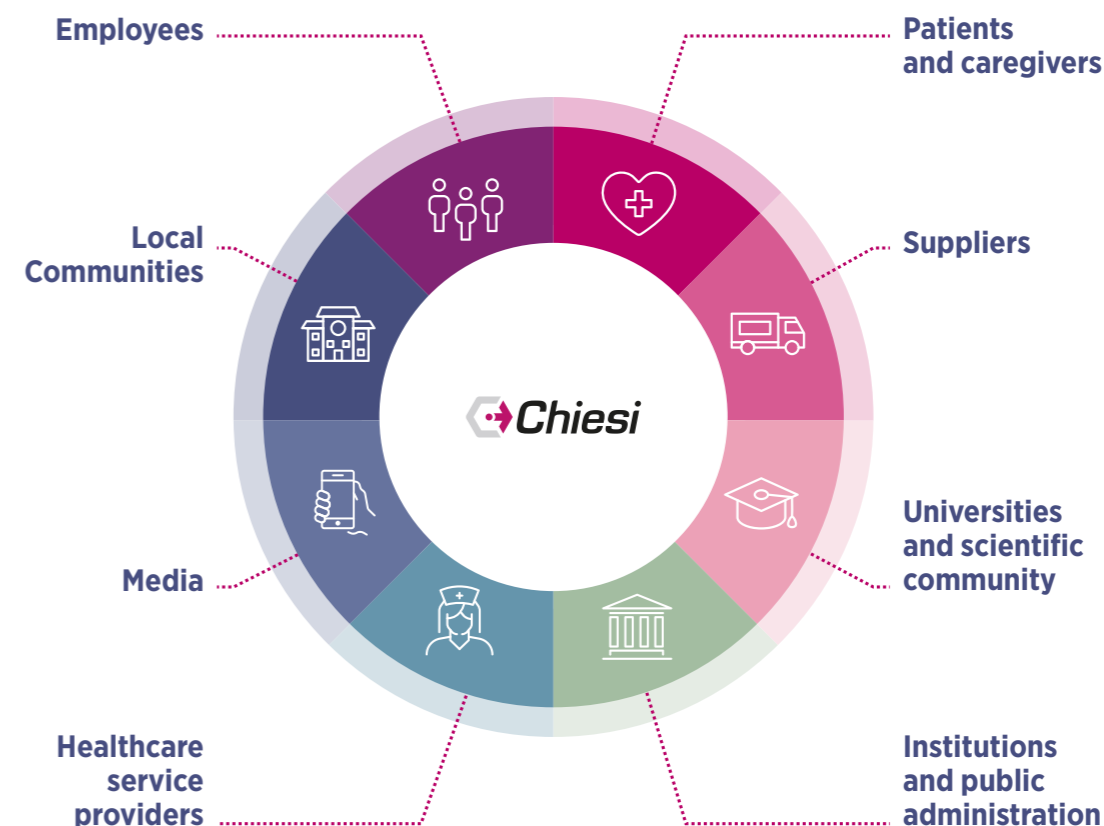
business, and its relevance for our main stakeholders. With the term "impact" we considered both how the topic can influence the Chiesi business and how our business can influence the topic.

The governance body responsible for the analysis and reporting of the company's impact, is the Impact Committee. In addition, the materiality analysis undergoes an approval process that is formally approved by the CEO and Board of Directors.

In 2020, we identified 21 material issues, which are represented in the matrix below.



THE STAKEHOLDERS MAINLY INVOLVED IN OUR BUSINESS MODEL ARE:



To better inform our materiality analysis, we engaged with stakeholders developing specific surveys to capture the voices of over 700 employees, 200 healthcare professional and approximately 60 suppliers.

Data-driven materiality analysis

To identify material and emerging issues to be addressed by our company and align with external and internal stakeholder expectations, we performed a materiality analysis using Datamaran: The only cloud-based software in the world that supports a comprehensive data-driven process for monitoring external issues and risks, including ESG. Datamaran offers real-time analytics on strategic, regulatory and reputational risks and opportunities, as well as executive ready insights. It strengthens our understanding of ESG, geopolitical, technology and emerging issues, enhancing our in-house capabilities to monitor their evolution.

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THIS ANALYSIS LED TO THE IDENTIFICATION OF THE FOLLOWING TOPICS:

AREA	MATERIAL TOPIC	DEFINITION
Product and Patients	R&D, innovation & digitalisation	Technological development and use of new products, services, and business models, and innovation as a process.
	Access to healthcare for the underserved	Contributing to increased access to healthcare through our products in specific therapeutic areas, including rare diseases and working alongside healthcare authorities to increase disease awareness and promote training for healthcare professionals, including those in low- and middle-income countries.
	Eco-friendly products	Assessment and management of the environmental impact of our products by taking into consideration the entire life cycle throughout the value chain.
	Holistic & Patient-centric approach	Activities and procedures aimed at offering high-quality products and services, and guaranteeing the patients' health and safety, ensuring the quality of the company's products and their compliance with laws and regulations. Activities to ensure an empathic approach towards our patients and their caregivers in order to develop services and products to significantly improve the quality of their life.
	Responsible management of the value chain	Management of the value chain and practices for procuring goods responsibly. Engagement of the value chain to promote the integration of the shared value mindset (throughout the qualification processes and business relationships with suppliers, collaborators and partners).
Global Value Chain	Employee's wellbeing, health & safety	Social, economic, psychological, health, safety, and physical conditions of employees in their workplace.
	Employees management & development	Human resources management and development and the ability to attract and retain talents. Training and development programmes to strengthen employees' managerial and organisational skills and consolidate job-specific professional skills. Motivation and fulfilment of employees allowing them to feel part of the company's achievements. Ensuring employees' alignment with respect to the Group's strategy and activities.
	Diversity, Equity & Inclusion	Growing and maintaining diversity in the workforce and ensuring equal opportunity and equal-pay-for-equal-work for all employees.
	Climate change & Greenhouse gas (GHG) emissions	Climate change impacts including sources of GHG emissions. Climate risk management.

AREA	MATERIAL TOPIC	DEFINITION
Processes	Energy use, reductions & alternative energy sources	Meeting energy requirements with traditional, alternative or renewable sources and reducing energy consumption.
	Water management	Use, management and conservation of water resources.
	Pharmaceuticals in the environment	Pharmaceutical chemical compounds increasingly found in the environment, their adverse effects to humans and other living species.
	Waste management & recycling	Unwanted/unusable material management, reduction and/or conversion into reusable material.
	Animal welfare	Animal studies and animal testing are mandatory for R&D-focused pharmaceutical companies to guarantee the safety and the efficacy of products. It is key to ensure the responsible use of animals to be ethically appropriate in research practices where suitable non-animal alternatives are not available.
Corporate Citizenship	Governance, mission & engagement	Mechanisms, procedures, and rules regarding the internal control, supervision, and decision-making system of the company. Implementing and promoting a shared value business model.
	Economic value generated	Effective and efficient resource evaluation and allocation to achieve short-term positive economic performance and middle- and long-term economic equilibrium. The ability of the Group to create and distribute direct economic value to different stakeholder categories.
	Transparency	Transparent behaviour around tax, economic contributions and public policies practices, clinical trials, and reporting practices of the company's impact. Both positive impact and areas of improvement, including non-financial topics.
	Ethics & compliance	Fair, transparent, and moral code of conduct towards the strategic and operational management of business and related compliance practices.
	Human rights	Fundamental rights ensuring basic conditions for all individuals to live in dignity.
	Community engagement & support	Engagement, support, and development to promote the health and well-being of a community, geographical area, or defined group of people.
Business continuity, resilience and crisis response	Business continuity, resilience and crisis response	Risk and financial management and resilience capability to ensure continuity of our operations and value creation also in response to critical events.

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4. Sustainable Development Goals (SDGs)

As we embark on the Decade of Action, it is crucial that businesses adopt an active role in achieving the Sustainable Development Goals (SDGs).

The 17 SDGs were launched in 2015 by the United Nations in the 2030 Agenda, as a set of defined goals, targets, and indicators that the world community must achieve in order to safeguard the planet and society.

Reaching these goals will require the involvement of stakeholders worldwide: governments, institutions, businesses, organisations, and individuals.

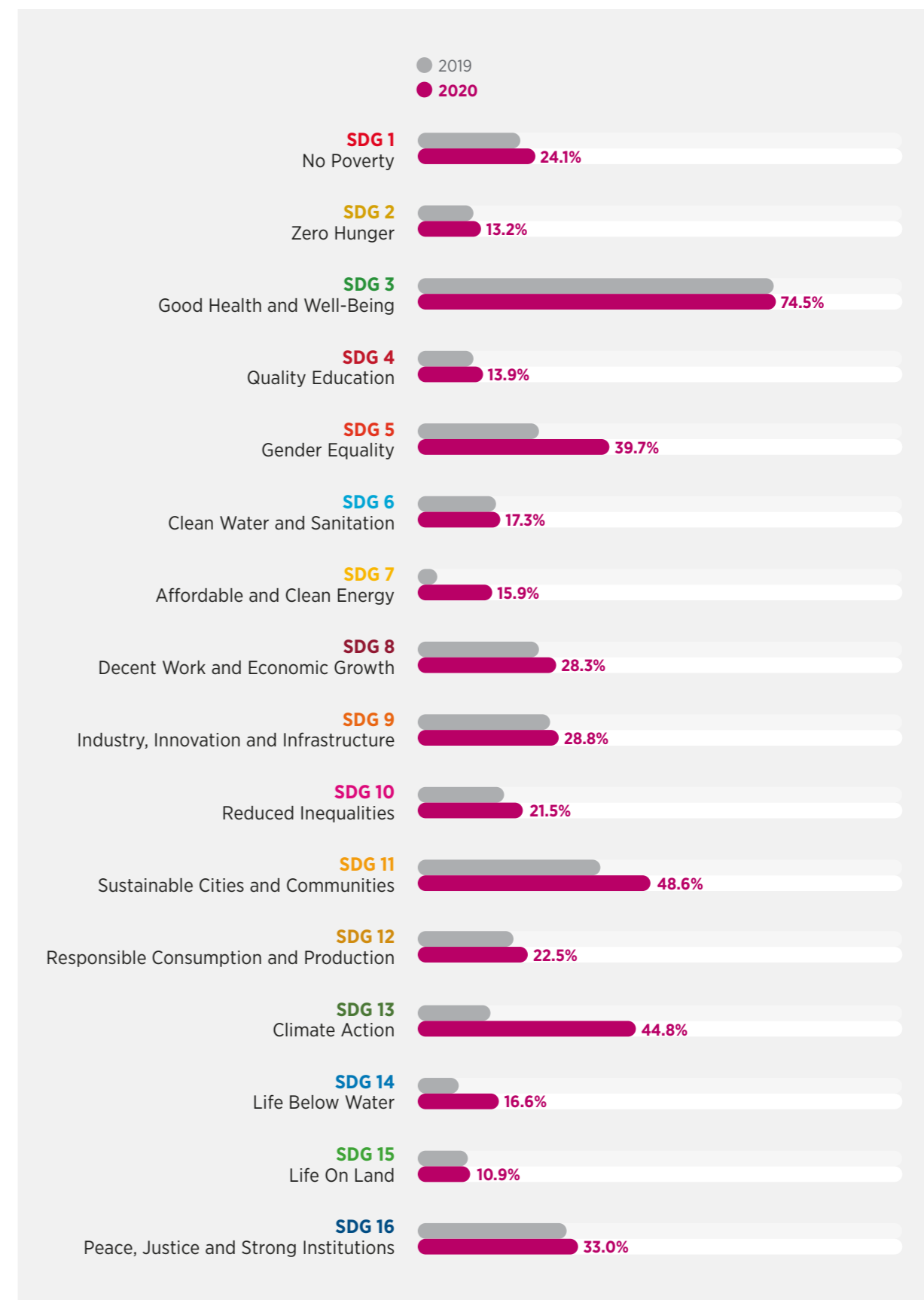
Our commitment to SDGs stems from a deep sense of responsibility regarding our impact and, at the same time, an important awareness of the role of business in fostering the transition to a long-term sustainable economic system.

While we recognise that the 17 SDGs are all equally important, we have determined that our contribution can be higher for the following nine which we have embedded in our strategic plan.



Measuring a company's contribution to the SDGs has thus far proved challenging. Beginning in 2019 we decided to use a new tool to measure our impact: The SDG Action Manager. It is an actionable management platform for businesses that allows them to assess, compare and improve their performance to deliver tangible progress on their Sustainable Development Goals by 2030.

The SDG AM tool is the result of a solid partnership begun in 2017 between the UN Global Compact (UNGC) - the UN agency responsible for guiding and supporting the global business community in advancing UN goals and values through responsible corporate practices and B Lab - the US based non-profit organisation that develops B Corp's measurement tools and encourages their worldwide diffusion.



Further detail on the Chiesi's impact on the SDGs in the dedicated chapter [page 163](#).

General principles of reporting:

This report is conceived and written in line with the design principles we introduced last year.

- 1. Impact:** This report is a practical tool that represents our business' impact. In line with the B Corp values, we dedicate the same level of accuracy in reporting our economic results as we do to report the impact we have on the biosphere and communities.
- 2. Transparency:** At Chiesi we want to go beyond what is legally required. We believe that transparency is a fundamental corporate value and a key driver of our company's management process. It is also an opportunity to benchmark ourselves against international standards as well as facilitate the reader in comparing our performances against those of our peers.
- 3. Accountability:** We describe not only the actions we put in place and the positive effects we achieved, but also the struggles and challenges we face.
- 4. Relevance:** The report is laid out following the four dimensions developed by Professor Jeffrey Sachs to comprehensively align business with the SDGs: products, processes, global value chain, and corporate citizenship.
- 5. Multidimensional approach:** This report integrates the most robust measurement and impact reporting frameworks available in order to conduct our business: B Impact Assessment of B Lab, Benefit Corporation legal framework, SDGs of the UN (United Nations) and the SDG action manager from UNGC and B Lab, GRI Standards (Global Reporting Initiative).

We are committed to communicating with the maximum transparency possible. We want this report to be useful to those who read it. In this spirit we welcome all your feedback, advice and your honest impressions that will enable us to improve communication on our activities moving forward. Please share your thoughts by writing us an email at csr@chiesi.com, thank you.

"At Chiesi, we stand with all those doing their part to halt climate change; we see our sustainability journey as an ongoing process. We are continuously improving and setting tougher goals. Our strong beliefs define our actions and how we do business. We also have the track record to back up our words".
Maria Paola Chiesi Shared Value & Sustainability Director of Chiesi Group

#EveryStoryCounts

We hold our suppliers to the standards of our Code

Eunice Tang

Procurement Manager, Chiesi China

The code of interdependence is not just a slogan, for us it's part of our DNA. It is our way of contributing to the world supporting the advancement of our sustainability initiatives as well as empowering our people and our value chain to embrace change. Implementing the code started from within - we had to first make sure our people were onboard - first aligning what it meant, how it would impact and influence our work. We then had to bring our suppliers on the same page; identify the right suppliers to include in our network; explain the code and deal with all of the resistances to change. We did this by bringing them to the thought that we are all interdependent, we all live on the same planet and are fighting for the same goals! With the suppliers, we started creating supply tenders, putting the code

as the heart of the tender; whoever could better meet our shared values. For the suppliers that do not meet our standards, we practice transparency and show them why they were not selected to work with us. This helps to show them what kind of company we are and that we stand upon our beliefs and values. It has been a great journey and we are making steady progress. I love change and I feel that I am in the right place if I want to see things changing; Chiesi is a leader in the market and we are all about pushing the limits, setting standards in sustainability and practicing innovation that walks the talk and just not stays on the "trend" and "must-dos".





Credits: Elena Kosachenko, Chiesi Russia

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Board Of Directors

Alberto Chiesi

President

Paolo Chiesi

Vice President

Alessandro Chiesi

Chief Commercial Officer

Andrea Chiesi

Head of Special Projects

Maria Paola Chiesi

**Shared Value
& Sustainability Director**

Giacomo Chiesi

Head of Global Rare Diseases

Ugo Di Francesco

Chief Executive Officer

#EveryStoryCounts

The Code of Interdependence is our big differentiator

Ronaldo Santos Silva

Procurement Manager, Chiesi Brazil

I have the joy to work for a company that lives under the B Corp principles and has sustainability at heart. We use the Code of Interdependence to begin conversations with suppliers and set our sustainability standards; it is a clause that goes in every contract and is made public on our website for everyone to see. In November 2020, we organized a virtual launch event of the Code of Interdependence and invited 100 of our more important suppliers. We didn't really know what to expect, but we were overwhelmed to see that over 70% of them were already working with the principles of the code, working towards more sustainable business, using for example recycled materials, using FSC certified paper that accounts for environmental compensation. We could

see that we were all going on the same path of the same journey. And it showed us that we can keep pushing; we need to keep setting ourselves higher goals and once that goal is met, set other ones. Our fleet for example is now 85% ethanol based and we aim to soon be at 100%. Once that is accomplished, we will aim to be 100% electric, and so on! The Code of interdependence sets the standards for the business of the future and Chiesi Brazil is being recognized by the market for its efforts and our B Corp values give us a shining differentiator when it comes to sustainability.



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#EveryStoryCounts

Everything will be okay

Tatjana Romanova

Head of Multi Country Organization (Balkan, Baltics, CIS, Mongolia), Chiesi IMDD

The year 2020 was already challenging for me both professionally and personally. My mother's health has been a major worry throughout the pandemic, as she is bedridden. She lives in Russia, and due to travel restrictions, I am no longer able to visit her. We are communicating only through video calls and it is incredible to me that even now she is the one supporting me with her optimism, saying "Everything will be okay".

During the first lockdown in Austria on March 22nd we received news from Zagreb, Croatia, stating that the worst earthquake in 140 years in Zagreb's history had destroyed parts of the city, among them the neonatology and pulmonology clinics at Rebro Hospital. Images showed young mothers on the street holding their newborns, still in their hospital gowns and trying to keep them warm in the minus two-degree cold. Premature babies in incubators were lined up

neatly on the street, people standing left and right to them wearing masks and winter gloves.

The big wish to support the people in Zagreb led us to use savings from our expenses budget (cancelled events due to Covid-19) in the amount of 200,000 euros, and transfer it as a donation to Zagreb, a uniquely high contribution in the history of our company. Our request was met with immediate and positive response by Chiesi's top management. News of this help was felt in Croatia as a sign of exceptional human solidarity.

In that moment I felt my mother's words to be truer than ever, and it demonstrated to me once again the important values in life, such as empathy and health.



Chiesi at a Glance

1. Economic Results

2020 saw overall revenues totaling **€2 billion 229 million** with an increase of 11.8% compared to 2019.

GROUP'S OVERALL TURNOVER (million €)



The Group currently employs **6,389 people**, 2,119 of whom are in Italy, within a global business consisting of **30 affiliates**, 7 research centres located in Italy, France, the US, Canada, China, the UK and Sweden, **3 production sites** in Italy, France and Brazil, and a **commercial presence in 100 countries**.

Among the main highlights of 2020, we would like to remark:

- The set-up of the Chiesi Canada affiliate;
- The consolidation of the Rare Diseases Business Unit in Parma, Italy, and Boston, Massachusetts, at the beginning of 2020;

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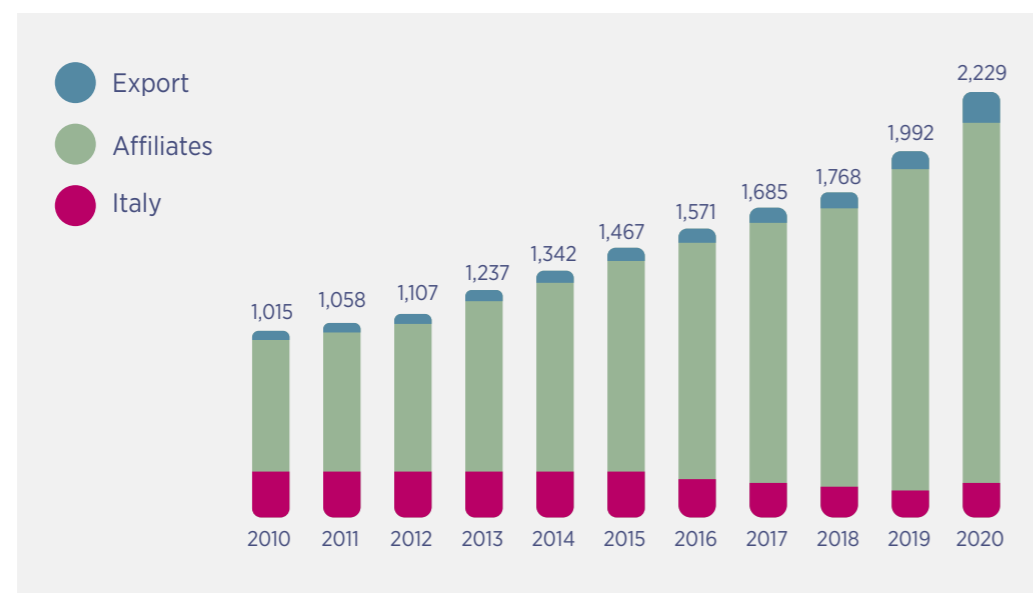
- Several key strategic partnerships at international level, among which the most relevant are:
 - an agreement with Moderna, Inc, aimed at discovering, developing and marketing new candidate therapies for the treatment of Pulmonary Arterial Hypertension (PAH);
 - an exclusive partnership with Kaia Health, a leading company in the digital therapy sector, for the European marketing of Kaia COPD Management, an app for pulmonary rehabilitation in people affected by chronic obstructive pulmonary disease (COPD);
- Gender equality: 53% of Chiesi's employees are women, a percentage which is higher in support functions, where they represent 54% and, in the Research & Development area, where they reach 64%; and
- The inauguration of the Group's new Headquarters in Parma, which testifies to the company's ambitions and its close ties with the local area.

2. Company Overview: Key Facts and Figures

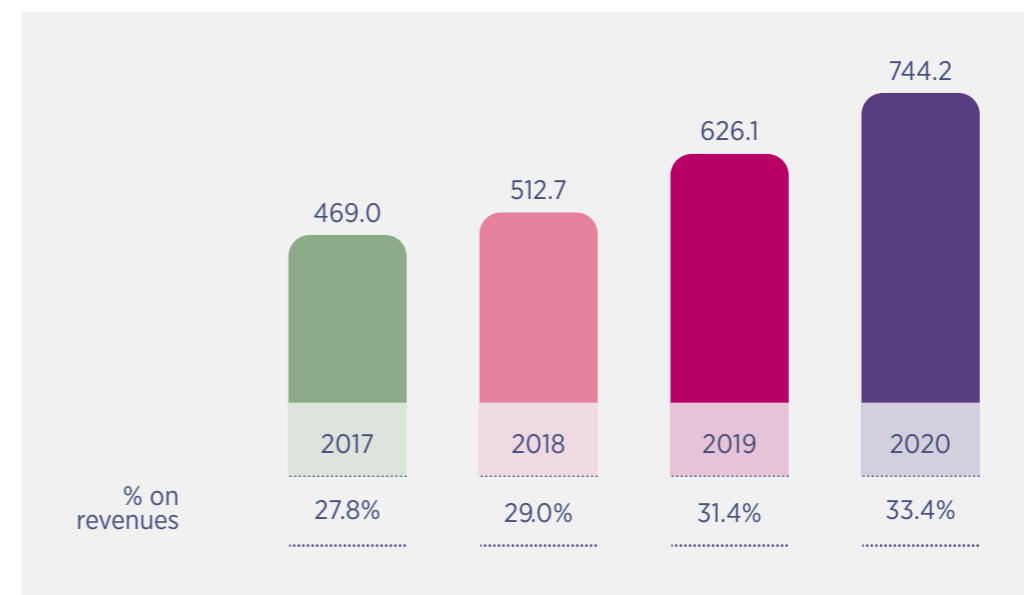
REVENUES

(MILLION €)	2020
Total Group Revenues	2,229

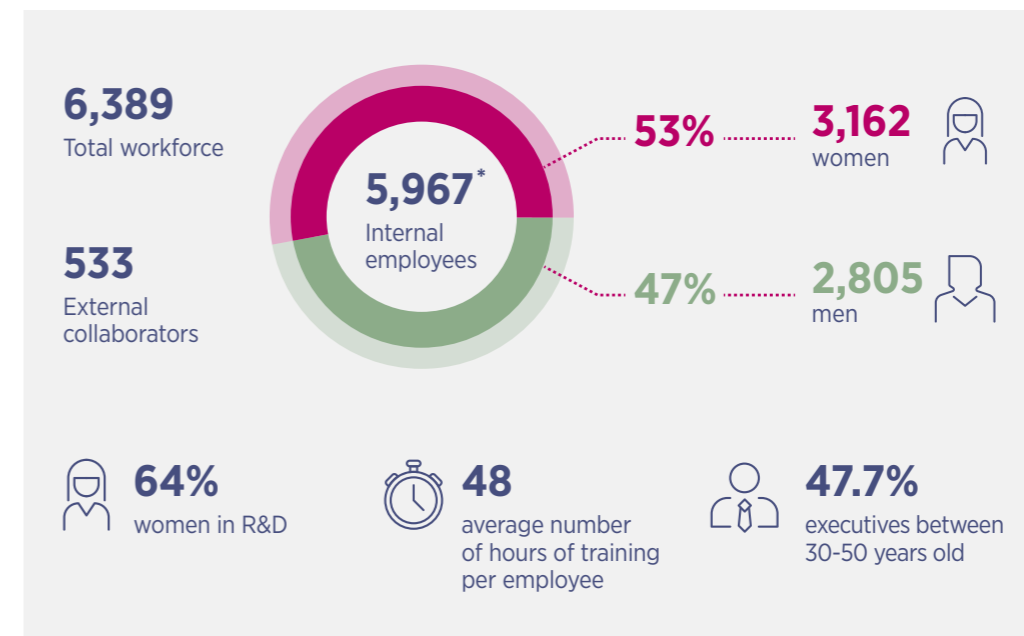
CONSOLIDATED REVENUES (million €)



EBITDA (million €)



EMPLOYEES WORLDWIDE



* The total number of employees includes long-term employee absences and therefore differs from the total number of employees reported in the Consolidated Financial Statement (equal to 5,856 at 31st December 2020) in which long-term employee absences are excluded, and it differs from the total workforce (equal to 6,389 on the 31st December 2020) in which external collaborators (field force contractors and ad interim employees) of the Group are included and long-term employee absences are excluded.

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OUR COMMITMENT TO OUR PEOPLE



- Chiesi was ranked 10th worldwide on the FT annual Diversity Leaders ranking that assesses 850 employers on diversity of gender, age, ethnicity, disability and sexual orientation in their workforces; and
- Great Place to Work and Top Employer at European Level.

“Chiesi encouraged me to go after my dream and hobby of photography and resulted in me winning the Green World Awards. This would have never been possible without Chiesi”.

Fahri Tunç
 Primary Care Product Specialist, Chiesi Turkey

3. Company Overview: Main Regions

TOP SIX ●

USA
Chiesi USA Inc.

UNITED KINGDOM
Chiesi Ltd.

ITALY
Chiesi Farmaceutici S.p.A.

GERMANY
Chiesi GmbH

FRANCE
Chiesi S.A.S.

SPAIN
Chiesi España S.A.U.

CHINA & INTERNATIONAL ●

CHINA
Chiesi Pharmaceutical (Shanghai) Co. Ltd

BRAZIL
Chiesi Farmacêutica LTDA

MEXICO
Chiesi Mexico S.A. de C.V.

PAKISTAN
Chiesi Pharmaceuticals PVT. Limited

TURKEY
Chiesi Ilac Ticaret A.S.

RUSSIA
LLC Chiesi Pharmaceuticals

INTERNATIONAL MARKETS DEVELOPMENT DIVISION (IMDD) ●

IMDD is a division also including the 68 countries where Chiesi is present with a network of partners.

AUSTRALIA
Chiesi Australia PTY LTD

NEW ZEALAND
Emerge Health New Zealand Limited

SWITZERLAND
Chiesi S.A.

MANUFACTURING ●

Parma, ITALY

Blois, FRANCE

Santana De Paranaiba, BRAZIL

RESEARCH & DEVELOPMENT ●

Toronto, CANADA

Chippenham, UK

Cary, USA

Parma, ITALY

Paris, FRANCE

Shanghai, CHINA

Stockholm, SWEDEN

EUROPE MID-SIZE ●

THE NETHERLANDS
Chiesi Pharmaceuticals BV

POLAND
Chiesi Poland Sp. Z.o.o.

BELGIUM
Chiesi S.A.

GREECE
Chiesi Hellas A.E.B.E.

SWEDEN
Chiesi Pharma AB

AUSTRIA
Chiesi Pharmaceuticals GmbH

CEE
HUNGARY
Chiesi Hungary Kft.

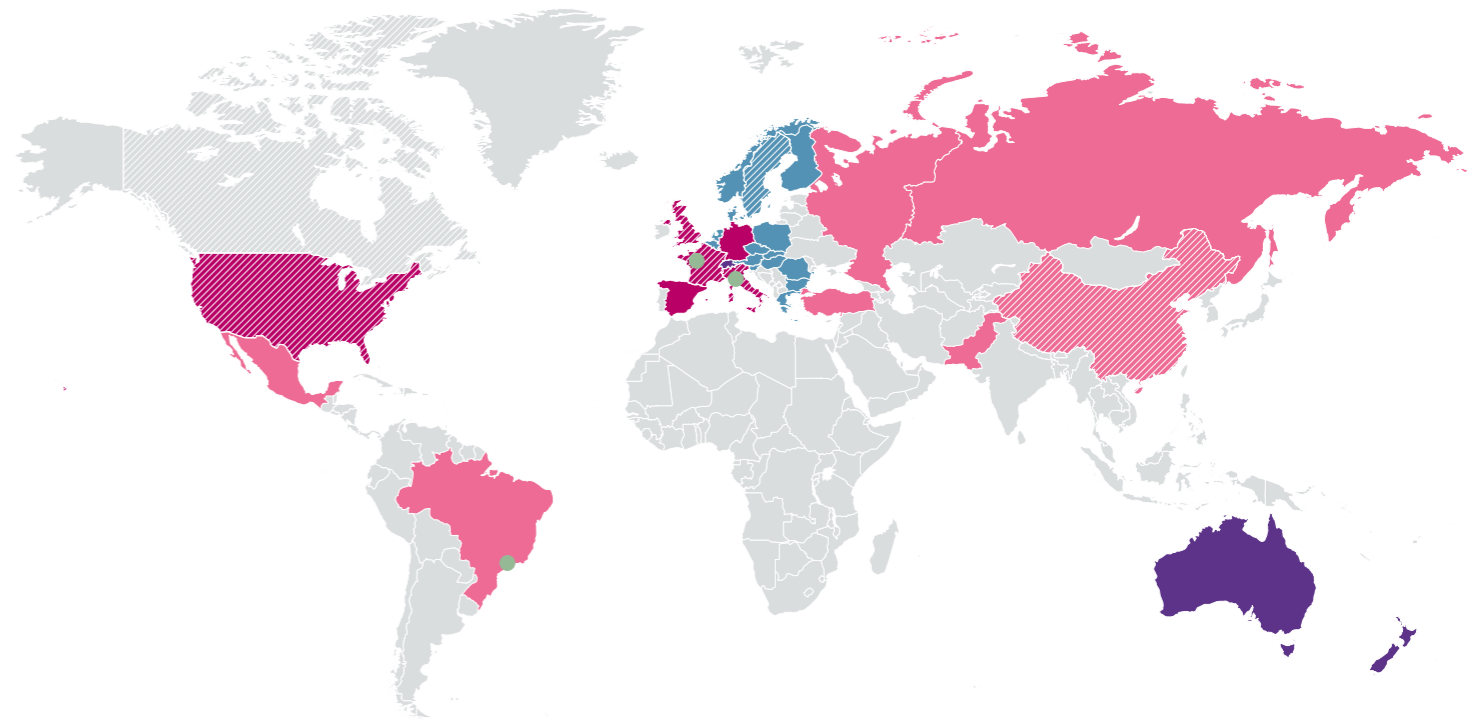
CZECH REPUBLIC
Chiesi CZ S.r.o.

SLOVAKIA
Chiesi Slovakia S.r.o.

SLOVENIA
Chiesi Slovenija D.o.o.

ROMANIA
Chiesi România S.r.l.

BULGARIA
Chiesi Bulgaria Ltd.



4. Company Overview: Main Products and Therapeutic Areas

THERAPEUTIC AREAS (million €)

THERAPEUTIC AREA	REVENUES	% ON REVENUES
Air	1,607	72.1%
Rare	164	7.3%
Care	458	20.6%
Total	2,229	

INVESTMENTS IN RESEARCH AND DEVELOPMENT 2020



European Commission - 2020 EU Industrial R&D Investment Scoreboard

IN 2020 CHIESI IS THE 1ST ITALIAN PHARMACEUTICAL COMPANY IN EUROPE FOR PATENT DEPOSITS



5. Therapeutic Areas

In early 2021, Chiesi unveiled a new visual identity inspired by its patients. The announcement marks the next step in an ongoing effort to create a corporate culture that is truly empathetic towards patients, as well as aligned with the highest ethical and sustainability standards, that Chiesi adheres to as a Benefit Corporation and a certified B Corp.

As part of this process, Chiesi Group pursued a novel approach of establishing an intimate dialogue with patients, their families, and caregivers to hear about real life experiences in the daily management of their pathology. In this context, Chiesi Group streamlined its brand architecture based on the three areas Air, Rare, and Care. The names of the thera-

peutic areas are inspired by the non-medical language patients use.



- **Air** represents the products and services that enable the treatment of respiratory pathologies, from new-born to adult populations;
- **Rare** focuses on the treatment of patients with rare and ultra-rare diseases; and
- **Care** combines products and services that support special care provided by medical professionals and consumer-facing self-care.



Products & services that enable respiration, from newborns to adults

Air is a portfolio of products and services related to the act of breathing, and the quality of air we breathe. This area includes the following respiratory conditions:

Asthma and COPD

Chiesi is fully committed to the care and improvement of the quality of life of people suffering from respiratory diseases including asthma and Chronic Obstructive Pulmonary Disease (COPD). Asthma and COPD are characterised by a reduction in respiratory flow even though they are driven by a different pathophysiological pathway.

Asthma is a chronic inflammatory disease characterised by recurrent respiratory symptoms such as breathlessness, coughing and wheezing as well as chest tightness. Under specific conditions and when asthmatic patient conditions are uncontrolled, airways are prone to inflammation, triggering an asthma attack. Consequently, several changes occur including bronchoconstriction, thickening of the internal mucosa and plugging of small airways, which in turn make breathing more difficult. Asthma onset occurs more frequently in children and adolescents, although in recent years first diagnosis in adults and the elderly are becoming more and more frequent.

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According to the latest estimates of the World Health Organisation (WHO), there are 235 million people across the globe – mainly children – suffering from asthma, while **251 million** people suffer from COPD (**Global Burden of Disease Study, 2016⁵**). By 2030 it is predicted to be the third leading cause of mortality. If measures to reduce disease-related risk factors – i.e., cigarette smoke – are not adopted, it is estimated that COPD-related deaths will increase by 30% in the next 10 years. The classic symptoms associated with COPD are dyspnea (shortness of breath), chronic coughing, and chronic catarrh production. In some cases, an acute worsening of the aforementioned symptoms may occur, triggering a COPD exacerbation. In general, COPD patients are also more prone to developing cardiovascular diseases, osteoporosis, diabetes, lung cancer and bronchiectasis, which in turn increases hospitalisation and/or risk of death. Unlike asthma, COPD is a late onset disease, and therefore touches the adult population since its development involves a slow and progressive exposure to risk factors.

In the ongoing quest for continued improvement in patient health, Chiesi researches and develops new therapeutic solutions based on the innovative formulation technology Modulite®. This innovation allows the creation of spray solutions (pMDI, pressurised Metered Dose Inhaler) for inhalation delivered in extra-fine particles. Chiesi Farmaceutici has patented and introduced into the market a dry powder-based medical device for inhalation (DPI, dry powder inhaler), NEXThaler, which is also able to deliver extra-fine particles. In its 2019 Carbon neutrality plan, Chiesi com-

5. WHO [https://www.who.int/news-room/fact-sheets/detail/chronic-obstructive-pulmonary-disease-\(copd\)#:~:text=The%20Global%20Burden%20of%20Disease,in%20low%20and%20middleincome%20countries.](https://www.who.int/news-room/fact-sheets/detail/chronic-obstructive-pulmonary-disease-(copd)#:~:text=The%20Global%20Burden%20of%20Disease,in%20low%20and%20middleincome%20countries.)

mitted €350 million to develop a new carbon minimal inhaler. This will preserve patients' choice by replacing current propellants in inhalers with an innovative low-global-warming-potential propellant (HFA152a), thereby reducing the carbon footprint of our pMDI by nearly 90% beginning in 2025, while continuing to invest in our DPI platform.

In the Air category, Chiesi has two main products which represent the company's commitment over the years to these two pathologies and the role it has taken to lead the innovation in the respiratory field:

- A fixed dual combination for inhalation of beclomethasone dipropionate and formoterol fumarate in a single inhaler which releases extra-fine particles; and
- A fixed triple combination of beclomethasone dipropionate, formoterol fumarate and glycopyrronium bromide in extra-fine formulation.

To access the full document "**Chiesi position on F-gases usage in pharmaceutical products**" please [click here](#).

For more information about our innovative low GWP propellant, please refer to our Patients and Products section.

Neonatology

Physiological delivery takes place between the 37th and the 42nd week of gestation. By that time, a fetus is fully formed and developed enough to be able to adapt to extra-uterine life. However, in some cases, delivery may occur before the 37th week of gestation. In that case, the baby is considered preterm.

The gestational age of a baby determines the degree of development of many organs. Among the most common complications of premature birth, is lung immaturity. Based on the degree of prematurity, lungs can be partially or even completely immature, and thus unable to ensure adequate respiratory function.

For nearly 30 years, Chiesi has been deeply committed to Neonatology working alongside the medical community and investing in Neonatal Research & Development. Chiesi ultimate mission is to offer innovative and effective treatment options to improve the level of care for preterm babies. Thanks to this continuous commitment and sharing the best clinical practices, Chiesi has become a global partner for neonatologists, bringing its life-saving medicinal products to nearly 100 countries worldwide.

We are specifically committed to the following conditions:

- Apnoea of prematurity: Immaturity of the central nervous system often results in episodes of spontaneous apnoea, which is usually defined as a cessation of breathing lasting more than 20 seconds. Clinically, this interruption can result in a slower heart rate and/or a reduction of the quantity of oxygen in the blood; and
- Neonatal respiratory distress syndrome (RDS): This is a frequent condition in preterm infants. Rather than identifying a single pathology, RDS usually identifies a complex clinical scenario of the symptoms which are due to an under-development of the respiratory system. The severity and incidence of RDS are directly linked

to the degree of prematurity. Infants born before the 28th week of gestation are the higher risk category. Respiratory failure in preterm infants with RDS is due to a shortage in the pool of pulmonary surfactant, which helps to create a film covering the inner walls of the alveoli. The physiological role of surfactant is to allow the lungs to expand and avoid collapse (atelectasis) during expiratory phases. Lack of surfactant results in breathing difficulties, low oxygenation, requiring an increased breathing effort and need for respiratory support.

In the field of neonatology, our flagship development is poractant alfa, a lifesaving product used to treat 5.3 million premature babies in nearly 100 countries. This product provides an effective replacement for the natural lung surfactant essential for normal breathing. This lifesaving treatment is commonly delivered through an invasive, but safe, placement of a tube into the baby's airways. To improve patients' quality of life, we have recently developed an alternative, a more patient-friendly and less invasive delivery system for surfactant replacement.

Cystic Fibrosis

Cystic fibrosis is a hereditary genetic disease. A mutation of the CF gene causes an alteration in a protein called CFTR, which is present in all organs and regulates the exchange of sodium chloride and water through cell membranes. The organs most affected by the disease are the lungs and the pancreas; in the lungs a thick, sticky secretion occurs, creating the ideal environment for the development of bacteria such as *Pseudomonas aeruginosa*. Sufferers are prone to recurrent infections and

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inflammation, which can in turn, also manifest themselves in serious conditions, such as pneumonia.

Chronic inflammatory processes can damage lung tissue over the course of time and subsequently lead to impaired respiratory function, which is the main cause of mortality in these patients. The symptoms of infection are numerous, and the degree of severity varies



Chiesi has focused, for decades, on keeping patients at the core of all we do, believing that no patient should be left behind. In 2019, Chiesi created a unit specifically dedicated to the development and commercialisation of medicinal products to address rare and ultra-rare diseases, as an even deeper focus on patients. The Global Rare Diseases Business Unit (GRD) was officially launched in February 2020. The unit is based in Boston, Massachusetts, and is a dedicated partner with global leaders in patient advocacy, research, and patient care. GRD is present in more than 20 countries including the United States, Europe and Canada.

“Chiesi has a long history of success in discovering, developing and commercialising innovative therapies to address unmet needs for people living with rare diseases. With the Chiesi Global Rare Diseases unit, we are taking this to an entirely new level – rededicating and strengthening

from case to case and from moment to moment: Persistent cough, breathing difficulties, expectoration, reduced stamina for physical activity, loss of appetite, a sense of feeling generally unwell and fever.

For more information, please click on the following link: <https://www.chiesi.com/en/air/>

our efforts to support individuals and families affected by rare diseases all around the world. At Chiesi GRD, the patient is at the centre of everything we do”. Giacomo Chiesi, Head of Chiesi Global Rare Diseases.

There are more than 7,000 rare diseases. 95% of rare diseases do not have an approved or experimental therapy. 70% are of genetic origin and as such are characterised by a pediatric onset. When not life-threatening, these diseases are often severely debilitating, progressive, and life-altering. Diagnosis timelines average 5 – 8 years, and misdiagnosis is a common setback contributing to health decline. 50% of rare diseases do not even have a patient support group.

We are specifically committed to these key disorders:

- Lysosomal Storage Disorders (LSDs) is a group of about 50 rare inherited metabolic disorders resulting from defects in the lysosomal function. They are cha-

racterised by an abnormal build-up of various toxic materials in the body's cells as a result of enzyme deficiencies. While clinical trials are in progress on possible therapeutics for some of these disorders, there is currently no approved treatment for most of them. We are dedicating our efforts to three different lysosomal storage disorders: Fabry disease, alpha-mannosidosis, and nephropathic cystinosis;

- Rare Hematology: Thalassemia and Sickle cell disease are two disorders that affect red blood cells. Both conditions cause problems with hemoglobin, depriving many parts of the body of oxygen;
- Rare Immunology: Adenosine deaminase severe combined immune deficiency (ADA-SCID) is an enzyme dysfunction that destroys immune system cells. Lack of the ADA enzyme also leads to neurological problems such as cognitive impairment, hearing, visual impairment, low muscle tone, and movement disorders; and
- Rare Ophthalmology: Leber's Hereditary Optic Neuropathy (LHON) is a rare ophthalmologic condition caused by mutations in mitochondrial DNA. Of the mitochondrial DNA disorders, LHON is the most common. Vision loss occurs in most patients with adult-onset of the disease and remains permanent. In addition to helping patients with LHON, we are also exploring other opportunities to help patients with a variety of other rare ophthalmologic conditions.

Patient needs are considered from initiation to completion of development and subse-

quent commercialisation of products.

The company is building and moving forward on a pipeline of innovative therapies for the treatment of other LSDs and rare diseases. In 2017 and 2018, with two separate agreements with Protalix Biotherapeutics, Chiesi acquired the worldwide rights to an investigational therapy currently in Phase 3 clinical trials for the potential treatment of Fabry disease. In 2020, Chiesi expanded its commitment to rare diseases with several acquisitions:

- The acquisition of the worldwide rights to Elapegademase, an enzyme replacement therapy approved in the US and Japan for adenosine deaminase deficiency, a rare, lethal immune disorder;
- The acquisition from Apotex of the worldwide rights to deferiprone; and
- The acquisition of a worldwide licence from Bioasis to their xB3 platform which has the potential to shuttle large molecules across the blood brain barrier and address neurological symptoms in a number of rare metabolic disorders.

For more information:

<https://www.chiesiglobalrarediseases.com>



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Products & services related to special care & consumer healthcare

The Care brand pillar is the Chiesi Group portfolio of products and services related to special care and consumer healthcare. It includes:

- Special Care – products provided and administered to patients by medical professionals to treat their specific, chronic conditions; and
- Consumer Healthcare – Healthcare products sold directly to the consumer.

SPECIAL CARE

Solid Organ Transplant (SOT)

Organ failure happens when an organ loses its ability to perform its physiological functions, and this creates a potential threat to both the quality of life and the survival of the patient.

Kidneys perform a variety of physiological functions, ranging from the filtering of blood to removing waste products in order to maintain the electrolyte balance, to regulating the production of red blood cells via the hormone erythropoietin. For patients in the critical stages of kidney disease there are two possible therapeutic approaches, either dialysis or organ transplant. The first is a palliative treatment where an external machine replaces the filtering function of the kidney. Although effective, in most cases this approach requires the patient to return frequently to the hospital for long and unpleasant sessions. In the event of an organ transplant, a new and functioning kidney (a graft) is added through a surgical procedure to recover the lost kidney function.

For patients with liver failure, the situation is

even more complex. A functioning liver is in fact absolutely essential for survival and, at the moment, there is no corresponding palliative therapy such as dialysis for patients with severe hepatic impairment. The only therapeutic approach is therefore represented by a transplant. Unlike renal transplant, the original liver is removed during the surgical procedure and then replaced by the new organ.

Two important limiting factors for transplants are represented by the availability of organs, which remains substantially inferior to the demand, and by the biological and immunological compatibility between the organ and the recipient. Physiologically, the immune system protects the body from external pathogens, by recognising what belongs to the host (self) from what does not (non-self).

Though critical in defending a healthy individual, in a transplanted patient receiving a graft from a donor (thus, strictly speaking, non self), this mechanism results in the immune system recognising and attacking the transplanted organ (rejection). Currently, the standard treatment for the prevention of organ rejection is a combination of immunosuppressive drugs, which lower the reactivity of the immune system enough to avoid rejection, but not enough to expose the individual to an increased risk of opportunistic infections. The treatment is administered throughout the entire life of the transplanted organ. The average life span of a transplanted kidney is approximately 10 years and is slightly lower for a transplanted liver. The standard of care currently in use is based on a triple combination of immunosuppressant agents, of which tacrolimus represents the main pillar. Chiesi's product portfolio includes a formulation for the treatment of transplant rejection in adult kidney and liver allograft recipients.

Cardiovascular Diseases (CVDs)

CVDs are the number one cause of death globally: More people die annually from CVDs than from anything else.

CVD refers to any disease that affects the cardiovascular system, principally cardiac disease, vascular diseases of the brain and kidney, and peripheral arterial disease. The causes of CVD are diverse, but atherosclerosis and/or hypertension are the most common. In addition, ageing causes physiological and morphological changes that alter cardiovascular function and lead to an increased risk of CVD, even in healthy asymptomatic individuals.

In the fight to prevent CVDs, the top priority is focused on the treatment of hypertension, as it is one of the biggest cardiovascular risk factors. As a matter of fact, it substantially increases the probability of cardio, cerebral, and reno-vascular adverse episodes. Moreover, the possible association with other prominent risk factors, such as hypercholesterolemia, smoking and diabetes, brings about a further significant increase in probability.

Therefore, the therapeutic choice must be based on individuals' global cardiovascular risk calculations, considering age, gender, history of cardiovascular events and the presence of other associated risk factors. Chiesi commercialises therapeutic solutions for the treatment of mild-to-moderate hypertensive patients and the treatment of essential hypertension in patients who do not adequately respond to mandipine or delapril monotherapy, with a daily posology.

CONSUMER HEALTHCARE

The Consumer Healthcare portfolio includes numerous branded products that provide people with a range of healthcare and self-care solutions to enhance their health and well-being. The portfolio is composed by local Chiesi Over The Counter (OTC) products, which differ from market to market, and the NHCO Nutrition portfolio (as of today mainly available in France). The OTC products portfolio, with presence in Italy, Spain, Germany, Brazil and Greece, covers different areas like cough and cold, probiotics, intestinal diseases, weight loss, cream, patches for pain and others.

NHCO is a French food supplement Company founded in 2008 and acquired by Chiesi in 2018. Leader in the world of micronutrition, NHCO focuses on research and development of formulas based on amino acids, through an innovative science called AMINOSCIENCE®. The scientific connotation emerges from its name, which is an acronym for the letters that identify Nitrogen, Hydrogen, Carbon and Oxygen, the building blocks of all amino acids.

AMINOSCIENCE® pursues the study and understanding of amino acids and their application as nutritional supplements, focusing on the production of patented complexes that combine amino acids with plants, vitamins and minerals. These products provide specific, powerful, and highly technical responses for individuals who seek solutions to improve their body's physiological functions.

NHCO has a vast assortment of products which range from the health segment (eg. sleep, menopause, joint comfort, multi-vitamins) to dermatological health, performance, pure amino acids, minerals, respiratory health and child immunity.

FOCUS

Product Quality and Reliability and Patients' Safety

To ensure the best treatment for our patients, we are committed to the highest standards of quality, safety, and reliability of our products. We are highly focused on innovation and the fulfilment of our customers' expectations, while maintaining strict adherence to regulatory requirements. Chiesi applies a global approach to the safety of its products to ensure a consistent standard of high quality across the company.

Providing a high-quality product means delivering against a specific range of expectations:

- Our patients have specific medical needs;
- Healthcare professionals focus their expectations on product efficacy and safety; and
- Pharmaceutical regulatory agencies monitor consistency of operations, addressing product safety, efficacy, and purity, as well as compliance of production process with regulatory requirements and industry standards.

Given the high level of diversification in our product portfolio, we implement different manufacturing strategies to guarantee the highest level of quality in our production process. All our products are produced in accordance with European (e.g., Good manufacturing practices) and international standards (e.g., US FDA, Sino FDA, Brazilian ANVISA) and in sites authorised by the relevant national and international regulatory bodies.

Our plants are constantly subject to inspections and assessments to verify compliance with current legislation and internal reg-

ulations. We also perform periodic self-inspections to maintain a high-quality control system.

Drug safety monitoring is an essential element of the effective use of medicines and high-quality medical care. Patients' safety is a fundamental requisite for all Chiesi products, and to ensure it, we rely on our pharmacovigilance and quality policies which are applied to all company personnel directly or indirectly involved in this process.

The global approach to patients' safety is also driven by a proactive approach to continuous improvement, according to the principles expressed in the guidelines released by the European Medicine Agency (i.e., Good pharmacovigilance practices), National Competent Authorities, and by the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (<https://www.ich.org/home.html>).

Pharmacovigilance and its' quality system are an essential element of clinical development and marketing of company products, which are therefore performed in a highly regulated environment. The safety profile of our products is strictly controlled by collecting adverse experience in patients who have been administered company products.

Data is analysed to evaluate if there is a causal relationship with the concerned product which then is promptly submitted to the

health authorities in accordance with the requirements, where applicable. In addition, data is cumulatively analysed in order to capture risks that could threaten the patient health and to put in place minimisation activities aimed to reduce or bring under control those risks.

The pharmacovigilance system monitors the benefit-risk profile of medicinal products, ensuring liability and appropriate action for products both marketed or under clinical development, when necessary. In addition, all relevant information to the benefit-risk profile of our products is fully and promptly reported to the appropriate authorities and to other concerned parties in accordance with the current legislation.

Our products are labelled with precise composition (quantity and name of each material). Pharmaceutical products are considered, according to the current regulatory framework, special waste and are to be disposed of by the end user accordingly.

The origin of the active material is indicated in regulatory files. The sourcing of each active ingredient, from a specific site, in a specific location is reviewed and approved by Regulatory agencies through the ASMF (active substance material file, or drug master file) procedure. All suppliers of material used in pharmaceutical production are qualified and routinely inspected by Chiesi to ensure their appropriateness of manufacturing operations, control of materials and supply chain.

"In the outbreak of Covid, Chiesi provided us with all necessary equipment to be able to come into work safely. We felt safer at work than anywhere else".

Giuseppe Impellizzeri, Paola Azzeo, Alessandra Capuzzi and Katuscia Zanacca
Global Manufacturing Division, Chiesi Headquarters



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Rosa Horri Cano, Chiesi Spain

#EveryStoryCounts

What started out as an illusion ended up with 290 dreams

Rosa Horri Cano

Communication and Sustainability Specialist, Chiesi Spain

In a year where Covid-19 was the protagonist, I had the chance to closely accompany the story of Noah Higón. As a 22-year-old girl diagnosed with seven rare diseases, none with available treatment, Noah has become a major reference for the entire Spanish rare disease community during the last few years. Just before "We Act Day" (Chiesi Spain), the day we celebrate our commitment to sustainability, Noah had a severe health issue that admitted her to the Intensive Care Unit (ICU), struggling between life and death. As Chiesi, we wanted to do something special to make her smile and feel good during her recovery, so we bought Noah's book, "De que dolor son tus ojos", for every Chiesi employee. It made her day to know that we had purchased 290 copies

of her book, since the profits contribute to the research of Rare Diseases. Shortly after, magic happened, Noah recovered from the ICU; she had won yet another battle. We had the chance to meet her shortly after her release from the hospital. All employees of Chiesi Spain had the opportunity to virtually meet her in a webinar where Noah taught us an impressive life lesson: No matter what happens, we all have the chance to feel alive and, most importantly, to really have an impact on life and in the world. At Chiesi, we reached our main goal: To make her smile.



Products and Patients

Our commitment to products and patients is to achieve one key positive effect:

To improve patients' health and caregivers' lives through a profound sense of empathy.

To ensure that this engagement is nurtured and supported in the future, Chiesi integrated the following specific purpose of common benefit in its corporate by-laws:

"Chiesi aims to have a positive impact on people and patients, with the aim of improving their health, well-being and quality of life".

The material topics included in the Chiesi's Products and Patients remit are:



Holistic & Patient-centric approach



R&D, innovation & digitalisation



Eco-friendly products



Access to healthcare for the underserved communities



Governance, Mission & Engagement

1. Improving patients' health and caregivers' lives through a profound sense of empathy

At Chiesi, we want to assure high-quality medical research, relevant for the most fragile individuals, by ensuring we listen closely to the patients' perspective on their disease and therapies.

"We want to ensure that empathy is at the core of everything we do. Everyone at Chiesi needs to truly understand our patients' needs and the experiences they make in managing chronic and rare conditions - day in, day out".

Alessandro Chiesi, Chief Commercial Officer, Chiesi Group

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#EveryStoryCounts

The competition that turned into a gesture of love

Thais Stadnik

Sales Representative, Chiesi Brazil

2020 was a year of loss and that hit hard those that are most vulnerable, including, for example, charity institutions that saw their donations decrease during the pandemic. To help some of these institutions, Chiesi launched a competition among employees to present and vouch for their favourite institution they believed was deserving of the 'grand prize'.

Having a daughter with down syndrome, I put my case forward, sharing how crucial early stimulation is for kids like this and the impact on the disabled person and family life. I presented the APAE (Association of Parents and Friends of Exceptional People) institution for children with disabilities. Unfortunately, APAE did not win the contest, which is ok since it went to another great NGO! During the

whole process I felt accomplished and happy to share my experiences. I was very happy with the messages of affection, warmth, and respect from colleagues.

Then, out of the blue, the love came! As a request from my colleagues, Chiesi invited all employees to make a donation to APAE and whatever amount was collected, Chiesi would donate an equal amount to the institution. I have nothing but gratitude towards Chiesi, my colleagues, family and especially my daughter. Who, through her life, has allowed us to demonstrate that everyone is unique, that we must respect each other's time and believe in their potential.

"A soon the Covid-19 hit, we expanded our existing #happyBREATHday digital Chronic Obstructive Pulmonary Disease (COPD) awareness campaign to inform COPD patients, their families and caregivers about the virus, and give them information on the measures they should follow to protect themselves, especially those with high-risk medical conditions, and the importance of their adherence to their treatment".

Giota Giannopoulou

Respiratory Project Manager, BU Primary Care, Chiesi Hellas



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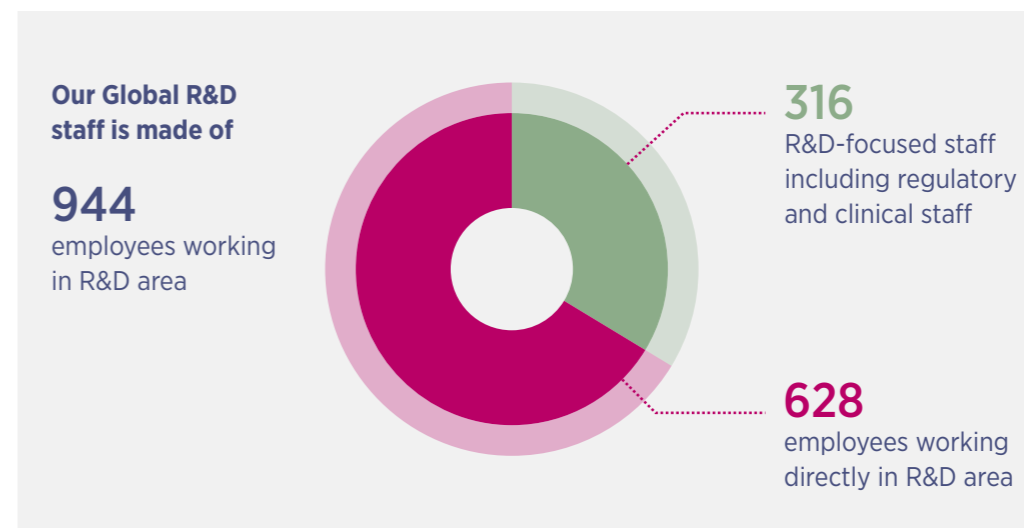
Highlights

Caring for people informs all of our decisions and shapes our ethical guidance. It is the very reason we exist. We do everything we can to provide care that is empathic, appropriate and provides continuous treatment, even for the rarest of disease.

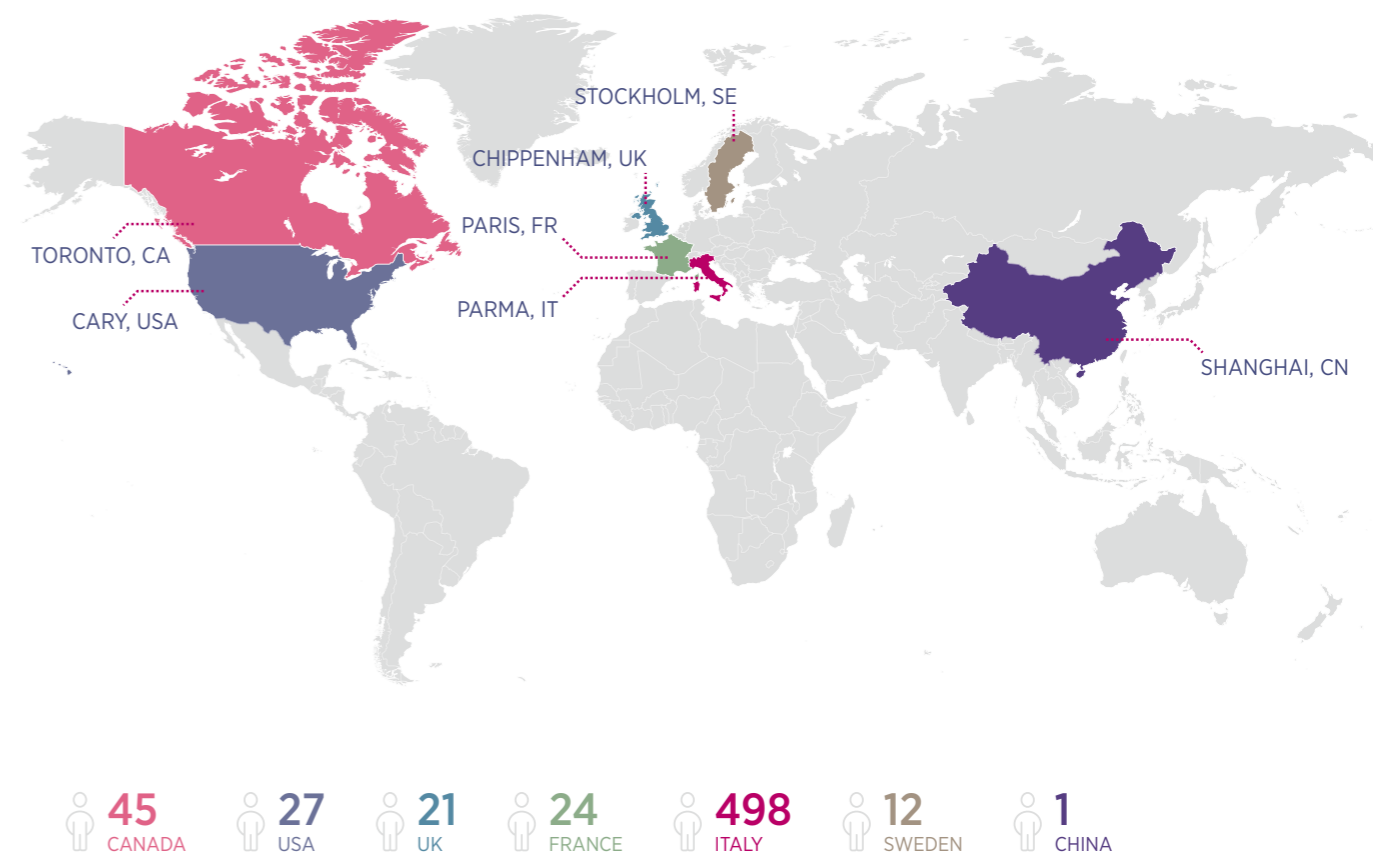
In order to provide the best care to our patients and their caregivers we have:

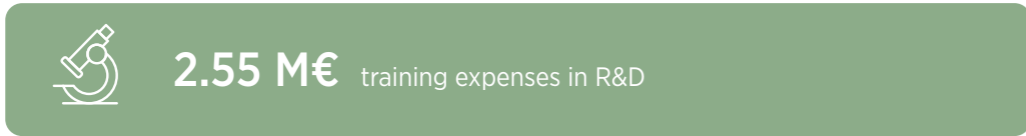
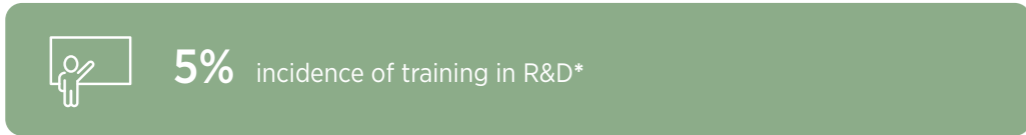
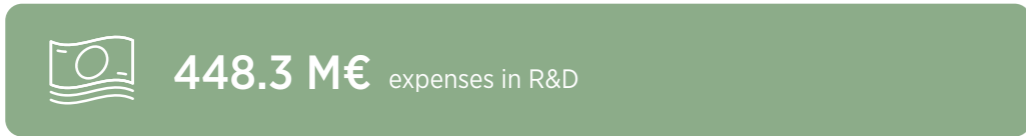
- Worked relentlessly to deliver on business continuity and protect our patients during the pandemic;
- Channeled our attention to shift our mindset from product-focused to full patient-centricity by:
 - Integrating patients' perspective from the early stages of research;
 - Collaborating with patients' organisation and patients' advisory groups to facilitate this dialogue;
 - Seeking Real World Evidence (RWE) to inform our research for "patient-focused drug development";
 - Launching a company-wide co-creation programme in collaboration with patients and caregivers to broaden the benefits of Chiesi's products and services;
 - Having a transparency policy in clinical trials with a patient-centric approach; and
 - Committing to also treat the rarest diseases with our dedicated Global Rare Disease Business Unit in Boston (USA);
- Started supporting our patients and their caregivers beyond medicinal products by providing patients services, digital health and therapeutics;
- Continued to share the responsibility of working towards improving patient access to healthcare, together with our stakeholders;
- Forged new R&D and technology-driven projects in order to better answer patients and caregivers' needs without having them make a choice between their health and the environment;
- Pursued investments in a low Global Warming Potential (GWP) propellant for our inhalation products; and
- Set the base to develop a Life Cycle Perspective (LCP) approach to mitigate the environmental impact of our therapeutics.

2020 GEOGRAPHY OF CHIESI R&D - OUR RESEARCH CENTERS

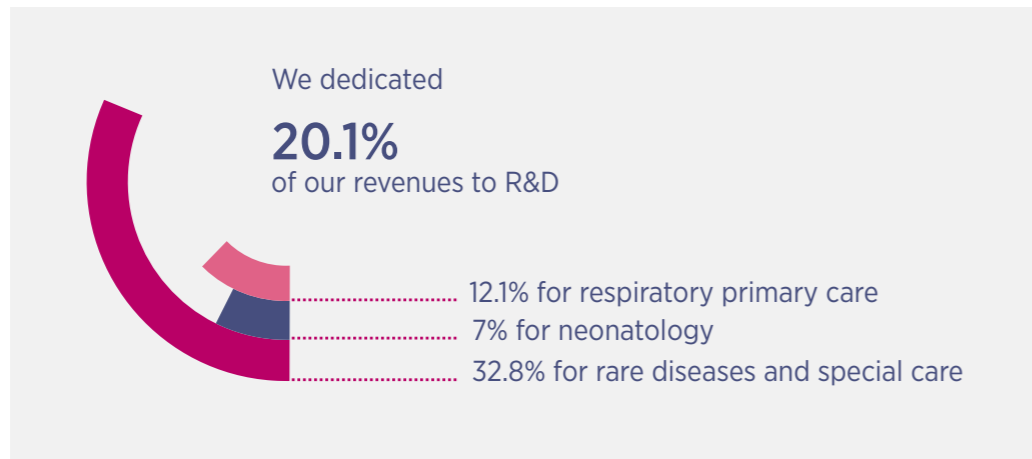


NUMBER OF EMPLOYEES IN R&S DIVIDED BY GEOGRAPHIC AREA

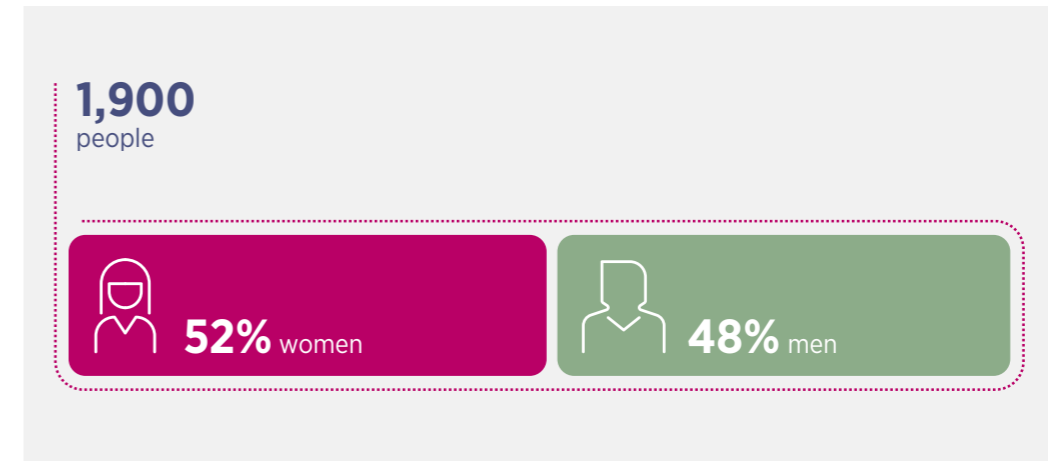




*on a total of 252 working days dedicated to training in R&D (The percentage of training hours dedicated to training is calculated considering all types of training (managerial, language and specific R&D training) delivered to the whole R&D workforce (worldwide research centers) over the workable hours)



GENDER DIVERSITY IN CLINICAL TRIALS IN 2020



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Improving patients' health is the result of a comprehensive action plan the Group is implementing. The main initiatives for 2020 are described below.

We worked relentlessly to deliver on business continuity and protect our patients.

In an unprecedented year like 2020, we worked tirelessly to deliver continuity of both supplies and treatments.

"The work we have done during the pandemic for me it has been very important: Important for our patients because we ensured continuity of the work of the company; important for the company for the same reason, because we were able to continue our work; important for our families because I brought home a salary and important for me as a person because it made me feel as though I was playing an active and important part during this phase". Chiesi employee

"We were afraid to get infected among ourselves because there was

always that low level fear. Nevertheless, every morning I remember waking up with a smile on my face for coming to work and producing drugs that were useful at that time". Chiesi employee

We operated at full capacity in partnership with our suppliers and managed to ensure this fundamentally important supply continuity. A critical and top priority for us was to ensure the supply of our life-saving treatments for premature infants during the Covid-19 outbreak. Beyond operational continuity, the pandemic greatly hinders access to care. It exacerbates many already existing challenges for people living with diseases, including access to treatment and medicine. This compelled us to develop innovative solutions, such as a home infusion campaign Chiesi set up in several European countries to support the most vulnerable patients.

ITALY

Educational campaign targeting cardiovascular patients to overcome the fear of going to hospital during the pandemic

During the pandemic, the fear of contracting Covid-19 frightened many patients with cardiovascular symptoms who could not refrain from going to hospital for their follow-up visits. In many cases, this situation caused a worsening of their state of health and serious consequences. In collaboration with GISE (Italian Society of Interventional Cardiology), an awareness and information campaign was launched on the major social channels to inform these patients of the safety of hospitals and the importance of going immediately to hospital in case of cardiovascular symptoms. The campaign had more than 700,000 total views.

BRAZIL

Project Day Hunter to enable easier access to healthcare services to patients with rare disease

To continue access to treatment for rare genetic disease patients, even during the most restricted phases of Covid-19, Chiesi Brazil supported a local project called Day Hunter - Contingency Plan for Covid-19, promoted by the Brazilian Association for Hunter Disease. The project offered ambulatorial support to infusion centres, providing patient transportation to the centres, qualified team and awareness about Covid-19. The services offered in this project were an important step to strengthen Chiesi's relationship with the local rare disease community, as well as to fulfill our role as a B Corp.

We are shifting our mindset from product-focused to full patient-centricity.

"At Chiesi, we are committed to letting the patient voice shape who we are, and we continue to learn from patients every day of the year". Giacomo Chiesi, Head of Global Rare Diseases, Chiesi Group

Since Chiesi's early years, we have been fully dedicated to deliver best in class innovation to the pharmaceutical industry across various therapeutic areas. In our more recent history, we have come to understand that in order to bring the best healthcare solutions, we need to rediscover the essence of our work by embedding a structured patient-driven perspective in the way we operate.

Our evolution towards a holistic and patient-centric perspective translated into specific projects we ran in 2020 to accelerate our mindset shift from product to patient. We engaged in a series of ethnographic interviews, conducted by expert anthropologists, with patients, caregivers and healthcare professionals in the field of respiratory diseases (Asthma and COPD) in order to truly understand their needs, concerns and expectations. The project also included a set of intensive workshops with Chiesi's employees from all

over the world to raise awareness, boost creativity and rethink our everyday work with a patient-centric mindset.

This project has allowed us to deeply connect with our patients and their caregivers. It enabled us to re-ignite the deep empathy that each Chiesi person has with patients and caregivers and bring back the spotlight to Chiesi's true mission: A community of genuinely empathic and resilient caregivers who seek to improve patients' and caregivers' lives. The key outcome of this journey was a total shift in our ways of working across all functions of the organisation. We are transforming our internal processes to be fully dedicated to our patients and their caregivers by listening to their real needs. These learnings will inform our R&D pipeline, our communication plans, our partnerships, and our overall marketing strategy. Below is a list of the most noteworthy aspects we have put in place in 2020 to nurture and grow patient centricity in our everyday work.

1. The Patients' perspective is integrated in the process from the early stages of research.

In 2020, Chiesi Group dedicated 20.1% of its revenues to Research and Development. Our investment levels in research put us first

among Italian pharmaceutical companies, second among Italian manufacturing companies and sixteenth among European pharmaceutical companies. Chiesi Group also ranks number one among Italian pharmaceutical companies and fourth among Italian companies across all sectors for highest number of patents filed. Research & Development is at the core of our activities, and for this reason we believe that it must truly be embedded within a holistic and patient-centric approach. Therefore, we worked on our Target Product Profiles (TPP) and Target Disease Profiles (TDP) to integrate patients' perspectives.

Target Product Profiles and Target Disease Profiles are key documents used to describe the desired characteristics of a new therapeutic solution during its development phase. They provide guidance to the R&D process. Last year, we updated our processes to include patients' feedback in both the Target Product Profiles and Target Disease Profiles by actively engaging with patients and reviewing

the strengths and weaknesses of their care and possible improvements to cover unmet needs through scientific and clinical research.

2. We collaborate with patients' organisation and patients' advocacy groups to facilitate this dialogue.

One of our goals is to develop and integrate collaboration with Patient Experts from the European Patients' Academy on Therapeutic Innovation (EUPATI) into the Clinical Development process and trials. Our priority is to build trust and confidence in order to get 360 degrees patient experts' contribution during clinical trials.

The primary outcome of this initiative is to incorporate co-development processes with patient experts in all phases of clinical trials by a Patient Expert Advisory Board and to have direct patient expert involvement. This will enable the development of more sustainable and patient-targeted studies.

UK

Asthma Patient Survey - to identify the psychological impacts of living with asthma

The survey was developed with a group of key opinion leaders, including a behavioural psychologist, and distributed to 500 asthma patients. From the results, a comprehensive campaign, called "Getting it off your chest" was developed. It included infographics and a video, to help educate healthcare professionals (HCPs) on the impact of living with asthma, in order to better support their patients. The materials have been viewed by over 3000 HCPs over 2020/2021 with a publication in a peer reviewed journal planned for 2021.

3. We work on Real World Evidence (RWE) to inform our processes and develop better healthcare solutions.

In 2020, we decided to embrace the challenge to include Real World Evidence (RWE) into the way Chiesi understands patients' needs in

real life, develops patient-focused therapeutic solutions, allows access to patients and continuously enables healthcare professionals to make clinical decisions that benefit a patient's health. This evidence generation approach to support healthcare decision-making is in

line with the movement pioneered by the Food and Drug Administration, towards "Patient-focused drug development", as a "systematic approach to ensure that patients' experiences, perspectives, needs, and priorities are meaningfully incorporated into the drug development and evaluation process". The use of "real world data" collected from the delivery of clinical practice to patients in a routine healthcare setting (e.g., hospital stay, ambulatory visits, home setting, digital health apps use) and outside the "experimental" context of randomised controlled trials, is seen as a rich and invaluable source of insight and evidence on the effects that a disease or a drug has on a patients' life routine.

Chiesi has traditionally used RWE in post-approval phases to confirm the safety of a treatment once in the market following regulatory requirements, or to answer clinical questions by physicians on the optimal use of available drugs.

Today our commitment goes deeper: Our goal is not only master and expand the post-approval RWE use to provide relevant and up-to-date evidence on the safety and effectiveness of our products in real life; but to also to use them to advance disease knowledge, unveil patient needs and design and develop new therapeutic solutions that demonstrate a positive impact on patient lives, regulators, payers, and physicians. We will of course conduct all these activities with the highest standards of quality and respect of data privacy regulation. In a nutshell, we want to "give back" to patients what they give us: Their real-life data transformed into better healthcare decisions and solutions.

4. We contribute to transparency in clinical trials with a patient-centric approach.

We have a company policy to implement Clinical Trial Transparency and Data Sharing. We developed a portal where Chiesi clinical trial data can be requested by external researchers under specific and predefined requirements. We are fully committed to transparency in our conduct of clinical trials, in accordance with EFPIA requirements, and we also want to boost transparency and collaboration, allowing our community to flourish from the process of knowledge sharing. Clinical studies sponsored by Chiesi, study-related and results-related information are made available on the Chiesi Clinical Study Register portal in accordance with our policy. In compliance with the local legislative and applicable requirements on clinical studies, we also disclose in public registries (e.g., EU Clinical Trials Register), the Clinical Protocol and Study-related Information and the Summary Results of those clinical studies sponsored by Chiesi.

Chiesi also approaches clinical trials transparency from the patients' perspective. We contribute to the EFGCP-EFPIA Roadmap Initiative to good lay summary practices, a multi-stakeholder initiative with over 60 participating organisations, which focus on defining best practice guidelines for the implementation and dissemination of lay summaries to enable non-scientific communities, including patients, to have a clear view of a studies' details and results.

Chiesi has furthermore developed an internal process for disclosing clinical trial results through Lay Summaries on a voluntary basis, and not only when requested by regulatory requirements.

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5. Each Life Is Rare. And We Are Committed to The Rarest Ones.

In late 2019, we launched a Global Rare Diseases Business Unit (GRD), whose purpose is to revolutionise the lives of patients with rare diseases. We created dedicated functions to ensure that a continuous, empathic, and pragmatic dialogue with people living with a rare disease as well as Patient Advocacy groups inform and shape our strategy and efforts. In 2020, we expanded and consolidated our Global Rare Diseases Unit in Boston. Thanks to the new organisation, Chiesi now serves rare disease patients in more than 20 countries across US, Europe and Emerging Countries. The only driver which influences decision making in the GRD are the patients and their needs. We focus our efforts on how to adequately engage with patients and their world in order to develop therapeutic solutions in areas of unmet medical needs and improve their quality of life. Our approach is as follows:

- **Patient Centric Meeting Model** – We start every team meeting with a patient testimony or story. The team then reflects on the link between the team meeting and the potential advantages for the patients. If the link cannot be established, the team meeting is cancelled. Additionally, the meeting leader ensures that throughout the meeting, the voice of the patient is clearly represented and considered central to the decision-making process;
- **Patient Advocacy** – Our vision in Patient Advocacy is *Let the rare* disease patient voice shape who we are. This translates into the following:
 - We listen and understand the journey and the needs of patients, their families and communities;
 - We engage in a broad reaching dialogue

beyond treatment to include awareness, diagnosis, access and support;

- We embed the patient's voice in our development process; and
- We support patients throughout their journey.
- **Patient Engagement** – Through our Patient Engagement process, we set up actions to facilitate their participation in clinical studies (e.g. Offering access to an app that facilitates their booking of flights and hotels when needed). We generate questionnaires to collect and assess patient-reported outcomes of clinical trials;
- **Patients Services** – Our efforts go beyond the pharmaceutical treatment in our mission to give the best to our patients. To achieve this end, GRD has a Patient Services team and provides a number of services to the patients via its specialty pharma partners around the world (where allowed by the local regulation), including:
 - Medication home-delivery;
 - Home-infusion (for injectable drugs);
 - Support with insurance companies to get access and reimbursement for the therapy;
 - Payment assistance programmes, co-payment support or coverage;
 - Daily therapy reminders;
 - Therapy refill reminders;
 - Administration training videos and appointment reminders;
 - Call centre and two-way texting with programme personnel to ask program questions, check patient status, or connect with a programme nurse to address urgent therapy concerns;
 - Prior authorisation assistance; and
 - Educational resources to help new patients manage their condition.

We started supporting our patients and their caregivers beyond medical products: Patients services, digital health, and therapeutics.

1. We supported patient's families with premature babies through various key activities throughout the world.

FRANCE

Offering support to parents of premature babies beyond the hospital walls

In 2020, we developed a digital application called "Bébé @home" which was co-created, with physicians, to support premature babies' parents when they get home from hospital. The app is user friendly and contains activities that teach parents key gestures and good habits. "Bébé @ home" will be available for free and for all parents who need it in 2021. Our ambition is to reach at least 10% of the families who need such support.

SPAIN

Sharing information to patients with respiratory disease through podcasts

"Respira" is a podcast campaign for patients with respiratory diseases who want first-hand advice and recommendations from a variety of health professionals. This project is to contribute to the training of these patients to improve their quality of life, increase the awareness of the importance of therapeutic adherence, as well as the correct use of inhalation devices.

2. We developed in Italy the first support programme specifically designed for elderly transplant patients. This dedicated service was delivered with the support of specialised nurses to address patients' doubts and relieve them from loneliness and fear related to their health condition after hospitalisation. The programme reached over 150 patients.

3. We gave relief to the indirect support persons of an illness, funding, for instance, mental health support programmes for caregivers, or sponsoring parents' associations.

USA

Donating and volunteering to support children who need to fly to access lifesaving healthcare

Chiesi USA provides resources and support for this unique non-profit organisation, which offers free commercial air transportation for families of children whose serious illnesses require treatment at healthcare facilities far from their homes. Chiesi USA and employees have donated money, miles, and volunteer time to pay for round trip airfares for the children and their families as their treatments required. In total, the equivalent value of more than \$11,000 in flight fare offsets has provided free flights for families in need. The donation grows as employees travel throughout the year.

ITALY

Supporting the development and usage of an App specifically designed for Parkinson patients

Parkinson Rehab is the first web App for people suffering from Parkinson disease that contains explanatory videos with an avatar. It was created with the support of expert neurologists, developed to be a real rehabilitation tool to improve patients' daily quality of life, containing useful exercises applicable to varying levels of severity. Chiesi supported its creation and the usage of the App by educating physicians and patients' associations.

4. We have formalised our commitment to Digital Health and therapeutics to modernise our offering and fulfil the needs of our patients and their caregivers.

Every day we work hard to meet patients' needs, trying to find more and more innovative therapeutic solutions for them. We have been doing this for a long time, thanks to the development and marketing of innovative and high-quality pharmaceutical treatments. Now we want to further support our patients by offering additional health solutions which go beyond a medicinal product and can effectively complement our Portfolio Strategy. For this reason, in 2020 we created a Patients Non-Pharma Solutions function.

We also announced a partnership with Kaia Health, a leading digital therapeutics company, to commercialise Kaia COPD Pulmonary Rehabilitation App in European Markets. The agreement marks one of the first times in respiratory care that a digital therapeutics company and pharmaceutical company partner to bring patients a digital therapeutic that supports COPD treatment outcomes through behavioural change, rather than relying only on pharmacology. More specifically, Kaia COPD is a digitised pulmonary rehabilitation program with the goal of improving quality of life of COPD patients. This allows Chiesi to address behavioural needs of COPD patients

in a way not possible through purely pharmacology products and address a societal need (easy access to rehabilitation) that has remained severely unmet. The official launch of the products is planned for the first half of 2021.

Open innovation

Innovation and best in-class solutions for our patients and caregivers cannot always be developed internally and have to be sought out through a structured mapping of business opportunities with the main innovation players in life sciences, innovative partnerships and acquisitions. Chiesi is cultivating a change of mindset with respect to its development strategies, approaching them with the key principle of collaboration and sharing of knowledge:

— We inaugurated a collaboration with Moderna, a biotechnology company pioneering messenger RNA (mRNA) therapeutics and vaccines, to find different ways to broaden product development using mRNA technology for the treatment of pulmonary arterial hypertension (PAH) a rare disease with an incidence of 2-5 per million adults. The agreement states that Moderna will lead discovery efforts, leveraging its leading mRNA technology and delivery platforms along with Chiesi's expertise in the field of PAH biology. In addition, Chiesi Group will lead develop-

ment and worldwide commercialisation activities and will fund all expenses related to the collaboration. This partnership was a key step to demonstrate our will to be at the forefront of innovation and of the discovery of novel therapies for people affected by respiratory diseases and with high-level unmet medical needs; and

— We invested in Cyclica, a neo biotech company working on decentralising the discovery of better medicines thanks to an innovative supervised learning AI technology for predicting molecular properties in the R&D phase to reduce attrition rates and the time from bench to patient.

USA

Supporting the American Society of Health-System Pharmacists (ASHP) Foundation's Leadership Scholars Programme

Chiesi USA sponsors the American Society of Health-System Pharmacists Foundation's Pharmacy Leadership Scholars Programme, which supports early-stage pharmacist researchers who are aspiring leaders in practice, research, and academia. The program provides monetary grants for research on diversity, equity, and inclusion within the health system pharmacy setting. The Chiesi USA sponsorship investment contributes to a total of five \$10,000 research grants for scholars who will ultimately collaborate to develop manuscripts for publication, as well as case studies and infographics to be shared broadly and made freely available and accessible online.

ITALY

Leveraging the Share2Learn to share advance and share knowledge with respect to complex clinical cases

Share2Learn is an innovative digital platform for Italian Cath-lab physicians, which allows the discussion and sharing in real-time of complex clinical cases, through live streaming from centres of excellence and an on-demand repository. It is an educational and valuable networking, created in partnership and with the endorsement of the Italian Society of Interventional Cardiology (GISE) and it is available on the website of the scientific society. Several clinical cases have been transmitted and recorded since 2018 (also in 2020 despite critical Covid-19 hospital situations), involving more than 300 clinicians online/offline and meeting their high expectations.

BRAZIL

Fostering digital innovation through local partnerships

Chiesi Brazil promoted its first Hackathon in partnership with a local university (University of São Paulo), challenging students to create a solution for the following problem: How can innovative solutions improve the daily life of patients with chronic diseases? There were 3 solutions delivered, one winner, and an enormous value added to Chiesi. In addition to the new innovative ideas generated for our business, the Hackathon's results also reinforced our position in the local Digital Innovation environment, and scientific community as well as contributing to our patient centric mindset and mission.

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With our stakeholders, we share the responsibility of working towards improving patient access to healthcare.

In 2020, healthcare systems across the world, faced an unprecedented health security crisis.

In addition, other transformational trends such as the aging population and the increasing burden of chronic diseases have been looming over the industry in recent years. All these factors highlight the need to strengthen the resilience of our healthcare systems in order to better weather future shocks while answering to the increasing demand.

For Chiesi, access is thought of within a multi-factorial and multi-stakeholder framework, with shared and common accountabilities, keeping the patient at the centre. We believe that broad, sustainable access to health care can only be achieved through the collaboration of all the relevant actors present in the ecosystem, understanding root causes of delays, bringing concrete solutions and moving towards resilient, sustainable healthcare systems. As such, we commit to working together with all stakeholders - Governments, health care system, patients and their families, healthcare professionals (HCPs) and the industry - towards the objective of improving quality of care and equitable access for patients, across the world. Every day, we engage in global, transparent, continuous and serious dialogues with healthcare stakeholders to ensure that access is expedient and fair.

We partner with and listen to patients and patient advocacy groups (PAGs), as well as healthcare professionals in our quest for meaningful innovation from the earliest stages of development; They are key to identifying and communicating ongoing unmet medical

needs. During development we track users' (patients, caregivers, healthcare professionals, etc.) experience of care, always including Health Related Quality of Life monitoring as an essential element of the value we deliver. We also work to make sure that both patient experience and patient preferences shape the added-value assessments conducted by payers and HTA bodies.

We champion meaningful healthcare system investments which align the objectives of patients, governments and payers, and the pharmaceutical industry. We are working to reduce barriers to access, and in order to meet this goal we support, where possible and meaningful, commercialisation of our brands with expanded and/or early access programmes.

Our Research and Development team organises and oversees programs approving access to medications still in clinical trials for patients whose Health Care Providers (HCPs) recommend such therapies. Such programmes are considered a risk for many companies. Still, we believe that the opportunity to save a single life warrants such a risk and we have created an Expanded Access Program for Fabry Disease patients to access pegunigalsidase alfa, currently under clinical development.

In the commercialisation phase, our procedure mandates that pricing policies for different geographies should always consider both financial sustainability for a company and sustainability for the respective healthcare system(s), meaning, in this context, that neither the first nor the second should be put under stress by the introduction of the product into the market.

We support and adopt innovative agreements to overcome patient access hurdles. Managed Entry Agreements⁶ either financially or outcome-based are all part of our approach to improve patients' access to medicine. When used appropriately and in a tailored way, they can accelerate patient access, allowing payers to manage clinical uncertainty and budget impact, while providing sufficient incentives for innovation.

Chiesi offers its therapeutic solutions in more than 100 countries worldwide and keeps expanding its geographical scope. Ensuring the supply of high-quality medicinal products for our patients is our core business, which is achieved through a comprehensive action plan performed across the organisation.

FOCUS

Some examples of our commitment

- **Humanitarian Response to Drug Shortages.** Hemoglobinopathy patients were at extreme risk following explosions at a Beirut port on 04 August 2020, which impacted their accessibility to supplies (blood bags, transfusion equipment, medicines, and PPE). Chiesi Global Rare Diseases responded through a partnership with the World Health Organisation and the Thalassaemia International Federation by donating and ensuring delivery of deferiprone to the Chronic Care Centre in Lebanon; and
- The **Chiesi Foundation** is committed to improving health and alleviating the suffering of patients with respiratory and neonatal diseases in those countries where Chiesi does not have commercial reach. In 2014, we launched the **NEST (Neonatal Essential Survival Technology) model** in Burkina Faso, to reduce neonatal mortality rates by improving the quality of neonatal care in countries with limited resources. Nowadays, the NEST model is implemented in Burkina Faso, Burundi, Togo and Benin. In south America, we are running **GASP (Global Access to Spirometry Project) to develop specific clinical skills for the diagnosis and management of chronic respiratory diseases** such as asthma and chronic obstructive pulmonary disease (COPD), through the introduction of spirometry capacity and training activities. GASP is currently implemented in Guyana and Peru.


Neonatal Essential Survival Technology


GLOBAL ACCESS TO SPIROMETRY PROJECT

6. [https://www.oecd.org/health/health-systems/pharma-managed-entry-agreements.htm#:~:text=Managed%20entry%20agreements%20\(MEAs\)%20are,their%20financial%20impact%20or%20performance.](https://www.oecd.org/health/health-systems/pharma-managed-entry-agreements.htm#:~:text=Managed%20entry%20agreements%20(MEAs)%20are,their%20financial%20impact%20or%20performance.)

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We forged new R&D and technology-driven projects in order to better answer patients and caregivers' needs without having them need to make a choice between their health and the environment.

"The health of our planet and its inhabitants deserves our best efforts" is the final sentence of our We ACT Manifesto and we firmly believe in this statement.

We all know global warming has devastating effects on the planet and on human health. Governments, NGOs, international organisations and citizen groups are calling for urgent, and widespread change.

Several studies show the impact of climate change on health issues and of the use of medication on the carbon footprint.⁷ Climate change increases pollution, which impacts respiratory diseases. This aspect of climate change needs more attention and we need to better understand the link to properly address it.

We recognise the health of the planet is also the health of the people inhabiting it and we are committed to contributing to these efforts, first of all through our Carbon Neutrality goal.

We pursued investments in a low Global Warming Potential (GWP) propellant.

We believe that the development of the transition to pMDIs containing a low Global Warming Potential (GWP) propellant (reducing pMDIs carbon footprint by 90% down to the level of DPIs) offers environmental bene-

fits and ensures patient health far better than any other option, such as forcing a switch to dry powder inhalers (DPIs) – which do not contain propellants.

In November 2019, Chiesi Group signed the first commercial agreement with propellant gas supplier Koura, to secure supply of HFA 152a (1, 1-difluoroethane) which is classified as a low GWP propellant (its GWP value is ten times lower than HFA 134a, the propellant currently used). Chiesi has a 5-year, €350 million investment plan to introduce the first Carbon Minimal pMDI inhaler by 2025, while continuing to invest in DPIs.

Restrictive and short-term approaches to reduce the environmental impact by limiting the use of pMDIs risks undermining the innovation ecosystem around carbon minimal pMDIs. This not only risks impeding patient access to the innovative solutions that they need, but also risks disincentivising innovation to achieve such ambitious environmental objectives.

Implementing our Carbon Minimal Inhaler plan also requires a new way of engaging with industry stakeholders on carbon neutrality in order to collaborate more effectively. In order to gain an in-depth perspective on the topic of "inhalers and environment" from the clinical point of view, we organised a dedicated European Advisory Board with top physicians across European Countries and a first Patients Advisory Board in the UK.

Patient health will always be at the centre.

The optimal choice of the most suitable inhaled therapy is a complex decision taken

between doctor and patient. A proportion of patients rely on using products delivered through a pMDI to manage their condition, including those unable to use DPIs (e.g., low inspiratory flow, children).

As such, products delivered through a pMDI need to remain a treatment option for asthma and COPD patients, particularly for those who rely on pMDI treatments they trust to manage their condition and for those for whom pMDIs are the only suitable option.

Patient choice and health are at the heart of Chiesi's portfolio and innovation pipeline, and we are committed to ensuring patient access to all available treatments for respiratory conditions (both in pMDIs and DPIs).

We set the base to develop a Life Cycle Perspective (LCP) approach to mitigate the environmental impact of our products.

In the near future, governments and society will focus more and more on the Circular Economy and companies will be accountable for products throughout their life cycle, not only production.

In 2020, we reinforced our approach to the sustainability of our products to cause minimal damage to the environment, by pursuing an intentional sustainability profile in our products' design and lifecycle, based on

scientific principles and targets.

We are entering into a complex and almost uncharted territory, but we believe our role is to lead the way towards a cultural shift by setting higher environmental expectations in the pharma industry.

The process of developing products that are sustainable by design is done thanks to a tool that starting at the end of 2020 is embedded in our R&D processes. The tool's function is to analyse and assess the potential environmental impact of our products and covers 8 main areas:

- Green chemistry;
- Safety and bioaccumulation;
- Better materials, like plastics and paper;
- Device Design;
- Carbon Footprint;
- Process and industrialisation;
- Supply chain; and
- Hazard assessment and risk management.

This process is designed to analyse and assess the environmental impacts of our products as well as trigger improvement actions both at the research and in production phase.

We have launched a few initiatives in the UK and in France to reduce the end-of-life impact of inhalers, which represent a total of 107 million pieces used each year in both markets cumulatively.

FRANCE

Contributing to inhaler recycling and awareness raising

Since 2019, Chiesi France has been the main sponsor of a recycling initiative called "La Collecte Gaia" in collaboration with Fondation du Souffle, a major French respiratory patients and health-care professionals association. Our role is to develop an awareness campaign targeted at general practitioners, pulmonologists, pharmacists and patients through our medical representatives' network. In 2020, the campaign reached 2.20% of devices collected among 15,000 tons of unused drugs returned to pharmacies.

7. Climate change: challenges and opportunities for global health. Patz JA, Frumkin H, Holloway T, Vimont DJ, Haines A. JAMA. 2014 Oct 15;312(15):1565-80. doi: 10.1001/jama.2014.13186.

UK

Encouraging inhaler recycling and researching sustainable plastics

The unique, postal inhaler recycling scheme, launched February 2021, is a proof-of-concept project to test feasibility in a designated area of the UK (Leicestershire). Pharmacies issue a pre-paid pre-addressed envelope to the patient, who can insert up to 4 inhalers – any device/brand, and then posts it to a specialist waste disposal unit. The component parts of the pressurised metered dose inhaler are recycled, and other device types are destroyed using waste-to-energy disposal systems. In addition, the UK team has started work, as part of a UK government grant, to research sustainable plastics for the development of future sustainable inhaler devices. Both projects will be evaluated over 2021.

THE STRUGGLES WE ARE FACING

Moving away from a product-driven conversation

This requires a different approach and new channels especially with traditional stakeholders who need to be fully engaged. Some challenges we face may require us to find new ways to raise patients' and caregivers' voices.

Designing eco-friendly products in a high regulated context

At Chiesi we recognise that the industry is not yet ready to incorporate environmental sustainability principles in products' design. No platform nor common framework exists. Eco-friendly products must become the new normal, supported by a shift in mindset as well as the availability of new tools and competencies.

We are deciding not to wait on the industry with the ambition to stimulate our competitors in what needs to become common thinking. All of our products will be researched, developed, produced and distributed while considering their impact on key areas. We will base this path on science, develop new tools and processes to increase circularity and set transparent improvement targets. This will support our Carbon Footprint and journey towards Carbon Neutrality as well.

We will determine a new pharmaceutical product development way, to generate a positive impact on people and the planet.

Working across markets which have different patient association structures

Not all countries have local patient associations and when they do, they often have very different organisational structures. This makes it challenging to roll-out our support and engagement in all geographical locations where we operate and achieve our objective of finding new ways to give visibility to patients' voices.

Managing the structural changes generated by Covid-19

First of all, ensuring to serve our patients and make sure life-saving products were distributed was the biggest challenge, which allowed us to test our resilience.

Another challenge for our sector lay in the reduced contact with pneumologists and doctors, wholesalers and pharmacies that the pandemic caused, which is being slowly counteracted by digitalisation and an evolution of internal capabilities and processes.

#EveryStoryCounts

The year of days without time

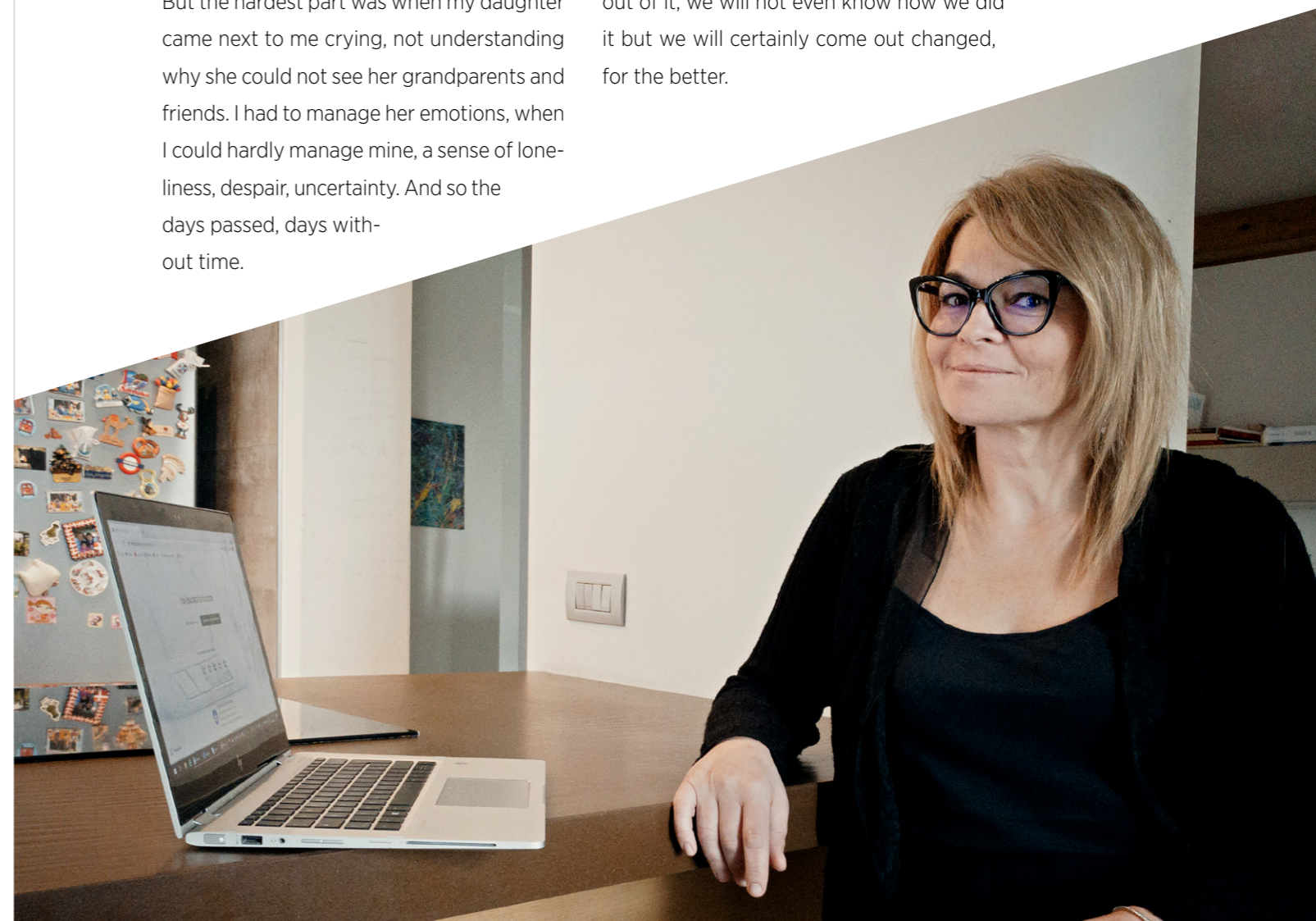
Romina Osello

Respiratory Technical Leader, R&D, Chiesi Headquarters

I have been working in Chiesi R&D for about 20 years and for a year now I have assumed the position on "mom working remotely", a role that I found myself filling unexpectedly but with courage. During these very difficult times, I have tried to accomplish all of my obligations to the best of my abilities, trying to find balance and concentration even when my baby daughter would sing and dance close to me or tell me she was hungry in the most unlikely hours; or worse, when I also had to turn into a teacher, to support home-schooling.

But the hardest part was when my daughter came next to me crying, not understanding why she could not see her grandparents and friends. I had to manage her emotions, when I could hardly manage mine, a sense of loneliness, despair, uncertainty. And so the days passed, days without time.

I received great comfort from the Chiesi community, as day after day I realized that many other colleagues faced and managed my same situations and emotions. We were all heroes. And we went ahead, joking at the beginning of a meeting to downplay the situation. That promoted the sense of belonging to a reality we believe in and care about, in our projects, in our group. And today, a year later, the storm is not over yet, and we are still tightening our teeth and closing our eyes inside the Murkami sandstorm (cit. 'Kafka on the Beach'); without realizing it we will be out of it, we will not even know how we did it but we will certainly come out changed, for the better.



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"We were struggling in 2020 to keep our volunteering work going. Thanks to Chiesi, who provided us with all necessary equipment to continue our work, almost 750 people, including local youth, were able to contribute to the effort safely". Clelia Bergonzani, Service Centre for Volunteers, CSV Emilia

"We created a media campaign to thank our superheroes, our HCP who risked their lives everyday during the pandemic. We also had the messages printed on postcards with handwritten messages of gratitude to our care heroes!"

Chloë Beerten
 Sales Representative, Chiesi Belgium

Processes

Ensuring a regular supply of high-quality medicinal products for the needs of our patients represents Chiesi's core business. We achieve this by combining many distinct actions and initiatives across the entire organisation which are described throughout this report.

- Fostering the self-fulfillment and development of the Chiesi people;
- Guaranteeing the health, safety and well-being for our employees; and
- Governance, Mission & Engagement.










Through our processes we also intentionally commit to achieve four additional positive effects:

To ensure that this engagement is nurtured and supported in the future, Chiesi integrated the following specific purpose of common benefit in its corporate by-laws:

- Lowering our impact on the biosphere;

"Chiesi is committed to continuously innovate to develop more sustainable company processes and procedures, in order to minimise negative impacts and enhance positive impacts on people, the biosphere and the territory".

The material topics associated to the Chiesi's Processes are:

			
Employees' wellbeing, health & safety	Employees management & development	Diversity, Equity & Inclusion	Climate change & GHG emissions
			
Energy use, reductions & alternative energy sources	Water management	Pharmaceuticals in the environment	Waste management & recycling
			
Animal welfare	Governance, mission & engagement		

1. Lowering our impact on the biosphere

Because the health of our planet and its inhabitants deserves our best efforts.

"Since the pandemic outbreak, we have implemented containment measures and rigorous processes, in addition to the existing ones, to safeguard the health and wellbeing of our people, using advanced technologies where necessary. Being able to perform serological tests on our premises has ensured a greater knowledge of the phenomenon we are experiencing as well as protecting our community. The pandemic came unexpectedly, but it immediately taught us that we are part of a complex interconnected system we must take care of".
Antonio Magnelli, Head of Global Manufacturing Division, Chiesi Group

"Organizing online webinars for health care professionals was very rewarding. It was great to see how giving information made people feel safer and more prepared to do their jobs".

Pavčina Janovská
Product Manager Primary Care, Chiesi Czech Republic

#EveryStoryCounts

What if we make our ICT Sustainable?

Yusra Choukrani

Applications Specialist, GICT, Chiesi France

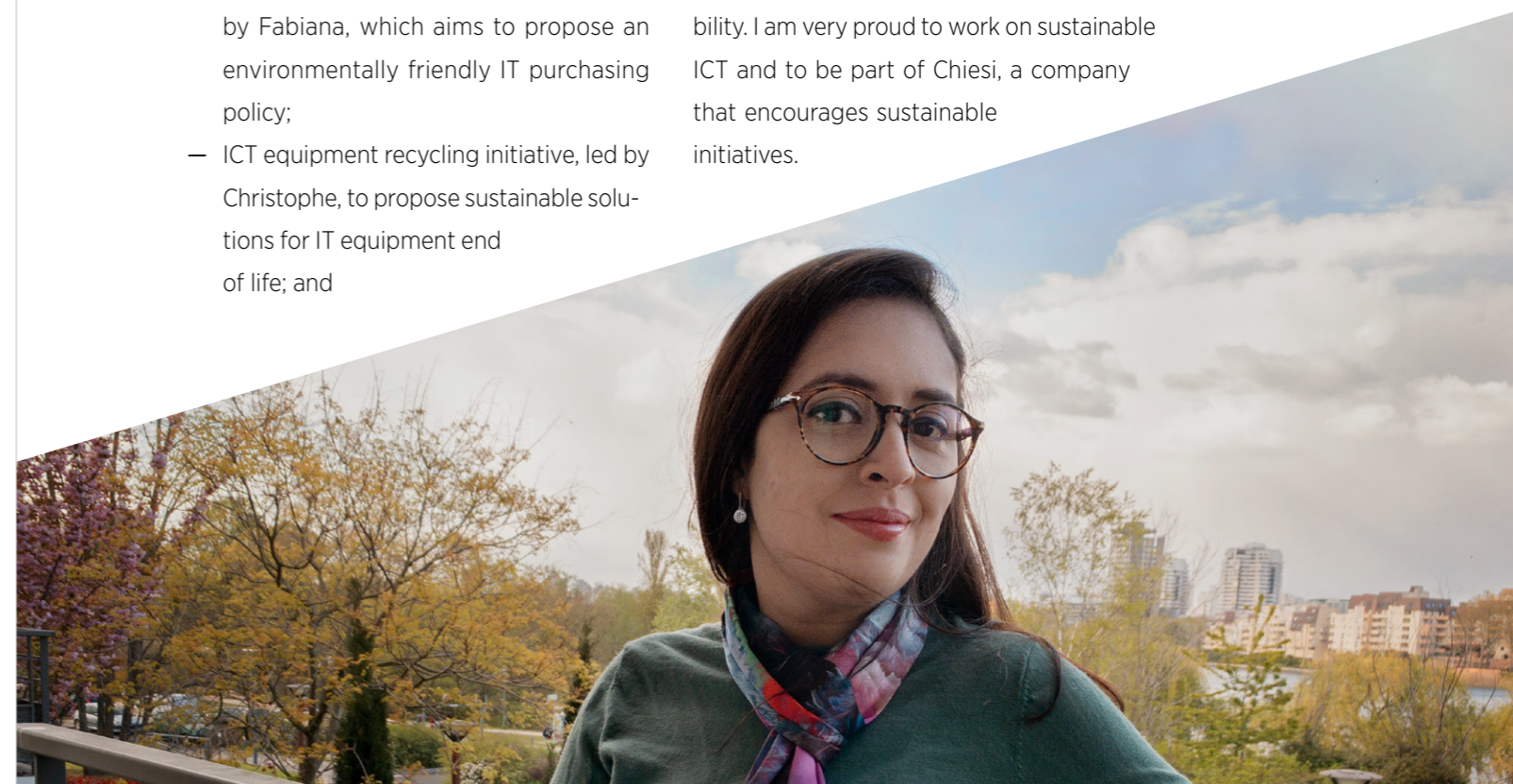
During the Covid-19 pandemic, the world moved into an unknown era that compelled us to adapt ourselves to a new way of life. I have always believed that every end is a new beginning, and there is always a positive way to overcome any crisis. I think that this crisis taught us how to focus on the essentials: Health, people and planet.

As a member of the GICT - Global Information & Communication Technologies family, I have been inspired by many green initiatives that have been happening in France:

- Green IT presentation during We Act Day, led by François, to develop awareness among users to reduce the environmental impact of IT;
- ICT Sustainable purchasing initiative, led by Fabiana, which aims to propose an environmentally friendly IT purchasing policy;
- ICT equipment recycling initiative, led by Christophe, to propose sustainable solutions for IT equipment end of life; and

— Rechargeable batteries initiative, led by Nathalie, to implement rechargeable batteries for keyboards and mice to reduce the amount of battery waste in the plant and soon in our HQ.

With all these great things happening here, I wondered: What if we share all these good practices with all our colleagues and make it more impactful? According to the "hummingbird legend," regularly mentioned by Patrice Carayon, President of Chiesi France: Every action counts! With the support of the GICT French team and the support of our manager, Eric, the initiatives were shared with our group CIO Umberto, who supported us immediately and shared it with the whole Chiesi group as a worldwide Program: ICT Sustainability. I am very proud to work on sustainable ICT and to be part of Chiesi, a company that encourages sustainable initiatives.



Highlights

Last year, like never before, we saw how deeply interdependent human health and the health of the planet are. The Covid-19 pandemic showed us the evident and intrinsic relationship between mankind and nature, between our health and the health of the environment. The climate crisis is a key driver that will shape the decisions, not only of business but also of the political agenda. The European Green Deal and the new US administration re-joining the Paris Agreement are just two recent examples.

Given this context it is imperative that we pursue with the utmost dedication the lowering our impact on the biosphere.

Our goal is to be carbon neutral by 2035

We believe in science. It is part of our DNA and it will always be a key element as we shape our path to tackle the challenges we face. Carbon Neutrality will be no exception. Our goal is to be Carbon Neutral by 2035.

We feel a profound sense of urgency to safeguard the biosphere. We therefore plan to become carbon neutral by 2030 on direct greenhouse gas (GHG) emissions (scope 1) and indirect GHG emissions from purchased electricity and heat (scope 2) and by 2035 on all the other indirect GHG emissions (scope 3).

One of our greatest contributors to GHG emissions comes from the use of the propellant contained in some of our devices for inhalation of antiasthmatic drugs. In 2018, we decided to invest in the development of a new generation of f-gases for our inhalers, moving from the HFA 134a we currently use to the HFA 152a, which is classified as a low Global Warming Potential propellant. We have committed an investment of over €350 million over 5 years for the clinical testing and the industrialisation of the new low-impact inhalers.

We are the first pharmaceutical company in the world to use this new carbon minimal technology in large scale industrial processes.

We submitted our commitment to the Science Based Target Initiative (SBTi), the most solid reference framework worldwide that drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets in line with the Paris Agreement goals.

To add maximum credibility and trust to our commitments, we are also working in accordance with the internationally recognised PAS 2060 specification process which demonstrates the value and efficacy of Chiesi's plans, including mitigation actions, the carbon offsetting of the residual GHG emissions and the verification by an independent third party.

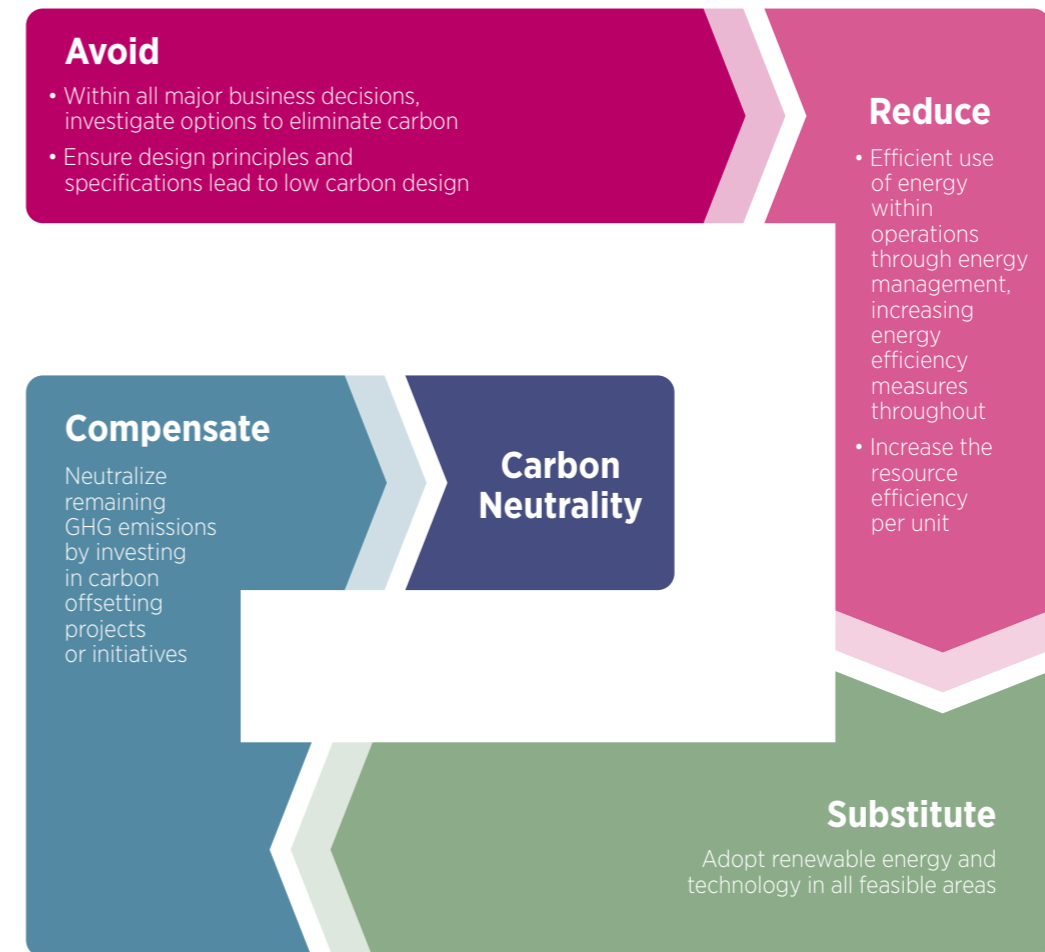
GHG EMISSIONS INVENTORY

2019

SCOPE	TONNES CO ₂ e	% BREAKDOWN
Scope 1	48,936	6%
Scope 2 market-based	15,572	2%
Scope 3	743,606	92%
Total	808,114	100%

2020

SCOPE	TONNES CO ₂ e	% BREAKDOWN
Scope 1	43,846	5.40%
Scope 2 market-based	2,030	0.25%
Scope 3	769,239	94.35%
Total	815,115	100%



SOME ACTIONS TO REDUCE ENVIRONMENTAL FOOTPRINT

- New propellant 152a: **+20%** in shipments by sea
- The Better Building Project: **-12%** in shipments by air
- Use of natural resources: **9%** reduction in water withdrawal compared to 2019
- renewable energy in Italian sites: **100%**
- reduction in waste production compared to 2019: **6%**
- new Photovoltaics plant: **780kW**
- of renewable energy production: **+900 thousand kW/y**

The Group is implementing a comprehensive plan of action aimed at lowering the impact on the biosphere. The main initiatives for 2020 are described below.

Our Journey towards Carbon Neutrality.

As a Benefit corporation certified B Corp, Chiesi is committed to increasingly operating its business in order to ensure long-term sustainability, by minimising the environmental impact of its operations and products. Defining a clear and reliable path for our goal to become carbon neutral by 2035 was an important milestone. In 2020, we defined our plan to become carbon neutral by 2030 on direct greenhouse gas (GHG) emissions and energy-derived GHG emissions (scope 1 and 2) and by 2035 on all the other indirect GHG emissions (scope 3). In May 2021, we launched the campaign #ActionOverWords. An invitation to move from celebrating commitments to celebrating measurable progress in the fight against climate change. To learn more about carbon neutrality commitments and about Chiesi's #ActionOverWords campaign please visit www.actionoverwords.org

**ACTION
OVER WORDS**

We completed our Greenhouse Gas (GHG) Inventory.

A long-term plan, like carbon neutrality will not be successful without a strong operational framework that will have the capability to measure our progress and impact into the future. In 2020, our focus was to define and calculate our scope 1, scope 2 and scope 3 emissions, and thereby defining our GHG emissions inventory.

Our GHG emissions are calculated using emission quantification methodologies provided or recommended by the WRI/WBCSD GHG Corporate Reporting Standard. All the targeted Kyoto Protocol gas categories are included in the inventory.⁸

All facilities where Chiesi has operational control are included in the GHG inventory as scope 1 and scope 2 emissions. This includes all offices, warehouses, manufacturing sites and R&D facilities. For scope 3 Chiesi has included all 15 categories that the GHG Protocol defined. This is designed to avoid double counting of emissions. Only the categories that are applicable to our business have been calculated.

The results presented here refer to 2019 and 2020 complete inventory. We recalculated 2019 as the baseline comparison year for reduction targets.

8. https://unfccc.int/kyoto_protocol
https://ghgprotocol.org/sites/default/files/standards_supporting/Required%20gases%20and%20GWP%20values_0.pdf

OUR GHG EMISSIONS INVENTORY

DIRECT (SCOPE 1) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019
Direct emissions	43,846	48,936
Biogenic CO ₂ emissions	1,271	581

Our scope 1 GHG emissions for 2019 derive from: propellant losses during manufacturing processes (57%), emissions deriving from our car fleet (26%), stationary emissions deriving from the heating processes (16%) and refrigerant loss from our buildings (1%)

Our scope 1 GHG emissions for 2020 derive from: Propellant losses during manufacturing processes (66%), stationary emissions deriving from the heating processes (17%), emissions deriving from our car fleet (15%) and refrigerant loss from our buildings (1%)

Biogenic CO₂ emissions are reported separately as required by GRI Standards.

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019
Energy indirect emissions (location based)	12,965	12,939
Energy indirect emissions (market based)	2,030	15,572

Our scope 2 GHG emissions derive from electricity purchase. Our market-based scope 2 emissions decreased by 87% over 2019 due to the purchase of renewable energy for all our Italian sites, which account for more than 80% of our total energy demand.

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019
Other indirect emissions	769,239	743,606

Our scope 3 emissions in 2019 from upstream processes account for almost 30% of total scope 3, while downstream processes account for almost 70% of total scope 3 emissions.

Our scope 3 emissions in 2020 from upstream processes account for almost 26.3% of total scope 3, while downstream processes account for almost 73.7% of total scope 3 emissions.

GHG EMISSIONS INTENSITY (TONNES CO ₂ e/mln eq. units)	2020	2019
GHG emission intensity (Scope 1 + Scope 2 location based)	444.31	475.51
GHG emission intensity (Scope 1 + Scope 2 market based)	374.01	526.29

The GHG emission intensity is calculated considering the GHG emission (Scope 1 and Scope 2) of the production plants divided by the production volume (reported as million of Equivalent Units produced). The production sites considered are: Blois (France), Santana de Parnaiba (Brazil), Parma (Italy, Via Palermo-Via San Leonardo sites)

For more information about methodology of CO₂e emissions calculation go to Annexes pp. 216-219 ([Click here](#)).

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We designed a strategy that adheres to the most authoritative international standards, in order to reduce our emissions.

Carbon neutrality is a global challenge that intersects with many of our projects' objectives.

We are implementing a mitigation strategy based on a specific hierarchy:

Avoid

- Within all major business decisions, investigate options to eliminate carbon; and
- Ensure design principles and specifications lead to low carbon design.

Reduce

- Efficient use of energy within operations through energy management, increasing energy efficiency measures throughout; and
- Increase the resource efficiency per unit.

Substitute

- Adopt renewable energy and technology in all feasible areas.

Compensate

- Neutralize remaining GHG emissions by investing in carbon offsetting projects or initiatives.

Our plan to Carbon Neutrality includes the following targets:

- By 2030, cut the direct GHG emissions (Scope 1) and the indirect GHG emissions associated with the purchase of electricity and heat (Scope 2) by least 50% compared to 2019. This will be achieved by improving business operations, maintaining 100% renewable energy consumption at Chiesi sites that have already achieved this and transitioning to 100% renewable energy at the remaining sites, and electrifying the car fleet;
- By 2030, cut the GHG emissions per unit of inhaled products sold, part of our scope 3, by over 80% compared to 2019 emissions. By 2035, the ambition is to reduce absolute scope 3 GHG emissions from the use of sold products by 90% compared to 2019, thanks to a new low global warming potential propellant used for inhaler devices;

- Limiting offsetting to GHG emissions that cannot be further reduced; and
- To add maximum credibility and trust in its commitment by working with the internationally recognised PAS 2060 specification process to demonstrate the value and efficacy of Chiesi's plans, including mitigation actions, the carbon offsetting of the residual GHG emissions and the verification by an independent third party.

In March 2021, Chiesi joined the B Corp Climate Collective (BCCC), committing to the United Nations Framework Convention on Climate Change (UNFCCC) "Race to Zero". This is a global campaign to rally leadership and support from businesses, cities, regions, investors for a greener future. The objective is to build momentum around the shift to a decarbonised economy ahead of COP26, where governments must strengthen their contributions to the Paris Agreement.

Key aspects in our strategy to achieve the Carbon Neutrality

1. We submitted our reduction targets to the Science Based Targets initiative (SBTi), striving for even more ambitious targets that we will report under the Carbon Disclosure Project.

Our reduction targets have been approved by the Science Based Target initiative⁹ (SBTi) in April 2021 and are aligned with the Paris Agreement's most ambitious goals, to limit global temperature rise to 1.5°C above pre-industrial levels¹⁰ and even go beyond these requirements.

Chiesi further commits to disclosing its emissions inventory through the Carbon Disclosure Project (CDP), an international non-profit organisation that helps companies disclose their environmental impact, by the second quarter of 2021, including direct and indirect emissions (Scope 1, 2 and 3). This will make the company even more transparent and benchmark Chiesi's emissions inventory against industry peers on a yearly basis.

2. We kicked-off a huge plan focused on the use of the new low global warming potential (GWP) propellant HFA152a, to replace the current HFA134a propellant accounting for 2/3 of all our global emissions.

The transition to HFA 152a will be the major driver for Chiesi's reduction in carbon emissions. Chiesi made significant investments in R&D and infrastructure to develop a portfolio of pMDI products using this new propellant, with a clear GHG emissions reduction goal as high as 90%.

- At the R&D centre we created a dedicated area and equipment to develop new products using HFA152a, ensuring all best-in-class safety and working conditions for our employees;
- We have set up a new plant at our French manufacturing plant in Blois with a dedicated production line for its industrialisation which will be fully operative in 3-4 years' time. This will be the first plant that will work with this innovative propellant for pharmaceutical use;
- At the end of 2020 we put in place a cryogenic abatement technology in Parma and Blois plants. Their function is to capture propellant molecules dispersed during the spray test phase (both in Parma and Blois sites) and the filling phase (only in Blois). At the beginning of 2021, these systems became fully operational; and
- Chiesi was among the first pharmaceutical companies to switch away from ozone-depleting CFC propellants to a non-ozone depleting and more environment-friendly propellant (HFA134a) years ago, passing from GWP 8500 to 1300; with the HFA152a we will move from GWP 1300 to GWP 138, being the first pharmaceutical company to introduce a Carbon Minimal Inhaler containing HFA152a.

3. We steered our strategy to contribute to green energy transition on a global scale.

To achieve our carbon neutrality goals and minimise our negative impact on global warming, we are working on our energy transition from fossil to renewable resources.

In 2020 all our Italian sites, representing

9. The Science Based Targets initiative, "How it works?" www.sciencebasedtargets.org

10. United Nations Framework Convention on Climate Change, "The Paris Agreement" www.unfccc.int

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around 80% of our total energy demand, were powered by 100% renewable energy. We signed a new contract for the 2021 and 2022 supply, from the wind farm MELFI II, a new wind farm located in a high wind area in Puglia region (Italy). 100% of the electricity used at the Parma sites comes from high-quality renewable sources; 2.6% comes from our own plants (self-production) with a total capacity of 780 kW (+670 kW compared to the previous year).

A Corporate Green Energy Purchasing Guideline will be shared with all Affiliates in order for all of them to purchase renewable energy with the highest standards.

The models under evaluation for future purchases of electricity are characterised by a greater addition in terms of support for the green energy transition and to renewable energy development. For 2021, we set the objective to complete the transition to renewables electricity on all manufacturing sites.

Total energy consumption for 2020 has decreased by 15% compared to 2019. This reduction has mainly been driven by a reduction in energy use from the car fleet due to the Covid-19 pandemic.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ)	2020	2019
Total non-renewable fuel consumption	232,254	323,572
Natural gas	133,468	139,766
Gasoline	14,039	24,823
Diesel	80,982	150,841
Bioethanol	3,611	8,142
LPG	154	-
Total energy purchased	191,460	173,088
From renewable sources	153,723	36,635
From non-renewable sources	26,504	136,453
District heating	11,232	-
Electricity self-produced from renewable sources	459	444
TOTAL ENERGY CONSUMPTION	424,173	497,104

ENERGY INTENSITY

	2020	2019
Energy intensity (GJ / mln eq. units)	2,203.37	2,386.00

Energy intensity related to production processes is calculated considering the energy consumption of the production plants divided by the production volume (reported as million of Equivalent Units produced). The production sites considered are: Blois (France), Santana de Parnaiba (Brazil), Parma (Italy, Via Palermo-Via San Leonardo sites)

We implemented an organic management system for the rational use of energy, to keep improving our energy performance. In 2020, we received ISO 50001 for good energy management for our Research Centre and our manufacturing site in Parma.

4. We scaled up our Better Buildings programme to reduce the impact on natural systems and to improve the well-being of people.

Understanding the critical role of the harm human behaviours cause to natural ecosystems, and with the ambition of continuous improvement, we designed Better Buildings: A Chiesi specific plan based on the most internationally recognised frameworks in environmental design.

Better Building, which was initially born for the Headquarters and Research Centre sites, was scaled up in 2020 to all affiliates. The goal is to improve the well-being of people working in our buildings as well as the sustainability performance of our sites by reducing the environmental impact on natural systems and local communities, from the processes of new constructions to the operations of existing buildings.

It springs from the will to change our behaviours with the desire to engage everyone and make change happen at every level. In fact, our ambition is to create a widespread culture

which encourages the responsible use of resources such as water and energy, recycling and reusing, people-friendly buildings, and the minimisation of waste production.

Better Building continuous improvement system includes:

- A sustainability assessment to know where we can improve and keep track of the progress over time;
- A platform to constantly monitor the environmental impacts linked to the real estate assets; and
- A dossier of Good Green Practices to guide improvement in existing buildings and to evaluate renovations, new constructions or then purchase of new premises already in a logic of innovation and to be at the forefront of energy efficiency, rational use of water, waste management and welfare of the workplace.

The sites involved are: Parma HQ (Platinum certified), Parma Research Centre (LEED Gold certified), Blois (France), and Santana de Parnaiba (Brazil), those that have the highest energy needs, and all the Group's affiliates' sites will follow.

At our Fontevivo (Parma) warehouse we put in place some improvement actions, substituting all lighting with energy-efficient LED lights and installing photovoltaic panels on our roof. The goal is to obtain the LEED certification for this warehouse in 2021.

BETTER BUILDING PROGRAMME

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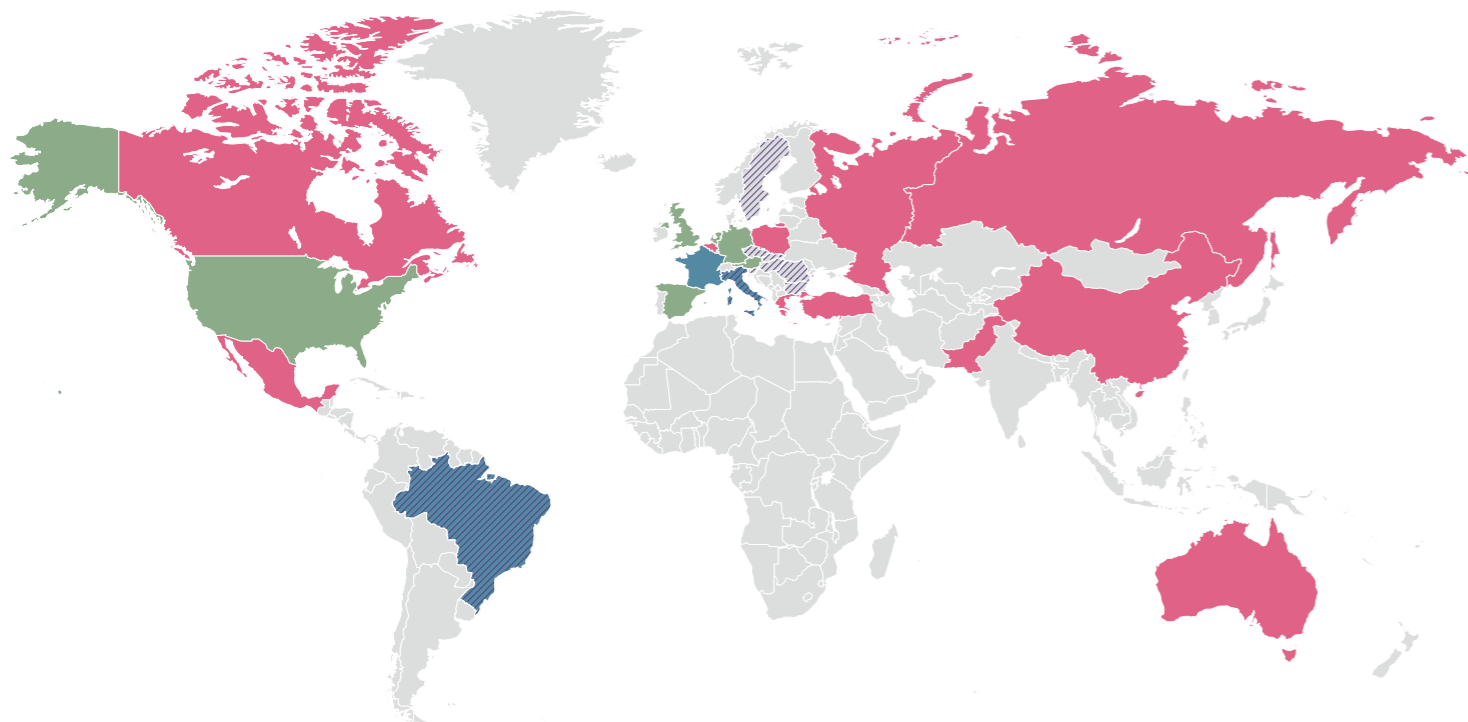
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ONGOING	WAVE 1 2021/2022	WAVE 2 2022/2023	
<ul style="list-style-type: none"> Research Center, Parma, Italy Headquarters, Parma, Italy Warehouse, Fontevivo, Parma, Italy 	<ul style="list-style-type: none"> Hamburg, Germany Barcelona, Spain Paris Bois Colombes, France Nice (NhCo), France Manchester (Commercial Office), UK Chippenham, UK Cary, North Carolina, USA Boston, Massachussets, USA Wien, Austria Amsterdam, Schiphol, Netherlands 	<ul style="list-style-type: none"> Bruxelles, Belgium Toronto, Canada Athens, Greece Colonia Del Valle, Mexico Lahore (Commercial Office), Pakistan Lahore (Warehouse), Pakistan Warsaw, Poland Moscow, Russia Istanbul, Turkey Ankara, Turkey 	<ul style="list-style-type: none"> Melbourne, Australia Shanghai, China Beijing, China Guangzhou, China Zhengzhou, China Chengdu, China Wuhan, China Hangzhou, China
MANUFACTURING SITES	WAVE 3 from 2023		
<ul style="list-style-type: none"> Via San Leonardo, Parma, Italy Santana de Parnaiba, Brazil Blois, France 	<ul style="list-style-type: none"> Stockholm, Sweden Lidingö, Sweden Sofia, Bulgaria 	<ul style="list-style-type: none"> Prague, Czech Republic Budapest, Hungary Bucharest, Romania 	<ul style="list-style-type: none"> Via Palermo, Parma, Italy Ljubljana, Slovenia Bratislava, Slovakia



The assessment and the monitoring system evaluates the sustainability impact of our existing buildings in terms of people welfare, mobility policies, waste management, energy and water consumption, as well as the contribution to the carbon neutrality objectives. Seven operational global green guidelines

were drawn up for sharing best practices for both virtuous management of existing buildings and the construction of new buildings. They refer to the following aspects: Office purchases, food & beverage, facility maintenance, green cleaning, green IT, site management, pest control and general management.

Some key output related to the Better Building programme

 **Our Headquarters in Parma obtained the Platinum LEED certification.** The HQ is the first building of its kind, in the LEED BD+C v.4 New Construction category, to have reached Platinum level in Italy and is among the first 35 buildings in the world. We involved 540 people in the certification process. Having originated from 46300 m² brownfield, with this project we did not steal new land from nature, but instead acted as a regeneration engine for deteriorated areas, providing tangible benefit to our community.

 **The R&D Centre in Parma obtained the LEED v4.1 EB:OM GOLD certification.** Being an existing building, this certification covered all operational streams such as

- Reduction of water consumption in all the areas (offices, manufacturing areas, external areas);
- Renewable and efficient use of energy; and
- Sustainable approach to service management, cleaning, and pest control.



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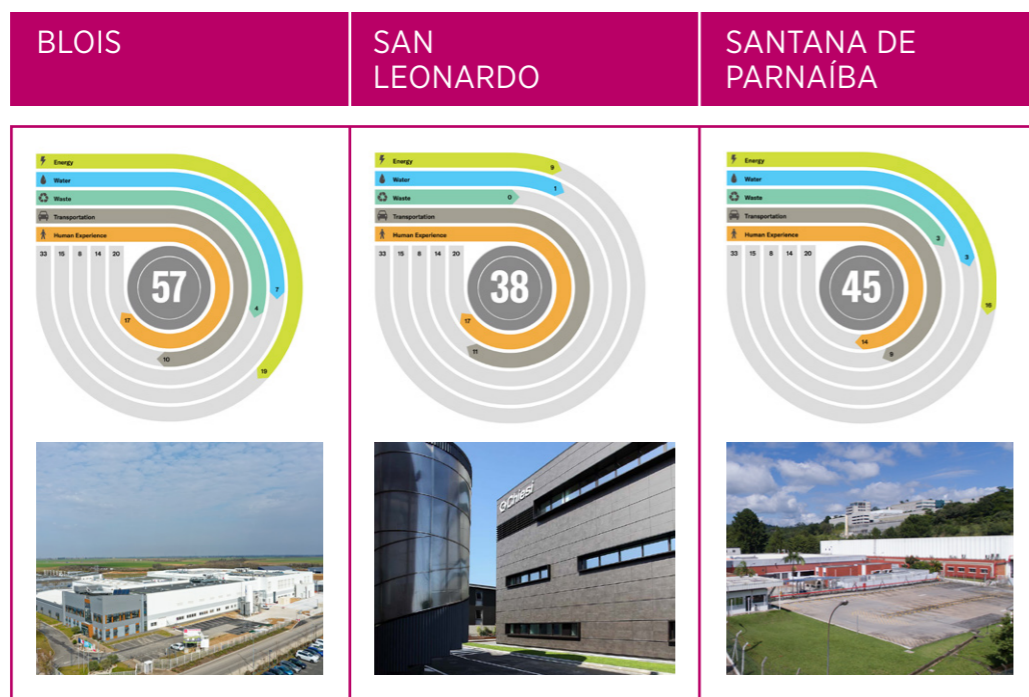
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We embedded the human centric principle in the design and construction of our Headquarters (HQ)

Chiesi Headquarters represents a major step towards the implementation of the Better Building Program. The head office is situated on the outskirts of the city of Parma near our Research Centre. Despite the complexity of a year like 2020, and after about a two year construction period, we decided to inaugurate our new Headquarters right when many colleagues were coming back into office after several months of smart working. This was a chance to bring to life this building as a new home where we could all meet once again, while always maintaining top health and safety conditions.

People, Innovation, and Sustainability were at the base of the design principles, which involved establishing our employees' requests, needs, and expectations through internal employee workshops then incorporating them into the new building project. A new vision of the workplace as a shared space,

centred on respect for the environment and on energy efficiency.

We followed responsible construction practices, the materials used were 'green' or recycled, construction waste was reduced, and water conservation was key. Daylight and acoustic comfort played an important role when conceiving of this building as did maintaining good indoor air quality, an aspect of the utmost importance for the well-being of Chiesi employees. Alternative mobility from and to the office was and will be incentivised again after the pandemic. Energy efficiency is achieved through renewable energy, and the residual, yet minimal GHG emissions are completely offset through reforestation projects.

The green areas of our HQ are part of the "KilometroVerdeParma", a reforestation project that covers the entire province of Parma.

We also wanted to offer a place where people are at the centre of the design idea and

can grow together. We therefore created an environment that brings us closer, in which people share common spaces that are fertile grounds for the development of new ideas and projects. As such, better communication, creativity, and co-working are fostered, and diversities more easily integrated.

As a building in the **LEED BD+C v.4** (Building Design and Construction version 4) New Construction category, the Headquarters is

the first of its kind to achieve Platinum level in Italy and is among the top 35 buildings in the world. This represents another important milestone and a symbol of the company's concrete commitment to progressively reducing environmental impact, both in the design and construction phases.

Chiesi Headquarters also received the IN/ARCH 2020 (the National Institute of Architecture) Award in the New Buildings category.

"The building symbolises innovation, sustainability and focus on people, three concepts that have always characterised our Group. Our new 'home' was designed to blend in with the surrounding area and local community, something which allows us to continue with our growth and development programme based on a vision of the future set to become increasingly sustainable through concrete actions". Alessandro Chiesi, Chief Commercial Officer

CZECH REPUBLIC AND SLOVAKIA

Czech Republic and Slovakia move to greener offices

We transferred the whole Czech Headquarters to a newly built green administrative building certified by the world's most respected building sustainability certification system. LEED-certified buildings use less energy and water, avoid waste, save on maintenance costs, improve indoor air quality, offer comfort to their occupants, and create less environmental burden on the community. In addition, the Headquarters of Chiesi Slovakia was relocated to a new space in a building which holds an A category energy performance certificate according to a national rating scheme which summarises the energy efficiency of buildings.

5. We reorganised our entire transportation structure in order to reduce our environmental impact and foster the security and happiness of our people.

One of the main takeaways from 2020 was the remodeling of how our world works in terms of transport and connections.

We reorganised the whole transportation system of the Group, actively involving all our affiliates worldwide, and developed a "Human Transportation Policy" along three key streams:

Car Fleet

In accordance with sustainable car fleet principles, we created and disseminated a strategic plan for the global fleet (approximately 2,600 vehicles) focused on 4 pillars:

- Ensure safety at all levels;
- Reduce GHG emissions; and
- Increase people satisfaction.

To reduce the cars' carbon footprint and reach the minimum impact by 2030, we put in place a plan to convert the whole fleet to

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electric vehicles. This project relies on new technologies and involves selected partners. We started a systematic replacement of our cars with hybrid or electric models and Italy was the start of this electrification plan.

In 2020, 15 charging stations were installed at our Italian sites and 27 additional Hybrid cars were brought into the car fleet. The 2021 activity foresees the installation of 55 charging stations (reaching a total of 70 charging columns across the Italian sites) and the substitution of 55 fossil fuel cars with hybrid models.

Mobility

We facilitate “soft mobility”, encouraging the use of bicycles and public transportation. The Covid-19 emergency, of course, interrupted this initiative that will start again at the end of the pandemic. We will also keep promoting the use of alternative mobility through bonuses, rewards, and gamification to encourage participation.

Travel

The pandemic has resulted in a drastic reduction in business travel over the course of 2020. After the pandemic, our strategy will continue to reduce business travel replacing them with digital meetings, leveraging the available technological alternatives. Where travel remains necessary, the number of colleagues traveling together will be also optimised; and Chiesi will support ‘greener’ partners and travel options.

6. We are designing a Chiesi specific off-setting strategy.

Carbon offsetting projects are an integral part of Chiesi’s strategy to achieve Carbon

neutrality targets by 2035 and will be used to compensate only residual emissions, in line with the Chiesi global carbon mitigation strategy (Avoid-Reduce-Substitute-Compensate).

Our commitment towards the preservation of natural resources especially water and the minimisation of waste.

We have put in place a comprehensive action plan in order to make better use of natural resources.

Waste and water can be a challenge in our industry as production processes depend to a large extent on strict quality requirements, which are difficult to change. Chiesi recognises the importance of natural resources and is actively engaged in reducing waste production and water consumption to the lowest possible level. We obtained the ISO 14001 certification for our environmental management system in Parma for our Research Centre, Fontevivo warehouse Headquarters and manufacturing site.

We have established efficient control systems for waste production, waste disposal and water management as well as several reduction measures. This has led to a decrease in both waste production and water consumption especially at our manufacturing plant in Parma.

— Waste

We have started to gradually reduce waste production activities both in industrial processes (e.g. the installation of the new automatic dosing equipment for brine in our plant in Italy, reducing the disposal of the exhausted regenerating solution that is necessary for the production of

softened water) and in our offices (e.g. by increasing digitisation of processes and reducing paper and toner consumption). Our overall waste consumption has been reduced by 6% compared to 2019 and in 2020 recycling accounted for more than 50% of the total waste (+6% vs 2019). Many other initiatives have been implemented or are underway to actively

involve all of us in waste reduction; for example: The set-up of a new sludge concentration system that will be operational in 2021; the optimisation of production according to a waste control logic; the use during manufacturing activities of protective clothing in washable fabric to replace single-use one.

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD Tonnes						
Disposal method	2020			2019		
	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Reuse	1.50	4.05	5.55	1.00	3.18	4.18
Recycling	360.43	1,609.20	1,969.64	351.42	1,509.24	1,860.66
Composting	-	14.88	14.88	-	17.19	17.19
Recovery (including energy recovery)	36.07	81.50	117.57	37.14	66.97	104.11
Incineration (mass burn)	65.46	17.74	83.20	47.06	57.34	104.40
Deep well injection	-	-	-	-	-	-
Landfill	16.44	14.80	31.24	13.33	17.19	30.52
On-site storage	55.46	1,468.43	1,523.90	70.92	1,803.62	1,874.55
Other	0.06	16.84	16.91	6.70	5.99	12.69
Total	535.43	3,227.44	3,762.88	527.58	3,480.73	4,008.31

— Water

Our primary water consumption is derived from our production processes and the associated cleaning requirements. Our manufacturing plant in Italy accounts for the largest portion of our water consumption. This is why in 2020 we implemented the following reduction actions:

- Water softener efficiency, improving functioning softener parameters, in

order to maintain proper functioning while reducing water consumption;

- Reducing the water consumption of certain production equipment that operate on a continuous 24-hour cycle; and
- Better management of chillers and evaporative towers.

The decrease in water consumption from

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our offices in 2020 was significantly influenced by the Covid-19 pandemic as well as the efficiency measures carried out, like the installation of more efficient water breakers, installation of new toilet cisterns, and staff awareness programmes. Our overall water consumption decreased by 9% in 2020 compared to 2019.

During 2020, and in alignment with the latest GRI Standards requirements,¹¹ we identified the sites located in “water stressed” geographical areas (meaning where the issue of water is particularly significant due to the scarcity of natural resources). We are working with these sites’ water suppliers to identify third-par-

ty water sources in order to improve the tracking of water consumption and direct savings actions. Water withdrawal from water-stressed areas accounts for 8% of our total water withdrawal. All but one of these sites are offices with low water consumption, with the only manufacturing site located in Santana de Parnaiba, Brazil. To reduce water consumption here we are implementing reduction actions such as purchasing a new washing machine for Quality Control which automatically performs cleaning operations replacing manual cleaning, a new purified water system which results in less water waste and improvement in water management.

TOTAL QUANTITY OF WATER WITHDRAWAL (megaliters)	2020	
	All areas	of which water stress areas
Surface water (Total)	2.40	0.89
- Freshwater (≤1,000 mg/L Total Dissolved Solids)	2.40	0.89
- Other water (>1,000 mg/L Total Dissolved Solids)	-	-
Groundwater (total)	2.83	2.79
- Freshwater (≤1,000 mg/L Total Dissolved Solids)	2.83	2.79
- Other water (>1,000 mg/L Total Dissolved Solids)	-	-
Third-party water (total)	260.11	17.66
- Freshwater (≤1,000 mg/L Total Dissolved Solids)	259.34	16.89
- Other water (>1,000 mg/L Total Dissolved Solids)	0.78	0.78
Total water withdrawal	265.35	21.35

11. GRI 303: Water and Effluents (2018) – GRI 303-3

WATER WITHDRAWAL BY SOURCE (megaliters)	2019
Municipal water	293.93
Surface water	-
Of which freshwater	293.93

– **Pharmaceuticals in the Environment (PIE) and water discharge**

As of October 2020, and in line with the European Federation of Pharmaceutical Industries and Associations (EFPIA) guideline, we started a risk assessment system to evaluate the possible impact of our active ingredients in wastewater. We created a new internal procedure to be able to evaluate the possible impact of Active Pharmaceutical Ingredients (APIs) in wastewater and make future technological choices to reduce and limit this impact. To highlight our commitment on this

topic, Chiesi is writing a position paper on this topic, that will be published in 2021.

In 2020, we discharged a total of 117.45 megalitres of water from our manufacturing plants. All water discharge from Chiesi’s sites is compliant with local legislation, it is freshwater and is sent to a third-party, with the exception of 5 megalitres, which are discharged into the surface water. This small amount is treated in a wastewater biological system before discharge.

TOTAL WATER DISCHARGE (megaliters)	2020
Total Water Discharge	117.45
Surface Water	5.12
Groundwater	-
Seawater	-
Third-party water	112.32

More details on water consumption and waste production are explained in the Annexes [pp. 220-222](#)

We continued to adopt the best practices most recognised in relation to Animal Welfare.

The only instance in which Chiesi considers ethically appropriate the use of animals for scientific research purposes is when there is no other suitable alternative method available. The use of animals is required by the regulatory authorities to receive authorisa-

tion to proceed with human studies, in order to protect patients’ health and obtain final product approval. Every effort is made to keep to a minimum the number of animals involved in the scientific research setting and to always respect their well-being.

This objective is pursued according to the principles of the 3Rs¹² and adopts all of the

12. For more information go to the following link: <https://www.nc3rs.org.uk/>

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latest scientific and technological innovations to facilitate the implementation of these principles and, where possible, introducing alternatives. The 3Rs principles are:

- **Replace** the use of animals with alternative techniques or avoid the use of animals altogether;
- **Reduce** the number of animals used to a minimum, to obtain information from fewer animals or more information from the same number of animals; and
- **Refine** the way experiments are carried out, to make sure animals suffer as little as possible. This includes better housing and improvements to procedures which minimise pain and suffering and/or improve animal welfare.

In 2020, Chiesi began the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) accreditation process, the highest standard within the sector regarding animal well-being. In November 2020, documentation was submitted in order to obtain certification by mid-2021. In addition, a training programme on this issue was set up for Research & Development staff which was completed at the end of 2020. Further training programmes are planned for all of our staff in 2021.

THE STRUGGLES WE ARE FACING

Better Buildings is a multi-year challenge

Rolling out the Better Buildings programme at the international level requires strong commitment, coordination and clear goal settings over the long term. At the same time, a global-local plan should be set up to consider local characteristics and regulations.

Development of new inhalers with low GWP propellant 152a is challenging in terms of R&D, industrialisation and scalability

HFA152a is the propellant that will help Chiesi reduce its CO₂e emissions the most. Any new treatment will undergo rigorous clinical testing before it is cleared for commercialisation, an important process required by regulation. To achieve this, we have put in place a rigorous plan to develop Carbon Minimal Inhalers, with complexity and timelines dictated by authorities and regulators requirements. We are fast-tracking our new formulation and plan to get first regulatory approval by 2025, but we cannot afford to stifle innovation by rushed judgement. Scalability at global level is fundamental given our carbon neutrality goal. However, we must keep in mind that the industrialisation of a new propellant is complex and introduces specific requirements for appropriate handling.

We will need to translate our transportation theme in a post-Covid scenario

Covid-19 has blocked the launch of the "mobility actions" planned and therefore the potential of the initial plan put in place is not yet fully understood. We will need to redesign the way we travel, commute to work. We will need to adapt our human transportation strategy to a post pandemic scenario, keeping in mind the need to preserve human interactions while reducing our transportation emissions.

2. Fostering the self-fulfillment and development of the Chiesi people

We are a team of capable and motivated people. We work with openness and creativity reflecting our Chiesi culture, recognising the value of diversity.

#EveryStoryCounts

I am a Chiesian

Fahri Tunç

Primary Care Product Specialist, Chiesi Turkey

I would like to start my story by sharing my greetings and love. I have been a proud member of the Chiesi family for 12 years working at Primary Care Field Force. During these 12 years I have taken part in many projects that have brought value to myself and the Chiesi Family. It makes me happy and honoured to witness doctors helping their patients with innovative and novel products and bringing them back to their normal life. During these years I have been an amateur photographer, taking photos of wildlife & birds. In 2020, I received an invitation from The National Geographic to take wildlife photographs in Costa Rica. Shooting would last at least 2 weeks; but I had no time off and it was a very busy time of the year for Field Force. My manager encouraged me to conduct the shoot. He said that my individual development and love for nature is very valuable to Chiesi. From Costa Rica, I was then invited to 9 countries and a Turkish channel ended up calling me to prepare a documentary in Salt Lake. Mr. Fatih Donmez who

is the minister of energy and natural resources in Turkey supported me in sending this documentary to all public bodies in Turkey. As a result of my work, I received the Green World Award and was able to host an exhibition of the photographs. All the earnings obtained in the exhibition were donated to village school students. If it weren't for Chiesi and their constant encouragement to add value to my professional, but also to my personal and social life, I would never have had this amazing experience. I would like to thank and offer my gratitude to our general manager Mr. Umut Meric, PC department director Serdar Temel, HR director Mari Bengi, BEX director Mine Senyuva, PC sales manager Toros Yildirim, regional managers Hakan Tas and Huseyin Sezer and all the members of the big Chiesi family for their understanding, tolerance and support. I am a Chiesian.



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Highlights

We have made use of this out of the ordinary year to rethink our internal values and our behaviours through the lens of the Benefit Corporation and B Corp way of understanding business. We wanted to strengthen our internal culture in order to be more inclusive, fair and positive. We created a system of New Values that represents the Group including all its cultural perspectives and diversities. Our new values have been included in all People Management processes.



Last year, we also ensured that all our training and procedures were available remotely, to meet the current emergency. This meant reassessing the way we work and thinking about potential future evolution.

We continue to invest in sustainability training: A new version of our Group training programme, named We ACT Educational, was launched targeting all new hires and specific individual training sessions on B Corp and Benefit Corporation messages.

EMPLOYEES WORLDWIDE



* The total number of employees includes long-term employee absences and therefore differs from the total number of employees reported in the Consolidated Financial Statement (equal to 5,856 at 31st December 2020) in which long-term employee absences are excluded, and it differs from the total workforce (equal to 6,389 on the 31st December 2020) in which external collaborators (field force contractors and ad interim employees) of the Group are included and long-term employee absences are excluded.

Following the creation of the Diversity and Inclusion Committee in 2019, we established a specific Gender Equality Committee. This group studied and monitored all the different aspects that make up gender inequality. Our goal for 2021 is to implement the action plan that we designed in order to eliminate any gender gap.

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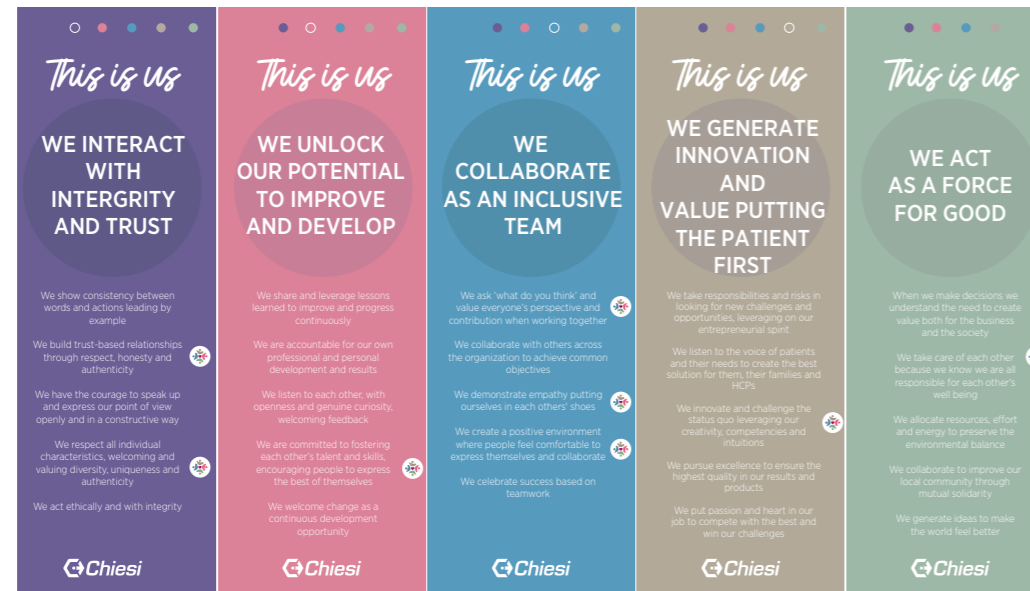
The Group is implementing a comprehensive plan of action aimed at the self-fulfillment and well-being of the Chiesi's people. The main initiatives that ran in 2020 are described below.

We reshaped our values and beliefs through the common benefit lenses and instilled them in our company culture.

We have reviewed the Chiesi model of values with the objective of making our internal purpose-driven culture stronger. This New Values system was designed by an international team of people from Chiesi Group

and involved more than 200 colleagues who provided feedback and improvements to the process, through different perspectives.

In parallel we elaborated a new tangible model of behaviour, applicable to performance, development, and talent acquisition processes.



We planned and launched the Diversity & Inclusion programme.

The concept of Diversity & Inclusion (D&I) is emphasised and integrated in our value system. We believe the value of D&I is essential in building an inclusive and positive community where Chiesi people can grow both professionally and personally.

In 2019, we created our D&I Committee. The committee's mandate is to create a governance structure for these topics and to plan and oversee all projects related to D&I. All types of diversity are taken into consideration for example: disability, gender diversity, diversity among generations and cultural diversity. In 2020, we performed a dedicated

analysis to arrive at a deeper understanding of the different dimensions of D&I. Such analysis, conducted with an international team, resulted in a dedicated action plan which will be launched in 2021.

We pay particular attention to the topic of gender equality. For this reason, we established a specific Gender Equality committee, whose mandate is to eliminate any gender pay gap and to grant equal opportunity for career paths.

In 2020, we also focused on training and raising awareness on diversity topics. We engaged our leadership teams worldwide in specific awareness initiatives; we designed and implemented training programmes on values, inclusive leadership and unconscious bias for our top management.

Chiesi joined forces with **Parks** – Liberi e Uguali (Free and Equal), a non-profit association created to help member companies put in place good practices to respect diversity, specifically with respect to gender identity and sexual orientation.

Chiesi also formed two important partnerships – one with the European Platform of Diversity Charters, signing the Charter for Equal Opportunities, and the other with the WEPs Network (Women's Empowerment Principles).

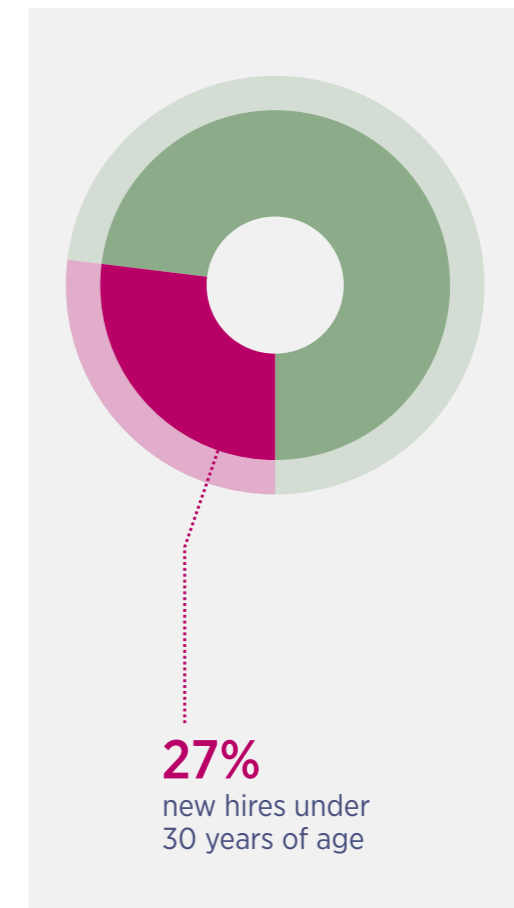
In addition, we pay attention to age diversity and design activities to engage younger team members and attract young talent:

- JOY project: The JOY Project (Junior on Strategy Project) brings together junior and senior colleagues, who usually do not often interact, to work on specific

strategic topics. The aim is to find innovative solutions through the exchange of points of view and experience. This initiative also gives greater visibility to the younger team members, as well as enabling them to unleash new skill sets. The subject matter covered in 2020 was "From complexity to simplicity: The revolution to become more agile", challenging the participants to find innovative solutions for a more agile organisation and way of working; and

- We collaborate and interact with universities, bringing our experience of the pharma industry, as well as about B Corp and Benefit Corporations, and offering career opportunities.

2020



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BRAZIL

Innovation Event for young generations with focus on the patient – Hackathon

Hackathon was a challenge to students at university level to present a project to the following problem: "How innovative solutions can improve the daily life of patients with chronic diseases?". It was in partnership with USP, University of Sao Paulo, and was an online event held by Chiesi, involving the scientific community to bring knowledge to the students, to prepare them for the challenge.

Diversity among Chiesi's employees

Our Board of Directors consists of 7 members. Of these, 6 are male and 1 is female (86% and 14% respectively). 6 directors are over 50 years old and account for 86% of the Board, while the other 14% is represented by a member between the ages of 30 and 50 years.

PERCENTAGE OF INTERNAL EMPLOYEES BY GENDER AND EMPLOYEE CATEGORY						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Executives	2.6%	1.1%	3.7%	2.5%	1.1%	3.6%
Managers and Field Force Area Managers	12.9%	10.2%	23.1%	12.8%	9.5%	22.3%
White Collar and Field Force Representatives	29.0%	39.5%	68.5%	29.6%	39.8%	69.4%
Blue collars	2.5%	2.2%	4.7%	2.7%	2.1%	4.8%
Total	47.0%	53.0%	100.0%	47.5%	52.5%	100.0%

INTERNAL EMPLOYEES BY AGE GROUP AND EMPLOYEE CATEGORY								
	2020				2019			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0.0%	1.8%	1.9%	3.7%	0.0%	1.8%	1.8%	3.6%
Managers and Field Force Area Managers	0.4%	16.6%	6.2%	23.1%	0.3%	16.3%	5.6%	22.3%
White Collar and Field Force Representatives	9.3%	45.0%	14.2%	68.5%	9.6%	46.0%	13.8%	69.4%
Blue collars	0.6%	2.7%	1.4%	4.7%	0.7%	2.7%	1.4%	4.8%
Total	10.3%	66.0%	23.7%	100%	10.6%	66.8%	22.6%	100%

In 2020 we reviewed our internal grading system, and this created a change in the pre-existing employee categories. As a result of this harmonisation, the data collected in 2020 has a different reporting logic than those reported in 2019. Therefore, 2019 has been re-stated to align with this new system.

THE NETHERLANDS

Chiesi is the first company to measure the Gender Pay Gap in The Netherlands. In 2020, our HR & Development department made a detailed analysis of the gender pay gap, being the first company in the Country to perform such a robust work. The male / female ratio in the workplace is already at very good levels in the Netherlands, where women are slightly more represented than men. In terms of ethnicity, in the Netherlands there are already quite a lot of employees with different ethnic backgrounds. The next step is to formalise a diversity policy.

We received for the second year the "Diversity Leaders Award", a recognition for our Diversity and Inclusion achievements.

Chiesi was ranked 10th worldwide by the "Financial Times" annual Diversity Leaders ranking that assesses 850 employers on diversity of gender, age, ethnicity, disability and sexual orientation in their workforces. We are among one of the only two Italian companies in the top 10 and 1st within the Pharmaceutical and Biotechnology industry. This acknowledgment rewards leading companies whose policies and actions raise awareness about the concept of Diversity while placing this value as one of the cornerstones of the company's functioning. The ranking is a result of a series of interviews with the employees of more than 15,000 companies with a minimum of 250 employees in 16 European countries.

"The Diversity Leaders Award is a further demonstration of Chiesi's ongoing commitment, as a B Corp company, to the issues of Diversity & Inclusion. Respecting the uniqueness of each individual, valuing authenticity and different perspectives,

creating a positive environment in which people feel free to express themselves are the values that guide the Group's actions on the issues of Diversity & Inclusion". Giacomo Mazzariello, Chief Human Resources Officer, Chiesi Group

We have yearly incentive plans for employees to support the embedding of the "shared value" mindset.

Since 2018, Chiesi offers on a variety of levels (Group, country and individual) incentive plans (MBO) pertaining to sustainability. To ensure the effective integration of sustainability in our everyday work, in 2020, we developed a more evolved approach by embedding the "shared value" mindset into the Group's objectives. Consequently, it trickles down into yearly incentives plan across every company function and country.

We have been certified as a Great Place to Work and Top Employer at European Level.

Beyond local certifications, Chiesi received the European recognition for being a Great Place to Work and Top Employer. The Group

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is now working on global action plans including D&I projects, which will be designed bottom-up. We improved the Work Life Balance action for which we set up a smart working policy.

Ten of our Group's affiliates obtained the Top Employer certification in 2020: Italy was awarded the title for the 12th year running, whereas France, Germany, the Netherlands, Poland, Spain and the UK have confirmed Chiesi as Top Employer Europe for the 8th consecutive year. Other countries whose certification has also been renewed are Brazil, the USA and Russia.

Chiesi Group, after the Great Place to Work® pilot survey in 2019, was also awarded in Best Workplaces Europe 2020, Best Multinational Workplaces. This recognition is given to companies that have at least 3 countries in Europe that have been recognised as Best Workplace (obtaining the local certification) and are also in the list of the top companies in their Country. In particular, Chiesi Austria,

Chiesi France, Chiesi Germany, Chiesi Spain and Chiesi UK. In addition, Chiesi Brazil, Mexico, the Netherlands, Sweden and the USA, have been certified.

We launched the C-People portal to foster the connection among people and to ease navigation within the company.

C People is Chiesi's HR global portal. This is where all the information about Chiesi people, processes, procedures, and offers are stored. The most important moments of our professional life bring with them emotions and this is the real driving force behind C-People. It was built to facilitate both the connection among people and the knowledge of processes. Employees can find information on professional performance, well-being programmes, administration, development, and general information.

Full transparency and a constructive approach are the values at the base of the C People system; planned in 2020, went live in 2021.



We transformed training into e-learning.

2020 was the year where training was re-thought and transformed into virtual processes. All training courses and catalogue went digital.

The traditional training programmes on leadership competency have been enriched with new initiatives and made relevant to changes we are facing in the new virtual-smart working world. Also, our Chiesi Academy became virtual, an intensive educational programme involving young talents and managers from all over the world designed and delivered in partnership with the internationally acclaimed Italian business school, SDA Bocconi.

We worked to improve our training tools, by implementing a new global Learning Management System in our C People system between the end of 2020 and the beginning of 2021. All training systems and processes have been re-thought and re-designed to be experienced digitally.

In 2020, the global community engaged in 286,247 hours of training an average of 48 hours per employee. We had a slight decrease compared to 2019 (almost 1% decrease in training hours) due to the transition and re-adaptation from face to face to virtual, as programmes were designed to be shorter.

HOURS PER EMPLOYMENT CATEGORY AND GENDER

	2020					
	Total hours for men	Average hour per men	Total hours for women	Average hour per women	Total hours	Average hours per employees
Executives	5,382	35.0	5,737	84.0	11,120	50
Managers and Field Force Area Managers	28,280	36.8	20,275	33.2	48,555	35.2
White Collar and Field Force Representatives	103,543	59.8	113,241	48.1	216,784	53.1
Blue collars	4,568	30.1	5,220	40.5	9,788	34.8
Total	141,774	50.5	144,473	45.7	286,247	48

We focused on spreading B Corp and Benefit Corporation principles among our employees: We delivered a new version of our Group training programme, We ACT Educational, targeting all new hires to ensure that the shared value mindset is embedded during onboarding processes.

We also developed more specific and individual training programmes to train internal spokespersons, to acquire the skills

to present and share publicly B Corp and Benefit Corporation values and principles, in a sharp and engaging way. We trained 55 people from 18 different Affiliates for a total of almost 600 hours.

Furthermore, dedicated online training was given to the Italian Field Force on Benefit themes, and was also made available as e-learning, reaching more than 400 people.

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SPECIFIC TRAINING ON B CORP AND BENEFIT CORPORATION



We signed a new supplementary contract agreement in Italy crafted with a B Corp approach.

In 2020, we were even more committed to taking care of our people's well-being. For this reason, we signed a new supplementary contract with local trade unions (FILCTEM CGIL, FEMCA CISL and UILTEC UIL of Parma). It will be valid for the next three years and will be applied to more than 2000 employees in Italy.

With this contract we wanted to make a positive difference in the lives of our employees. The most innovative parts of the new contract include: Holiday transfer to colleagues dealing with severe illnesses in their family; unlimited hours for medical check-ups; a 30% increase in parental leave payments; a contribution for nursery and primary school costs; part-time leave for parents with children under the age of 6.

Two important new topics were included in the agreement to reflect a greater level of attention to social issues:

- A path to prevent and combat gender-based violence: It includes, among other things, the involvement of local

- associations that deal with this issue on a daily basis; and
- A statement on volunteering and community service: Allowing additional hours of leave for activities carried out with local associations in favour of projects aimed at fighting poverty, supporting vulnerable groups, promoting multiculturalism, and protecting the environment.

Particular attention was paid to the Field Force and the enhancement of their role. This saw a reconsideration of job indemnity and workers engaged in production departments for whom, among other things, a specific clothing allowance was provided and the right to leave the night shift upon reaching 60 years of age, while keeping the economic compensation unchanged.

3. Guaranteeing health, safety and well-being for our employees
 Excellence can be reached by applying the most rigorous procedures and practices in order to secure the best care for our people.

#EveryStoryCounts

We felt safer at work than anywhere else

Giuseppe Impellizzeri, Paola Azzeo, Alessandra Capuzzi and Katuscia Zanacca
 Global Manufacturing Division, Chiesi Headquarters

"Lockdown caught us all by surprise. Everywhere there was fear of the virus and yet, for us who work in production, staying home was not an option".

Giuseppe

"80% of the staff's presence is required. So, we immediately implemented change. We put staff into morning and afternoon shifts to reduce the number of people working together at the same time and Chiesi set up an

emergency team (CEM) to help keep staff informed as well as protected. In the beginning of the lockdown, I felt safer at work than anywhere else. We were part of the lucky few that had full protective gear". Giuseppe

"It was incredible to see how everyone responded with a strong sense of duty to the task at hand. We had to adapt to a totally different way of working to what we were used to".

Katuscia

"There was no complaining about coming to work, instead there was a growing sense of pride and responsibility arising from the

team, because we all knew that our job was essential; the medication we produce saves people's lives". Paola

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"We felt an immense sense of teamwork, everyone dedicated to making sure their part was done so that their colleagues could continue the work in the following shift".

Alessandra

"We made sure that we were there for everyone, using tools like WhatsApp groups to stay connected and to make sure that we created a support network for all of the staff. It was not easy, but we certainly had proof that we are a united group with a

strong sense of belonging and desire to get work done. It's as if Chiesi really is made up of a bit of every one of us".
 Alessandra



Giuseppe Impellizzeri, Paola Azzeo, Katuscia Zanacca, Chiesi Headquarters

Guaranteeing a safe and healthy workplace for our employees has always been our priority. The extraordinary security measures put in place in 2020, following the pandemic outbreak, are described below.

We always make the health and safety of our employees our first priority.

The pandemic outbreak has deeply impacted our daily lives at every level, and we all found ourselves dealing with situations never experienced before. This has forced us to rethink our procedures and our way of working.

Since the Covid-19 emergency was declared, the Chiesi Emergency Management teams (CEM), a dedicated task force at corporate level and in every affiliate, has constantly monitored the evolution of the situation.

CEM teams across the whole organisation have put in place several contingency measures to support the health and well-being of employees, patients and partners, following guidance provided by institutions and the World Health Organisation. These actions are focused on four main areas of activity: protecting, sharing, informing, and training. A constant two-way communication channel with our employees, sharing updates, video training and messages helped to inform our colleagues on the scenario changes and to respond to requests for information.

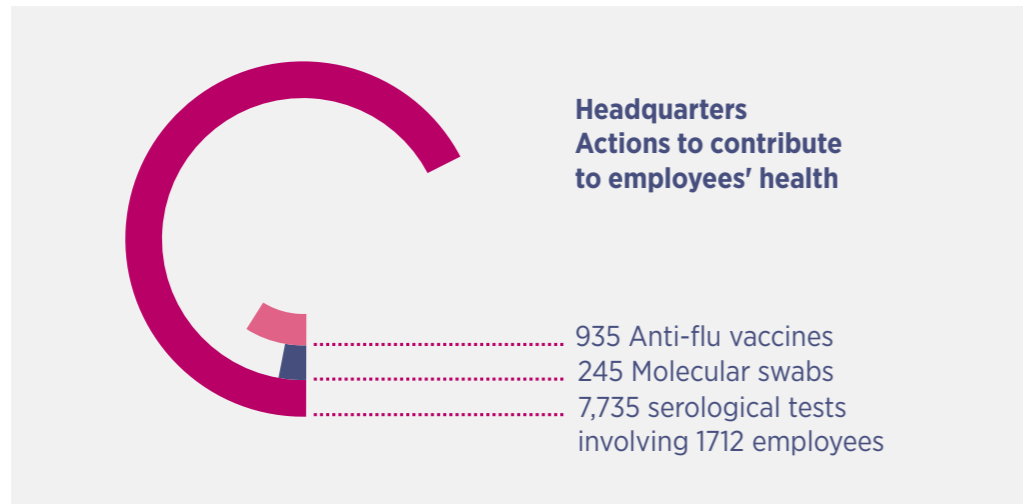
We identified an essential workforce whose physical presence was indispensable on site to maintain the continuity of the operations.

We provided the technological support and equipment necessary to ensure that all other Chiesi team members were able to work from home. For all employees who continued to work on-site, rigorous processes have been implemented to protect their health, including guidance on social distancing and new hygiene protocols in addition to existing routine safety and security procedures.

Our Field Force, whose daily job is to keep a face-to-face dialogue with Health Care Professionals, found themselves in a world where travelling and in person meetings were suddenly no longer allowed, therefore we needed to completely rethink their way of working. We then created an opportunity for them, turning reduced job hours into useful training time in areas such as:

- Stress management;
- Preparation training to return to the field;
- Language training; and
- General soft skills training, such as communication skills.

We offered Covid-19 serological tests and rapid swabs in all affiliates where the teams needed it and the local regulation allowed it. For example, at HQ employees had access both to tests and were provided in-house flu vaccination free of charge for those who requested it:



We kept investing in the general well-being of people through our People Care project.

All the actions we put in place to preserve the safety and well-being of our employees during the pandemic were consistent with the People Care approach we have been implementing for years.

People Care is a programme that ensures Chiesi is a positive and healthy workplace. Its approach is to create a harmonious balance between work and social interactions. Our wish is for all employees to feel comfortable to express themselves and leverage their unique talents so that they can give their very best. With this ambition in mind the People Care programme ensures that services and benefits are available to make work-life balance a reality across all of the company's departments and guaranteeing a personalised experience according to the different lifestyles and needs.

Below are some initiatives carried out in Chiesi's Headquarters which were also replicated around the world.

- We dedicated specific help lines and services for psychological support to our employees. These included a 24/7 service

as well as personal meetings with expert psychologists to minimise the psychological effects of the lockdown or difficult situations due to the emergency;

- Many well-being actions were moved to digital platforms such as yoga, meditation, stress management meetings, empathy education;
- We introduced online workshops to share helpful information regarding daily diet, food waste, and grocery shopping;
- Life coaching activities to work on personal goals were reinforced;
- The Anti-stress Online Path was inaugurated: an innovative opportunity to prevent and relieve stress and techno-stress due to the moment we were facing; and
- A program targeting parents (called the LIFEED project) aimed to analyse how to transfer parents' competencies at work.

Moreover, in 2020 we collected all the People Care actions and initiatives implemented worldwide to create a list of best practices to be used as of 2021.

MEXICO

Psychological support for all through these uncertain times

One of the biggest challenges that came was the sudden change of lifestyle for everyone and the impact that this had on people's mental health. We realised that in order to help our employees and reduce their level of Covid-related stress, we needed to focus on both their physical and mental health. This insight led us to create, free of charge to all employees, virtual psychological therapy. The initiative was extremely successful, helping our employees and their families to better understand their feelings, anxieties and how to manage the new normality.

We constantly kept an eye on the potential risks within our facilities and set up preventive plans.

All our sites are certified ISO 45001, the new international standard for Occupational health and safety management systems. We monitor aspects of both health and safety for employees as well as guests. In our production sites

a "near miss reporting" system is in place to focus on prevention rather than correction.

Workers are involved in educational activities on safety and almost 4,700 hours were dedicated to safety training. Our strategic plan includes health improvement actions like preventive medical checks for all.

	INJURIES (NUMBER AND RATE)					
	2020			2019		
	Men	Women	Total	Men	Women	Total
Work-related injuries	12	12	24	10	18	28
of which fatalities	-	-	-	-	-	-
of which with high consequences (excluding fatalities)	-	-	-	-	-	-
Hours worked	4,971,579	5,365,807	10,337,386	4,596,584	4,760,935	9,357,519
Injury rate	0.48	0.45	0.46	0.44	0.76	0.60
High-consequence injury rate	-	-	-	-	-	-

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EXTERNAL WORKERS INJURIES

2020 - Total

Work-related injuries (number)	2
of which fatalities	-
of which with high-consequences (excluding fatalities)	-
Worked hours	850,181
Injury Rate	0.47
High-consequences injury Rate	-

More details on methodology are explained in the Annexes ([p. 218](#))

THE STRUGGLES WE ARE FACING

Creating a long-lasting culture based on our values will determine our ultimate success

Growing a solid, long-lasting company culture is always a challenge. Moving forward, we will also need to infuse these values in our day-to-day lives. It is fundamental to create a company culture that shapes our identity for the years to come. It will be the driver of our everyday decisions, will attract the best talent worldwide and enhance our competitive advantage. Ultimately, our profitability will benefit and make a contribution to the advancement of social and economic conditions of the communities in which we operate.

Diversity and Inclusion: a long-term game to play, whatever it takes

We have addressed the struggle of gender equality gathering solid knowledge across different criteria. Even though we are progressing on this topic, implementation will be challenging due to cultural and structural differences across the globe. We will also need to ensure our initiatives encompass all existing diversity dimensions within our organisation. Diversity also means having a culture that embraces all age groups. We will

therefore need to keep attracting and engaging our young talent as they represent the most valuable asset for the future success of our company.

Finding the right balance between smart working and in-person interactions

Smart working will shape the new way we will work in the future. As human beings though, we need to interact, share opinions and ideas in person. We will strive to find the best balance between these two worlds, keeping the health and safety of our people as a key guiding principle.

Agility and reinventing internal processes will be the new normal

The Covid-19 pandemic forced companies across the globe to adapt to the new normal: working from home and implementing new internal processes to safeguard and protect employees' health.

For multinational companies like Chiesi, this was a clear challenge which deserved our uncompromised attention and dedication. At the same time, we believe that this way

of doing business has changed how we operate. Flexibility, resilience, and adaptability are the new key words for people manage-

ment. We need to re-invent the design and implementation of new internal procedures and organisational structures.

#EveryStoryCounts

Feeding the Hungry: A Mission to Match My Motives

Laura Shaeffer

National Strategic Business Liaison, Chiesi USA

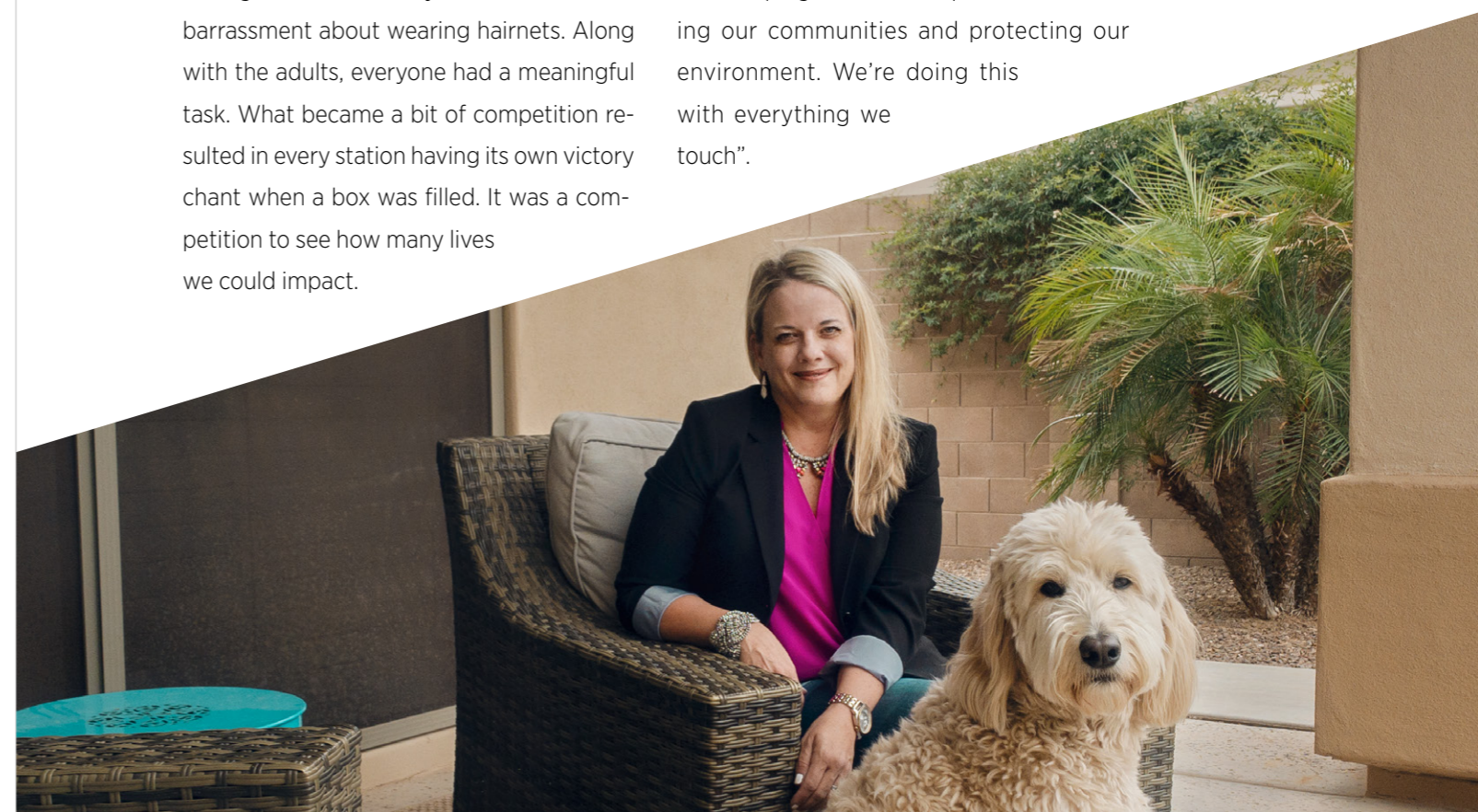
I recruited my family and friends for a Meal Packing Day to benefit hungry Cambodian communities. The event supported Feed My Starving Children, which combats malnutrition in 70 countries by providing nutritious meals to vulnerable communities.

My team worked at packing stations, assembling all the ingredients necessary for easy-to-prepare meals, developed by nutrition experts. All ages participated, from the smallest children who couldn't reach the tables to teenagers who eventually overcame their embarrassment about wearing hairnets. Along with the adults, everyone had a meaningful task. What became a bit of competition resulted in every station having its own victory chant when a box was filled. It was a competition to see how many lives we could impact.

"They showed us videos of the people running to gather meals when they were air-dropped into their villages. It was powerful!"

I joined Chiesi three years ago as National Strategic Business Liaison and I love the impact we have on patients. Our patients are really sick and are sometimes in life-or-death situations. We help those people.

I believe that Chiesi's commitment to sustainability is a "mission that matches" my motives. "It permeates everything we do, from helping doctors and patients, to serving our communities and protecting our environment. We're doing this with everything we touch".



Global Value Chain

Through our Global Value Chain, we commit to producing one overarching positive effect:

- **To take a leading role towards a sustainable value chain.**

To ensure that this engagement is nurtured and supported in the future, Chiesi integrated the following specific purpose of common benefit in its corporate by-laws:

“Chiesi promotes a conscious and sustainable approach to doing business, whilst also generating collaborative exchange with stakeholders”.

The main topics associated to Chiesi's Global Value Chain are:



Responsible
 management
 of the value chain



Human
 rights



Governance,
 Mission
 & Engagement

1. Taking a leading role towards a sustainable value chain

We promote collaboration and interdependence among all stakeholders as a lever for mutual advancement and growth.

“Registration of new materials and licenses are expensive. Chiesi is one of the few companies that ask us for green alternatives and that are willing to try new materials”. Julian Hemy, H&T Presspart, Chiesi supplier

#EveryStoryCounts

One special birthday party

Xie Feng

Legal, Compliance and Social Responsibility Director, Chiesi China

Honghe is a poor city located in the Southeast of Yunnan, China, where the majority of the population are ethnic minorities. It is a melting pot of culture. Since this area is located in a remote region of China, sharing the border with Myanmar, the fragile economic condition worsened due to Covid-19. In response to the government's goal to lift such areas out of poverty, Chiesi China, together with the Shanghainese government, visited Honghe to identify a meaningful way of supporting the community living there. During one of these visits, we were touched by a group of high school students, all children of migrant workers. They live and study in difficult conditions due to the families' low financial incomes. We were saddened when told that most of them had never even had a celebration for their birthday.

On a warm September night, Chiesi employees organised a birthday party for these students. We decorated the school's playground, we sang songs together, gave them gifts and screened an Italian movie for them! Initially, they were a bit shy but gradually we got to know each other and ended up having a wonderful evening. For most of them, it was their first Birthday party. A memorable and touching moment for them and for us. We all had teary eyes! We were happy to give them this, and we believe that this love and care is essential for their future.



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Highlights

To positively impact both people and planet, we need the support and engagement of all business partners. 2020 was the year in which we globally implemented our **Code of Interdependence**. The Code is Chiesi's version of a code of conduct and has been drawn up as part of a joint initiative with our strategic suppliers. It changes the concept of a supply chain into an ecosystem, which recognises each of us as essential to the others within a process of mutual learning and co-evolution.

Our inspiration came from movements and cutting-edge visions of the pharmaceutical industry such as the PSCI (Pharmaceutical Supply Chain Initiative), B Corp, ILO (International Labour Organisation) and the United Nations SDGs (Sustainable Development Goals). The Code is a practical tool that Chiesi, and all of the other actors of our ecosystem, can use to **evolve towards a more sustainable and inclusive concept of company**.

Thirteen countries have translated the Code into their local languages and made it available on Chiesi's local websites.

During the year, we also focused on evolving internal processes, such as the analysis, qualification, and assessment of all our strategic suppliers and partners around the world, so that they could incorporate the Code. This laid the groundwork for a full and global roll-out which started in early 2021.



OUR VALUE CHAIN



The Group is implementing a comprehensive plan of action to take a leading role to build a sustainable value chain. The main initiatives that ran in 2020 are described below.

We implemented our Code of Interdependence at a global level.

Our supply chain is a key area to broaden the perimeter of our company's positive impact on people and the environment while addressing the global challenges our business production might generate.

Chiesi's Code of Interdependence is a co-created code of conduct developed in 2019 with our strategic suppliers to reflect our shared value perspective. It embodies the concept of interdependence because we can only change the world for the better if we act collectively. As such, our supply chain can have a tangible positive impact on all of our stakeholders.

The Code is based on a set of principles: The United Nations Sustainable Development Goals, the PSCI (Pharmaceutical Supply Chain Initiative), the ILO (International Labour Organisation), and the B Corp principles. With this Code, we define shared guidelines and require every part of Chiesi's value chain to adhere to a common set of principles to achieve a more sustainable and inclusive business model.

In light of this, we ran a process with the affiliates for the local implementation of the Code. It was translated into thirteen different languages, published on the Chiesi local websites, and communicated to all suppliers globally. All Chiesi's agreements with third parties managed at Group level, now have a specific binding clause requiring adherence to the Code.

Human rights are part of the many challenges the Chiesi Code is designed to tackle. We promote decent work in all its possible expressions, such as fair working conditions, child labour prevention, rights at work, and social dialogue.

In 2020, we had 75 new significant¹³ suppliers signing agreements which included the Code of Interdependence clause, accounting for almost 9% on total significant suppliers.

The Code also requires all of our business partners to design solutions, implement them, monitor and report, and collaborate with Chiesi to reach common targets.

All these initiatives stimulated a spontane-

ous virtuous circle. For example, many of our business partners have requested more information on Benefit Corporations and some have decided to pursue B Corp certification themselves.

We are now working to create the foundations for the "2021 onwards" engagement plan with our strategic partners focusing on the categories with the highest impact on spend.

UK

Rolled out the Code of Interdependence

We distributed the Code of Interdependence to existing suppliers with whom we spend more than £50k per annum and new suppliers with whom we will spend more than £10k per annum. As a result of this action, 50% of our suppliers, in terms of 2020 spend, have now committed to the Code.

NORDICS

Produced a short film to generate Supplier engagement around the Code of Interdependence

As the understanding of the Code of Interdependence is central to the work we do with our suppliers, we produced a short film explaining the Code. This made the Code more accessible and made it easier to engage with our suppliers. Ultimately, this has resulted in our ecosystem of partners and suppliers beginning to commit to the Code. As one of them explained: *"I really like working with Chiesi because you are pushing me to learn more so that I can offer other customers more sustainable solutions"*.

We rolled out a unique Supplier Qualification approach to all our business partners globally.

A qualification process that incorporates sustainability parameters was rolled out at affiliate level to create a coherent governance setup and the appropriate conditions to trigger suppliers' engagement. In 2020, the new qualification process, active at Headquarters level since 2019, was also extended to four affiliates (Brazil, France, Germany, UK), representing more than 80% of the global expenditure.

As a consequence, among many other results, more than 200 suppliers were screened through social, governance and environmental lenses.

Furthermore, in parallel to the Code's roll-out programme, all new suppliers must now adhere to the Code during the qualification process.

13. The amount refers to the Group suppliers with agreements for Opex and Capex ordered in 2020 whose value is higher than 150,000 EUR. Please note that the value does not include the "in & out distribution agreements" because it was not possible to measure the respective value. The number considers only those suppliers who accepted the Interdependence Code.

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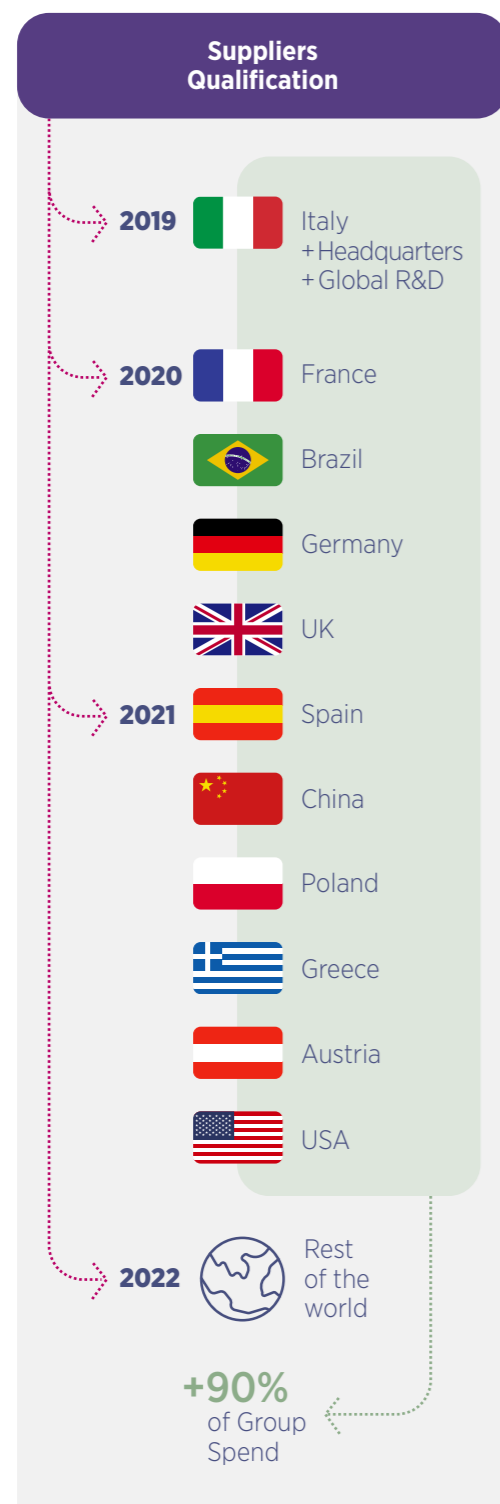
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SUPPLIER QUALIFICATION



Vendor Qualification process spread on all Affiliates, contains formal request of acceptance of Chiesi Col or main parameters assessment.

We are placing an increased attention on sourcing local suppliers within our procurement process. This will support the economic development of our communities. Globally in 2020, Chiesi's spend on local suppliers represented 50% of the total expenditure.

"One of the responsible businesses' key priorities is to find solutions that will neutralize their negative impact. The sooner, the better. For those who are not focused on such direction, this is an obvious management oversight". Guido D'Agostino, Head of Global Procurement

We structured our Audit Plan procedures around the topics covered by our Code of Interdependence.

Following the mandatory Code of Interdependence compliance, we put in place a pilot audit plan programme. We are targeting our ten main suppliers to monitor their level of adherence.

The audit procedure, driven by our Global Procurement, is structured around the Pharmaceutical Supply Chain Initiatives (PSCI) framework, which is used as a sector benchmark.

Our plan is to extend the scope of the audit programme to the entire supply chain over the upcoming years.

We developed a Responsible Investment and Partnership Policy.

During 2020 we developed a Responsible Investment and Partnership Policy which integrates ESG principles into the due diligence process that we conduct during an

investment or partnership evaluation. With the application of the policy, we are now able to understand the environmental, social, and governance performance of a given company. The Policy sets different requirements and the possibility for Chiesi to support its partners in identifying sustainability improvement objectives.

We actively engaged our partners to reduce emissions linked to our logistic infrastructure.

As part of the overall objective to reduce our carbon footprint to zero, we focused on the logistic infrastructure that we operate both internally and with our external logistics operators who account for a large part of our flows. We therefore integrated a new analysis model, using a tool called the Logistic Impact Meter, to map the impacts on the environment and people at each logistics stage (warehouses, hubs, transit points, transportation lanes). This allows us to identify priority areas for improvement and in 2021 will launch a pilot project in Italy.

We also completed the GHG emission calcu-

lation of the global Chiesi's primary transport flow to be included in the Group's total GHG inventory.

In addition, we started to implement several solutions and improvement initiatives:

- We activated the transition from air-based transportation to sea-based to reduce our footprint prioritising US and South Korea destinations;
- We optimised the truck loading performance for all shipments between our warehouse in Fontevivo and our Parma production sites. In doing so we have managed to reduce the number of vehicles passing through the city of Parma with an immediate reduction of noise and air pollution;
- On the same transportation route, we now use LNG (liquefied natural gas) trucks, managed by a certified B Corp, which have lower CO₂e emissions; and
- Half of the pallets used in the Parma plants are made from wood from forests managed according to PEFC (Programme for the Endorsement of Forest Certification) guidelines, through a B Corp certified supplier.

IMDD - International Markets Development Division

IMDD'S MISSION IS TO GROW THE CHIESI BUSINESS IN ALL AVAILABLE MARKETS IN WHICH WE OPERATE WITH THE SUPPORT OF LOCAL PARTNERS.

We infused the Chiesi vision, based on the Benefit Corporation goals, in our relationship with distributors and licensees.

We feel the urgency to spread the shared value culture with all our business partners so that the use of business as a force for good is amplified and the care we seek to provide our patients enhanced.

In light of this ambition, our International Markets Development Division organised a contest in which partners were asked to produce a list of all the sustainability actions they were undertaking in their countries. The winner would receive a grant from Chiesi to support its sustainability journey and efforts.

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Four companies presented projects, and IMDD decided to award not one but two grants to:

- Chiesi's partner in the United Arab Emirates, New Country Healthcare, which identified and implemented several sustainability projects based on the SDGs, and had undertaken the first step towards becoming a B Corp; and
- Chiesi's partner in Lebanon, Sadco, which identified and implemented a set of waste reduction, recycling, energy conservation, and "green procurement" activities.

COMPANIES/COUNTRIES PARTICIPATING WITH SUSTAINABLE PROJECTS



We value the strength of our relationships with our partners which share our ambition to reduce GHG emissions.

Our International Markets Development Division has been rethinking how to build and maintain relationships with partners worldwide, while bearing in mind our ambition to limit our GHG emissions.

More specifically, we created several digital "in-touch" events in order to remain in contact with our key partners. This will allow us to optimise our carbon footprint, reduce the risk of fatigue and injuries, and improve the health and safety of our colleagues post pandemic.

Given 2020's challenges, we concentrated our efforts on continuing to support all our commercial partners.

We invested in tools that improve digital interaction with partners and colleagues, from electronic signatures to more complex e-solutions such as logistics orders digitalisation.

"Sustainability faces different challenges in the different geographies. Actions, therefore, carry a different weight according to where they are implemented". Marco Rombi, General Manager IMDD, Gruppo Chiesi

THE STRUGGLES WE ARE FACING

Operating in countries not covered by a Covid-19 immunisation programme will be an operational obstacle

The new challenge brought by Covid-19 has affected our industry on a global scale and will continue to see a series of consequences unfold over time.

The rate at which each country can vaccinate its population will be a critical factor in determining how quickly and safely businesses will operate again.

"In the short run vaccines will fuel the divide between rich and poor. Soon, the only people to die from covid-19 in rich countries will be exceptionally frail or exceptionally unlucky, as well as those who have spurned the chance to be vaccinated. In poorer countries, by contrast, most people will have no choice. They will remain unprotected for many months or years".¹⁴

In this increasingly delicate context, it is our duty at Chiesi, to continue to expand the reach of our sense of interdependence through our business and our actions towards the global community. We will do anything in our power to ongoingly supply our products in the more than 100 countries where we operate, no matter the level of complexity.

Creating long-lasting and solid partnerships will be challenging due to the uncertain scenario caused by evolution of the Covid-19 pandemic

Our partners' and suppliers' engagement is vital to amplify the positive impact of sustainability practices throughout our value chain. Before the pandemic, Chiesi organised

in-person meetings and gatherings (the so-called Vendors' Day), which were crucial to solidify our relationships with key business partners and build a shared vision. We are now forced to rethink how to pursue this same goal in order to continue the journey we have started together.

Reducing our environmental footprint requires a strong engagement throughout the entire the entire Supply Chain

In 2021, we have a clear plan: To lay the foundations for a more robust engagement through the implementation of new partnerships, the extension of the Code of Interdependence to all of our suppliers and the further dissemination of the Code's auditing plan. The overall goal is to create a more sustainable Value Chain in the years to come, with a specific focus on reducing the carbon footprint of our suppliers.

Engaging our suppliers will be the next step of our journey to design a truly sustainable Value Chain

At Chiesi, we shall not limit our efforts to engaging only our direct suppliers. We need to create the conditions and know-how to engage our suppliers, thus making a positive exponential contribution to the entire ecosystem we are part of. We need to design a new way of mutual collaboration and interdependence.

14. "Ten million reasons to vaccinate the world", The Economist, May 15th, 2021

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Corporate Citizenship








Through our Corporate Citizenship initiatives, we commit to achieve four positive effects:

- **Ensuring continuity of medical treatment and business resilience;**
- **Having a positive impact on the territory;**
- **Increasing the transparency and ethical practices of business; and**
- **Actively and positively contributing to the European and international agenda.**

To ensure that this engagement is nurtured and supported in the future, Chiesi integrated the following specific purpose of common benefit in its corporate by-laws:

"Chiesi seeks to contribute to the development of the local communities where the company operates".

The material topics associated to Chiesi's Corporate Citizenship are:

 Economic value generated	 Transparency	 Governance, Mission & Engagement	 Ethics & compliance
 Human rights	 Community engagement & support	 Business continuity, resilience and crisis response	

1. Ensuring continuity of medical treatment and business resilience

We are in business because we care about people, and improving their lives is our ambition. Ensuring the continuity of medical treatment supply to patients, thanks to a resilient business, is the vital purpose we aim to pursue.

"I find the fact that Chiesi became a B Corp in 2019 so beautiful". Leonardo Fabbri, Specialist in respiratory and internal medicine, University of Ferrara

#EveryStoryCounts

"Only a life lived in the service to others is a life worth living"
Albert Einstein

Mehreen Obaid

Manager Regulatory Affairs, Quality Assurance & Pharmacovigilance, Chiesi Pakistan

The initial months of the Covid-19 pandemic were a huge disaster around the globe, and in Pakistan, it was no different. Many people lost their lives and jobs. People had no food, medication, or any source of income. It was heartbreaking to witness such difficult situations. Chiesi Pakistan decided to give a helping hand to the suffering communities around us by creating the "Food Bags" project. We prepared daily food boxes with basic needs for families. We invited them to come to collect the "Food Bags" from our Chiesi facilities. For some, we distributed the bags directly to their homes.

I identified underprivileged and daily wagers around my area as well as some people Chiesi works with in need of help.

While distributing

the bags, I met a family with severe debt that they had incurred to pay for their daughter's cancer treatments. Sadly, she did not make it. The father was a taxi driver who could not pay back the debt while covering the costs of his household. We therefore helped them with the groceries, and I also made sure I cleared all their debts. Had it not been for the "Food Bags" programme, I would not have met them, nor would I have been able to help. This story deeply touched me and brought me real contentment. I relieved someone else from a burden and brought back a few smiles to a whole family.



Highlights

At Chiesi, we believe in the spirit of collaboration and interdependence. As such, contributing to the development of the communities we live in is part of our mission.

2020 was a year like no other, where our priority was to ensure that we could continue to serve our patients:

- **We managed to ensure the production of medical products, especially essential ones and those needed to treat rare diseases; and**
- **We supported hospitals, medical centers, and medical staff with protective equipment.**

We took care of our people and adapted our procedures so that they could work in a safe environment.

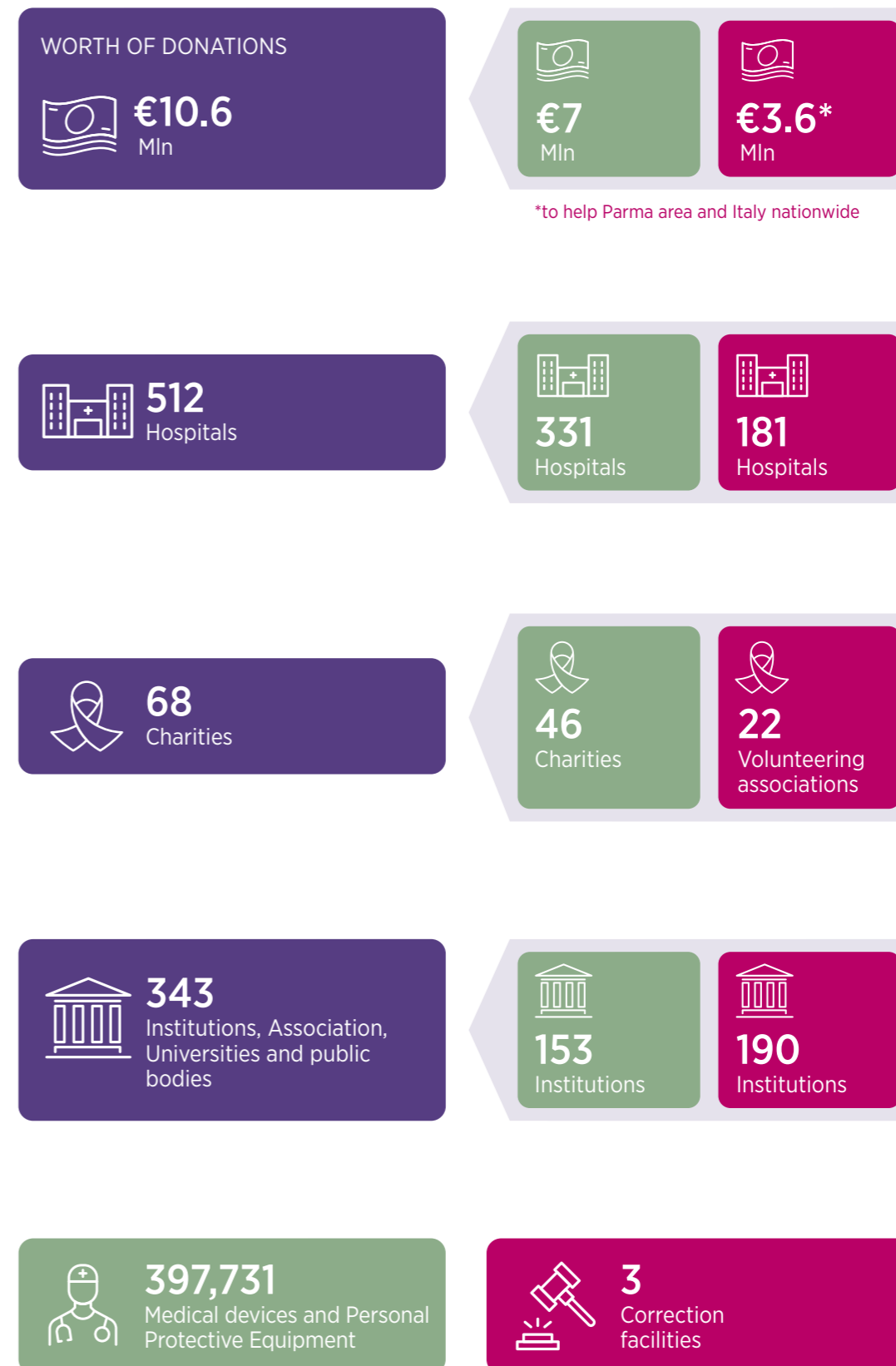
We also confirmed our support to local organisations, associations, and volunteers so that they could continue their important work in their communities.

All of the above was rolled-out without neglecting or pausing our efforts to implement our ambitious sustainability plan.

In 2020, we genuinely put care into action.

HOW WE CONTRIBUTED DURING COVID-19 EMERGENCY

- Our efforts in Italy
- Global support across 24 countries



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The Group is implementing a comprehensive action plan to ensure continuity of medical treatment and the resilience of our business. The main initiatives that ran in 2020 are described below.

We worked relentlessly to deliver on business continuity and protect our patients.

In an unprecedented year like 2020, we put in our best effort to avoid any product shortages.

Please refer to the "[Products and Patients](#)" chapter for the full detail.

In the country focus boxes below are examples of initiatives activated across all of our Chiesi affiliates.

GREECE

Making sure Covid-19 did not detract the importance of treatment and support needed for Chronic Obstructive Pulmonary Disease (COPD) patients

In order to do so, we engaged healthcare professionals (HCPs) to support each other by sharing Covid-19 knowledge to best inform COPD patients, families and caregivers on the measures to follow and importance of adherence to treatment. Furthermore, we enriched the [#happy-BREATHday](#) digital COPD campaign by integrating it with interviews and guidelines offered by Pulmonologists to patients with COPD on how to treat themselves during the pandemic. In addition to this initiative, Chiesi Greece sponsored a radio spot in partnership with the Hellenic Chest Disease Society to increase the awareness of COPD. Lastly, we collaborated with the Pan-hellenic Respiratory Society to ensure HCPs' participation in an online event on World COPD Day.

CENTRAL EASTERN EUROPEAN COUNTRIES (CEE)

Supporting our communities during the Covid-19 emergency across all CEE countries (namely Bulgaria, Czech Republic, Hungary, Romania, Slovakia, and Slovenia)

The company successfully ensured the continuous supply of pharmaceuticals to the six Chiesi affiliates in the CEE countries. The safety of all employees has been a priority throughout these months. We implemented strict safety policies, strengthened the IT infrastructure, and provided appropriate remote working conditions and the necessary training to do so. All the measures put into place were in line with local legal regulations and the WHO recommendations. At Chiesi, patients, healthcare professionals, and the local community are equally important to us. By May 2020, around 60.000 EUR in protective equipment had been donated to these groups. We also provided vulnerable patients, such as those suffering from asthma or with COPD, with educational and supportive webinars. In addition, we donated 200,000 EUR in March 2020 to the neonatology and pulmonology clinics at Rebro Hospital in Zagreb (Croatia), which had just been destroyed by the worst earthquake the city had witnessed in the past 140 years.

We created a dedicated group to respond to Covid-19 related emergencies all around the world.

As a Benefit Corporation, we work to positively impact our society and support our local communities to the best of our abilities.

"The spirit of caregiving that ties us to employees as well as our external stakeholders is encoded in the Group's DNA. For this very reason, the moment the pandemic hit, we did not think twice to put our founding values into practice, offering scientific and economic support to tackle the emergency". Ugo Di Francesco, CEO Chiesi Group

We created a dedicated team to coordinate the collection and deployment of donations. During the peak periods of the pandemic, our top management was constantly involved in assessing each request of support received. Donations covered an array of different medical supplies such as personal protection material and gels as well as equipment for hospitals, healthcare organisations, volunteering associations, and institutions.

Furthermore, we organised a series of internal fundraising events to economically support local non-profit associations, whose funds had been cut off, so that they could continue their activities.

In the area of Parma, Chiesi decided to double the final donation amount. We made more than 1,000 donations on specific projects to support Covid-19 emergency-linked activities in the local community. We supported hospitals and healthcare workers across Italy. We assisted an array of associations, from those managing hospital transportation in emergencies to those deploying volunteering activities in order to ensure that the most fragile in our communities could stay safe. We supported local organisations to create

In 2020, we felt an even stronger sense of responsibility. We decided to increase our level of contribution in response to the global emergency, which included both financial support and in-kind donations.

a specific fund that could assist the new poverty caused by this crisis: from food aid, distance learning, subsidising the payment of bills or rents, to professional upskilling. We participated in initiatives targeted at supporting children, including the creation of open-air school camps at accessible prices. Overall, we donated over €3.5 million to help the Parma area and Italy nationwide.

The same approach was adopted throughout the whole Chiesi Group, providing a prompt response to the needs of our local communities and the geographies we operate in. With the support of our employees and all our affiliates, our combined efforts have totaled in more than € 10 million worth of donations.

We created a section on our website that was regularly updated to ensure transparency regarding all the activities and how the funds were deployed.

BELGIUM

Providing support to the Alice Foundation, a Belgian association for premature babies

Chiesi Belgium supported 'The Alice Foundation', a patient organisation located in Antwerp, which gives financial support to parents of premature babies (to cover costs such as travel to hospital, cooling bags for milk, and food voucher). In addition, the organisation distributes goodie bags with products to take care of the baby and lends specialised medical equipment for parents to use at home free of charge.

POLAND

Providing support to the Polish association for premature babies

We donated personal protective equipment and medical equipment, including protective masks, inhalation chambers, protective coveralls, gloves, and mobile ultrasounds units. We also donated 50 000 PLN to the "Się Pomaga" foundation. The objective of the foundation, during the pandemic, was to ensure that both Health Care Professionals and parents of preterm babies were well informed and had access to educational materials to know how to behave once outside Neonatal Intensive Care Units. A total of about 1,000 HCP and over 700 patients' families were supported. This project gave continuity to what we had already been doing before Covid-19 and strengthened our relationship with Polish neonatologists, Polish patients' associations, and patients.

We set up the Chiesi Emergency Management (CEM) teams to protect, inform and train our employees around the world.

From the onset of the Covid-19 emergency, we adopted the necessary containment measures in our Headquarters as well as across all affiliates. In doing so, we managed to avoid internal outbreaks.

Dedicated Emergency Management Teams around the world implemented strict procedures in line with government policies and the World Health Organisation recommendations.

Protecting, sharing, informing, and training on relevant topics have been the pillars of the work carried out by the teams. In addition, we provided psychological support to our employees. Extraordinary measures were put in place for employees working remotely as well as for those who were required to work

at Chiesi facilities and manufacturing plants. We ensured the highest safety standards, activated an additional Covid-19 insurance coverage, and raised the salaries of workers working in our facilities by 25% to value their efforts.

We joined forces with other industry players to accelerate the Covid-19 support system.

We joined forces with other industry players to accelerate Covid-19 support programmes. We have played an active role in creating a bridge between Chinese and European doctors to facilitate the implementation of best practices as the pandemic continued to expand across Europe. From March to June 2020, we collaborated in 20 international digital events and in more than 60 national conferences enabled by 16 Chiesi's affiliates. By doing so, we reached almost 200,000 visualisations across more than 100 different countries.

"We have made our experience and our people available to collaborate with foreign authorities. Chiesi China organised a webinar attended by 70,000 European doctors in conjunction with Chinese doctors. This was a fruitful opportunity to exchange precious information on the management of the current pandemic".
Davide Dalle Fusine, General Manager Chiesi China

These initiatives enabled dialogue among Healthcare Professionals concerning Covid-19's management. These are still ongoing today and now focus on sharing best practices on how to adapt to the new post-pandemic normality.

We collaborated with GlaxoSmithKline's (GSK) Manufacturing plant in Parma (Italy) to share best practices and discuss the best approaches to manage the global emergency.

Chiesi and GSK Manufacturing's Parma signed the Emilia-Romagna Region's protocol. This protocol is in accordance with the procedures set out in the Italian Regions' Council's (Conferenza delle Regioni) resolution, which adheres to the Regional Screening Project for Workers, authorising companies to carry out tests to detect antibodies against Covid-19 in their employees.

To guarantee the highest possible level of protection for our employees and the communities in which they work, Chiesi and GSK Manufacturing offered, free of charge and on a voluntary basis, the possibility of doing serological and rapid Antigen swab tests. These were deployed directly within each of our

facilities with the support of the Company Health Service and external personnel from authorised laboratories. The screening was carried out respecting employees' privacy.

Employee testing is still ongoing and allows for extensive screening of the companies' employees, highlighting the current epidemiological risk and identifying potential new containment measures.

One of the main objectives of the Chiesi-GSK project was to collect valuable data at regional and national level for the study of serum prevalence (i.e., the degree of virus circulation) in the working population. This data now contributes to guaranteeing a safe workplace. Moreover, in a time of global emergency, it allowed us to play our part to protect the health of our community. In fact, this initiative also provided support to the Emilia-Romagna Region in carrying out the necessary screening without burdening the resources of the National Health System, which is under tremendous pressure. It also offered a valuable service to an even wider community as it provided useful data to understand the level of viral circulation in the population.

2. Having a positive impact on the territory

We want to act as a force for good, promoting a conscious and different way of doing business, positively impacting society and nature. For us, this is the only true form of progress.

"Solidarity is more than just a job. It's a way of life, my way of contributing to society". Clelia Bergonzani, Service Centre for Volunteers, CSV Emilia

"We planted our first Chiesi Forest, to help restore lost biodiversity and help combat climate change".

Judith Disbergen

Office manager and PA General Manager, Chiesi Netherlands

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Chiesi in action for the planet!

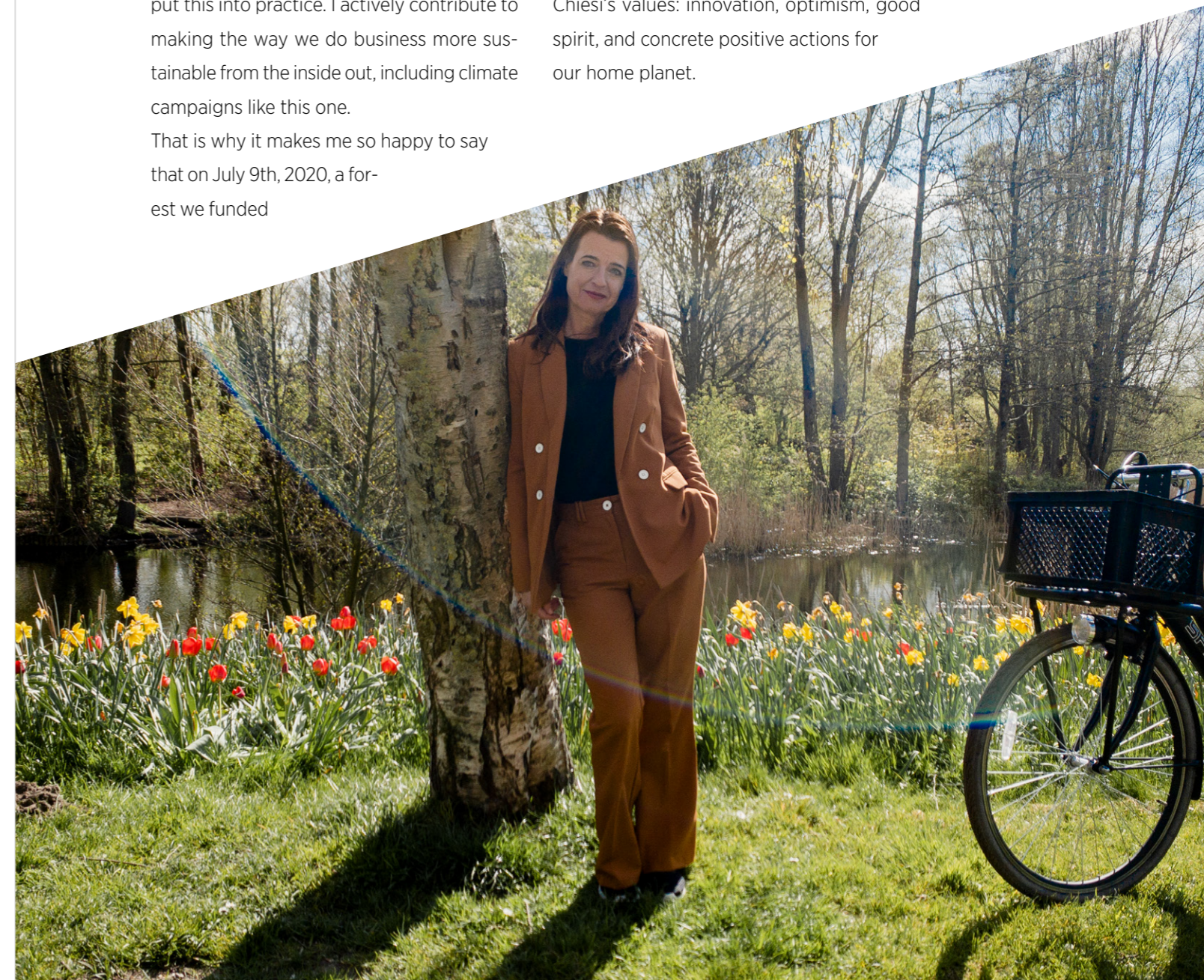
Judith Disbergen

Office manager and PA General Manager, Chiesi Netherlands

Besides my work as a dedicated office manager and PA, I am also highly committed to various B Corp and We Act projects. I love to roll up my sleeves and engage in initiatives that will help preserve our planet. I think it's only natural to want to take care of our planet. At Chiesi, I am given the opportunity to put this into practice. I actively contribute to making the way we do business more sustainable from the inside out, including climate campaigns like this one.

That is why it makes me so happy to say that on July 9th, 2020, a forest we funded

thanks to Chiesi Netherlands came to life! I am proud to be part of creating an initiative like this! The forest counts thousands of trees and helps increase biodiversity as well as address climate change. This moment created a sense of renewal, optimism, and cheerfulness inside our Company, mainly because it shows Chiesi's values: innovation, optimism, good spirit, and concrete positive actions for our home planet.



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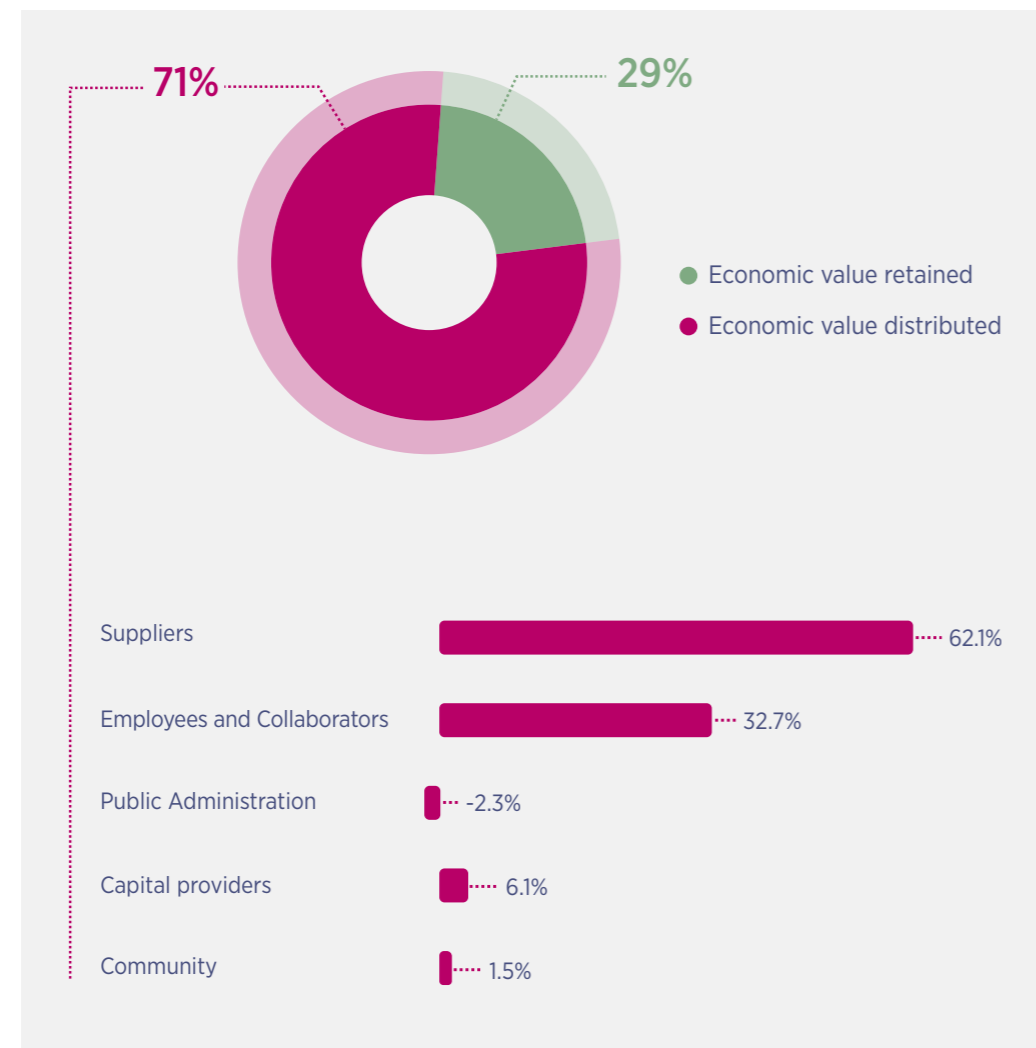
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During 2020, we continued to invest in promoting the long-term, sustainable growth of our communities through financial support and in-kind donations.

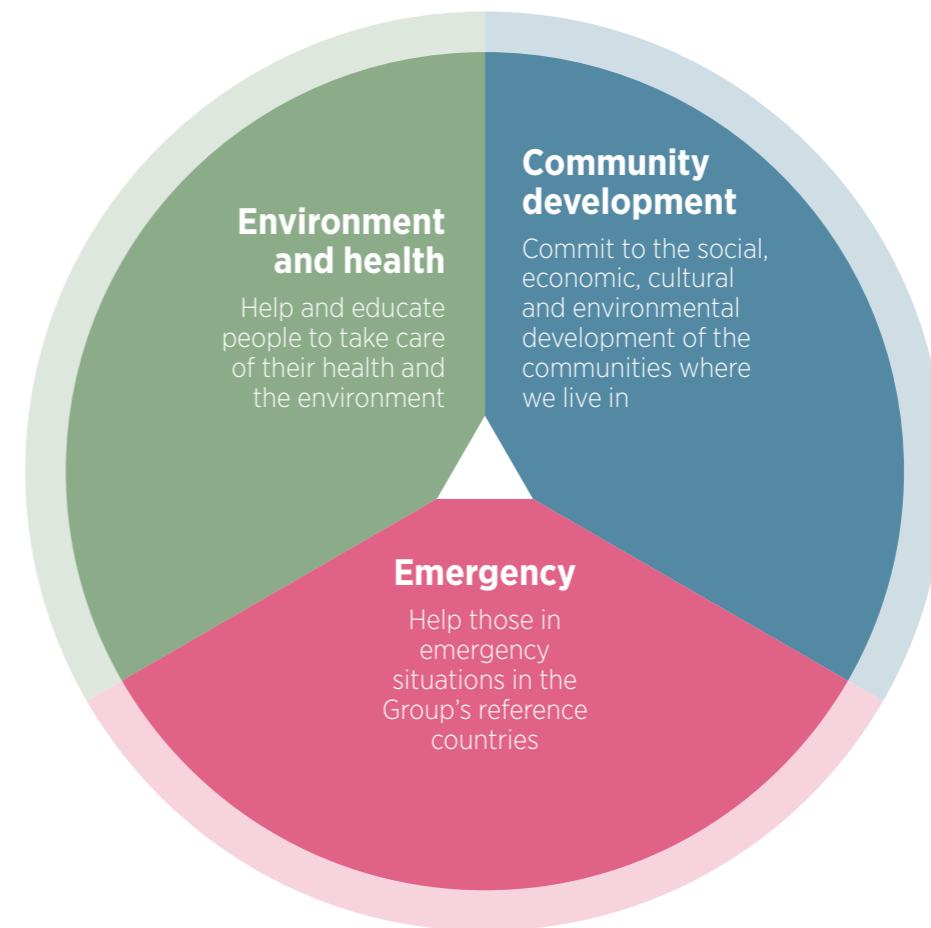
The pandemic created an unprecedented fragility throughout our communities. We actively reacted by reinforcing our contribution to all communities with uncompromised effort.

ECONOMIC VALUE GENERATED AND DISTRIBUTED



We have a specific strategy that guides our actions in our local communities with a dedicated governance body at the HQ level (our Committee for Social and Community Development Activities). This strategy is implemented both on the territory of Parma and its surrounding areas, where Chiesi has its HQ, and at affiliates' level, taking into account specific local needs. Our local community strategy is based on the concept of "shared value".

FOR LOCAL COMMUNITIES SUPPORT AND DEVELOPMENT



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VOLUNTEERING PROGRAMME



Digital Corporate Volunteering

Despite the pandemic and the impossibility to carry on face-to-face activities, we wanted to maintain our Corporate Volunteering program digitally.

We organised six online workshops to learn and deepen our understanding of the world of volunteering through direct dialogue with volunteers of the associations:

- Global interdependence - Cooperation, right to food and migrants;
- Social vulnerability - Proximity and home care;
- Women and rights;
- After Us and Support Administrator;
- New poverty and socio-economic gaps; and
- Environment and sustainability.

Ultimately, the online programmes involved almost 215 people, cumulating 380 enrolments and accounting for more than 700 hours training hours.

Chiesi Foundation

The Chiesi Foundation operates in low and middle-income countries through:



- The **NEST (Neonatal Essential Survival Technology)** model whose aim is to reduce neonatal mortality; and



- The **GASP (Global Access to Spirometry Project)** focuses on the development of specific clinical skills for the diagnosis and management of chronic respiratory diseases such as asthma and chronic obstructive pulmonary disease (COPD).

In 2020, the Chiesi Foundation accomplished important achievements:

- The publication of the NEST intervention in the Journal of Maternal-Fetal & Neonatal Medicine: "[Impact of a quality improvement intervention on neonatal mortality in a regional hospital in Burkina Faso](#)"; and
- The contribution to two important publications of the World Health Organisation: "[Standards for improving the quality of care for small and sick newborn in health facilities](#)" and the "[Roadmap on human resource strategies to improve newborn care in health facilities in low- and middle-income countries](#)".

The Group is implementing a comprehensive plan of actions to have a positive impact on local communities in which we operate. The main initiatives of 2020 are described below.

Economic Value generated and distributed

The economic value generated and distributed by Chiesi quantifies the amount of wealth generated within the reference year and distributed to various stakeholders: community, capital providers, public administration, employees,

and collaborators remunerated by wages and salaries and suppliers/vendors through the costs of goods and services purchased.

The figures for 2020 and 2019 are summarised in the table below.

ECONOMIC VALUE GENERATED AND DISTRIBUTED (€ MILLION)	2020	2019
Economic value generated	2,334.58	2,012.45
Community	24.20	17.88
Capital providers	101.03	53.19
Public Administration	(38.33)	143.27
Employees and Collaborators	543.38	494.09
Suppliers/Vendors	1,032.39	860.07
Economic value distributed	1,662.67	1,568.50
Economic value retained	671.91	443.95

- **Community:** The value distributed to the community refers to donations and contributions with social purposes identified according to the [Business for Societal Impact Guidance Manual](#), such as congresses expenses, sponsorships, External Clinical Scientific Test & Studies. Globally, over € 24.4Mln were invested in the community, of which €10.6Mln for Covid-19-related initiatives;
- **Capital providers:** The value increase dis-

tributed to capital providers refers to losses on securities and bond disposal of about € 34Mln. The capital providers section also includes dividends, which are considered the ones distributed within the reference year but related to the profit of the previous year, and interest on bank loans;

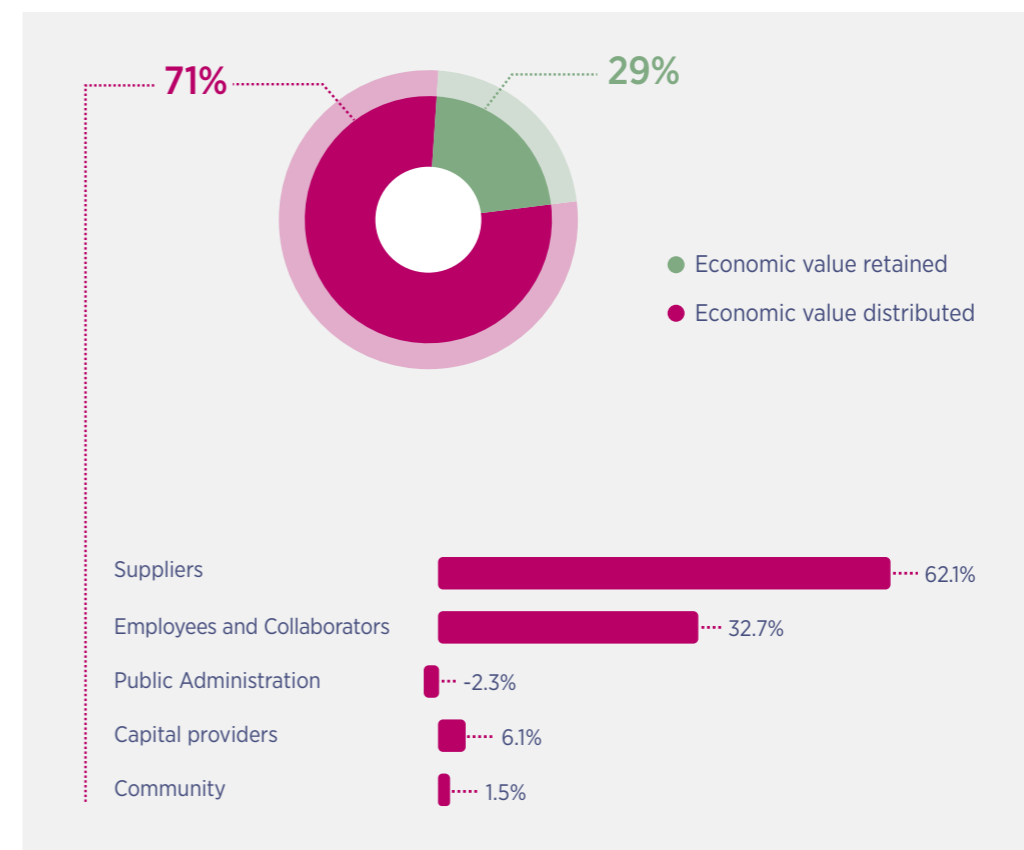
- **Public Administration:** This section includes all of the income taxes and the contributions received by institutions. The big variation in the value distributed

to the Public Administration is the result of the agreement on Patent Box¹⁵ benefit signed in May 2020 with the Italian Revenue Agency. The benefit refers to the five-years period 2015-2019 and it was

recognized in the fourth quarter of 2020.

In 2020, 71% of the economic value generated was distributed to stakeholders, and 29% was retained by the Company.

ECONOMIC VALUE GENERATED AND DISTRIBUTED



We have a structured strategy to support the development of Parma and its surroundings.

The emergency response strategy in our local territory was integrated within a much broader programme launched by Chiesi in 2015 steered by the Committee for Social and Community Development Activities (CASSC), which gathers once per month.

In 2020, on top of the additional support provided for the Covid-19 emergency, we continued proactively helping all the local organisations and associations with whom

we have been involved for years.

The support of our local communities is implemented both in Parma, its surrounding area, and in the province, where Chiesi has its HQ and at the affiliate level; where specific initiatives are put into place, taking into account specific local requirements.

Our three main areas of action are:

- **Environment and health:** help and educate people to take care of their health and the environment;

15. The Patent box regime is a tax bonus introduced in order to improve the development of intellectual property, granting tax benefits to resident and non-resident taxpayers carrying out research and development activities. <https://www.agenziaentrate.gov.it/portale/web/english/nse/invest-in-italy/patent-box-regime?inheritRedirect=true>

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- **Community development:** commit to the social, economic, cultural and environmental development of the communities where we live in; and,
- **Emergency:** help those in emergency situations in the Group's reference countries.

The projects listed below are examples of those carried out in 2020:

- **Parma Capitale Italiana della Cultura 2020+21 (Parma Italian Capital of Culture)** is a project in which Chiesi is one of the main sponsors and is in line with our commitment to actively contribute to our community's social and cultural development. Parma 2020 + 21 consists of a vast and articulated programme that puts the community, the enhancement of heritage and cultural production, constantly, at the center of the project. Within this project and among other initiatives we have helped bring to life, we developed and launched two key projects together with Davines, another B Corp company located in Parma:
 - The "**Pharmacopea**" project which re-discovers the chemical-pharmaceutical roots of Parma (Italy); and
 - "**The Art of Caring**" initiative, which among other things, covers our cultural heritage and interweaves it with the history and legacy of Chiesi;
- **Non Più Soli ("No longer alone" project)** was launched as a pilot in the city of Parma in 2019 to ensure assistance and the supply of basic needs (groceries, medicines, etc.) for elderly people living alone, discharged from hospital and temporarily not self-sufficient. This project was continued in 2020, even when the Covid-19 pandemic reached its highest peaks of

intensity (March-June), and enlarged the pool of beneficiaries to include all the fragile social categories in the Parma area who were experiencing difficulties;

- **Consorzio KilometroVerde Parma (Green Kilometer Consortium)** is a project to create green areas and permanent forests in Parma and its province. In May 2020, Chiesi and other two founders gave life to the *Consorzio KilometroVerde Parma Impresa Sociale*, a non-profit organisation which has the ambition to implement significant reforestation projects across the Parma area. The added value of this initiative is the Consortium's ability to act as a coordinator of multiple key stakeholders, ie. public institutions, tertiary sector, businesses, and citizens. Today the Consortium has 45 associates. It promotes and maximises the positive impact that collective actions can have on improving air quality and biodiversity, reducing noise pollution, and capturing GHG emissions. Since its inception, the Consortium planted almost 20,000 trees. Chiesi stake in this effort amounts to 9,530 plants while another Chiesi 2,000-tree-forest will be created in 2021;
- **We are among the founders of "Parma, io ci sto!"**, a non-profit organisation which was launched in 2016 with an action-based approach and a method aimed at promoting the territory, with a clear desire for a re-birth of the city and the will of getting things done. Today the "Parma, io ci sto!" counts 120 members made up of citizens and companies that work in the most diverse fields, from the hospitality, to the agri-food and pharmaceutical services. The association values each person's

skills to create an overall development plan for the territory, promoting synergy with the institutions to propose a virtuous model of public-private collaboration;

- **The Regenerative Society Foundation** was launched in 2020. Chiesi was a founding member of the "**Regeneration 20|30**" movement and of the Regenerative Society Foundation. This organisation involves companies, academics, governmental institutions, and individuals who promote the transformation of the society towards a regenerative socio-economic model. The dialogue initiated enables the promotion of shared value and new innovative business paradigms. The Foundation focuses on three macro topics: regenerative economy, world happiness, and the fight against climate change; and
- **Chiesi's Corporate Volunteering** programme, launched in 2015, is based on the belief that volunteer work is a significant asset of our organisation. It allows us to amplify the work Chiesi does as a company in contributing to the development of local communities. 2020 was a complex year to maintain our formal volunteering programme. We adapted this program into an online version, and by the end of 2020, we developed the first digital volunteering initiative. It included six different interactive workshops provided by local associations. The objective was to raise awareness on topics that are particularly relevant to address societal needs in our local community and promote our employees' future volunteering possibilities. The online volunteering involved almost 215 employees and accounted for more than 700 hours of training. Many Chiesi

employees also gave their support on an individual basis during the Covid-19 pandemic, helping local associations and initiatives support those most fragile.

We actively promoted the importance of protecting our planet through the collaboration with schools, universities, and local institutions.

At Chiesi, we believe in our role to advocate for sustainability and the sharing of best practices with our local communities (such as schools, universities, and local organisations). We take part in university courses around the world, and we invest in projects that promote conscious behaviours, inclusive approaches, and regenerative business models to the younger generations.

Here listed below are some of the projects we carried out with schools in 2020:

- **We collaborated with Invento Lab**
 - To promote the B Corp model in schools. Invento Lab, another certified B Corp, worked in partnership with Chiesi to offer training on sustainability principles and engage students in developing B Corp-inspired start-ups (B Corp School project);
 - Due to the urgent need to quickly support the digitalisation of schools during the pandemic, Invento Lab partnered with the Italian Ministry of Education to broaden its e-learning offering and train teachers and school administrations on how to effectively teach online (Digital Solidarity project); and
- **We supported the project "Respira con il Cuore"** (Breathing with the Heart). An innovative project in which more than

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300 young students in the Parma area had the opportunity to share their perspectives and the emotions they were living during the pandemic. They also shared their dreams and the questions they have for the future. Conceived by the Municipality of Parma and supported by

Chiesi, 'Respira con il Cuore' saw the participation of 12 local middle schools. The result was the creation of 12 videos made by the students to express the concept of "breathing" according to what they were experiencing during such a complex historical period.

UK

The Booth Centre

The Booth Centre is a community centre run with and for people affected by homelessness. The centre's vision is for everyone to have a secure home and the opportunity to have a good quality of life. Chiesi UK has been funding the Booth Centre learning programme for ten years, helping people affected by homelessness to gain qualifications and learn new skills, ultimately leading them back into employment. Chiesi made an additional donation to support the centre and its attendees during the pandemic. As the UK went into lockdown, many places of shelter were no longer an option for people sleeping on the streets. The Centre introduced cold weather hubs with all-weather gazebos and outside heaters, providing people with phones, shelter, and food bags.

USA

Addressing food insecurity among students of North Carolina's Research Triangle Region

Chiesi USA and its employees provide financial and volunteer support to this regional programme, addressing food insecurity among North Carolina's Research Triangle region students. Many of these students depend upon free school breakfasts and lunches for their daily nutritional needs. Focusing on elementary schools, with which Chiesi partners, nutritious meals are provided to students over weekends and when school is not in session. More than \$42,000 were donated by Chiesi USA, and employee volunteers regularly packed and delivered meal kits. During the 5-month programme duration, Chiesi's contribution delivered 5,600 bags of nutritious food to families in need.

GREECE

Partnered with "Smile of the Child", an organisation providing food and clothing to the underserved

We partnered with the non-governmental organisation 'Smile of the Child' to support the under-represented populations by supplying food and clothing. We offered 167 volunteer hours to the organisation, helping them to raise funds, support the economic sustainability of low-income families, and spend time with kids on fun and environmental activities.

CHINA

Supporting children suffering from autism and heart disease

Chiesi China supported autistic children in Shanghai and others with heart diseases in Xinjiang through employee volunteer activities and donations. Caring for the well-being of the people in our community is one of our goals. Not only does this kind of activity help children live better lives and recover from their disease, but it also increases the profound understanding of our employees on the importance of our mission.

We celebrated the We ACT Day online on 24th-25th September.

"We ACT - We Actively Care Tomorrow" is a term coined by Chiesi in 2018 to identify an extensive programme designed to raise awareness and involve all employees to develop a more conscious way of behaving to have a positive impact on society and the environment. We ACT Day is a global event that engages all Chiesi people worldwide to spread the shared value mindset and partake the sustainability projects implemented by the company. September 25th was the date chosen as it coincides with the anniversary of the release of the 17 Sustainable Development Goals (SDGs) by the United Nations.

The 2020 edition was adapted to the complex situation we were experiencing. We developed a digital version of the We ACT Day held throughout all the Group 30 affiliates. The initiative was designed around four sessions relating to issues closely linked to relevant sustainability areas Chiesi has focused on: Community, Carbon Neutrality, Diversity & Inclusion (D&I), and Patients. The project involved employees as well as institution representatives, experts, the academic world, and associations.

In these two days, the whole Group could celebrate and experience the real meaning of being a Benefit Corporation and B Corp. In a year like 2020, coming together had a higher value, even if only virtually.

"It is a significant moment for our Company, particularly as it is a Benefit Corporation and certified B Corp, committed year-round to creating well-being for people, society and the planet... with guest speakers from

outside the company, whose important contributions will further the continuing improvement of our activities. Let us not forget that people have always been and will continue to be the key figures in our development process". Maria Paola Chiesi, Shared Value & Sustainability Director of Chiesi Group

The Chiesi Foundation's commitment to Global Health

The Chiesi Foundation's work is to positively impact people's health beyond existing markets where the parent company operates. The Chiesi Foundation is committed to improving the health and alleviating the suffering of patients with respiratory and neonatal diseases in Low and Middle-Income countries, where access to quality care is not always guaranteed.

We established international cooperation programmes in African and Latin American countries to implement two different healthcare models in partnership with various stakeholders:

- The **NEST (Neonatal Essential Survival Technology)** model aims at reducing neonatal mortality rates by improving the quality of neonatal care in countries with limited resources, paying specific attention to premature, sick, unwell, and small for their gestational age babies.
- The **GASP (Global Access to Spirometry Project)** focuses on developing specific clinical skills to diagnose and manage chronic respiratory diseases such as asthma and chronic obstructive pulmonary disease (COPD) by introducing spirometry capacity and training activities. In addition to this, the programme delivers patient education through medical training.

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2020 was a complex year in the countries where the Foundation operates, where inequalities and lack of preparedness of health-care services worsened the situation.

"The first cases were officially announced on March 9th. In the beginning, we were scared by the lack of means and resources to deal with such a crisis. For the entire country of about 20 million people, there are only 17 resuscitation respirators. Then we started to organise training sessions, we have adopted administrative measures, and we developed an awareness campaign for patients and families. We asked the Chiesi Foundation to support our "resilience programme," and we got a positive answer. Thanks to the support, we could start producing a hydroalcoholic solution and installing handwashing devices to ensure safety within the hospital. After one year, I can say that the warm weather and the young age of the population helped us, but no one can predict what will happen next. What is needed is discipline and more resources. I take this opportunity to thank all the staff of the hospital who spontaneously offered their collaboration to fight against the pandemic". Doctor Paul Ouedraogo, Director of the Saint Camille Hospital of Ouagadougou, Burkina Faso. NEST project reference

The Covid-19 pandemic showed us how interconnected the world is and how important it is to invest in worldwide universal health coverage and strengthen local health systems. We discover the profound meaning of global

health and the necessity of global solidarity to overcome this common challenge. Understanding this truth, at the beginning of the outbreak, the Chiesi Foundation sustains its partners. Notwithstanding the distance, we sustained the prevention initiatives that the different organisations implemented to contain the emergency. The first donation was to Burkina Faso, one of the first African countries affected by the Covid-19.

In 2020, the Chiesi Foundation reached an important milestone: The publication of the NEST intervention in the Journal of Maternal-Fetal & Neonatal Medicine. The publication of the paper "[Impact of a quality improvement intervention on neonatal mortality in a regional hospital in Burkina Faso](#)" is an important milestone on the path undertaken together with the staff of the neonatal unit of HOSCO, the hospital director Dr. Paul Ouedraogo, the neonatologists and the many collaborators of the Chiesi Foundation. In the same year, we have also contributed to two important publications of the World Health Organisation: "[Standards for improving the quality of care for small and sick newborns in health facilities](#)" and the "[Roadmap on human resource strategies to improve newborn care in health facilities in low- and middle-income countries](#)". Two crucial publications to inspire and guide the work of Low- and Medium-Income countries to improve the quality of neonatal care.

For more information:

<https://www.chiesifoundation.org/en/>

3. Increasing the transparency and ethical practices of business

We work with openness and transparency.

#EveryStoryCounts

2020: The year of the rise of our new superheroes

Chloë Beerten

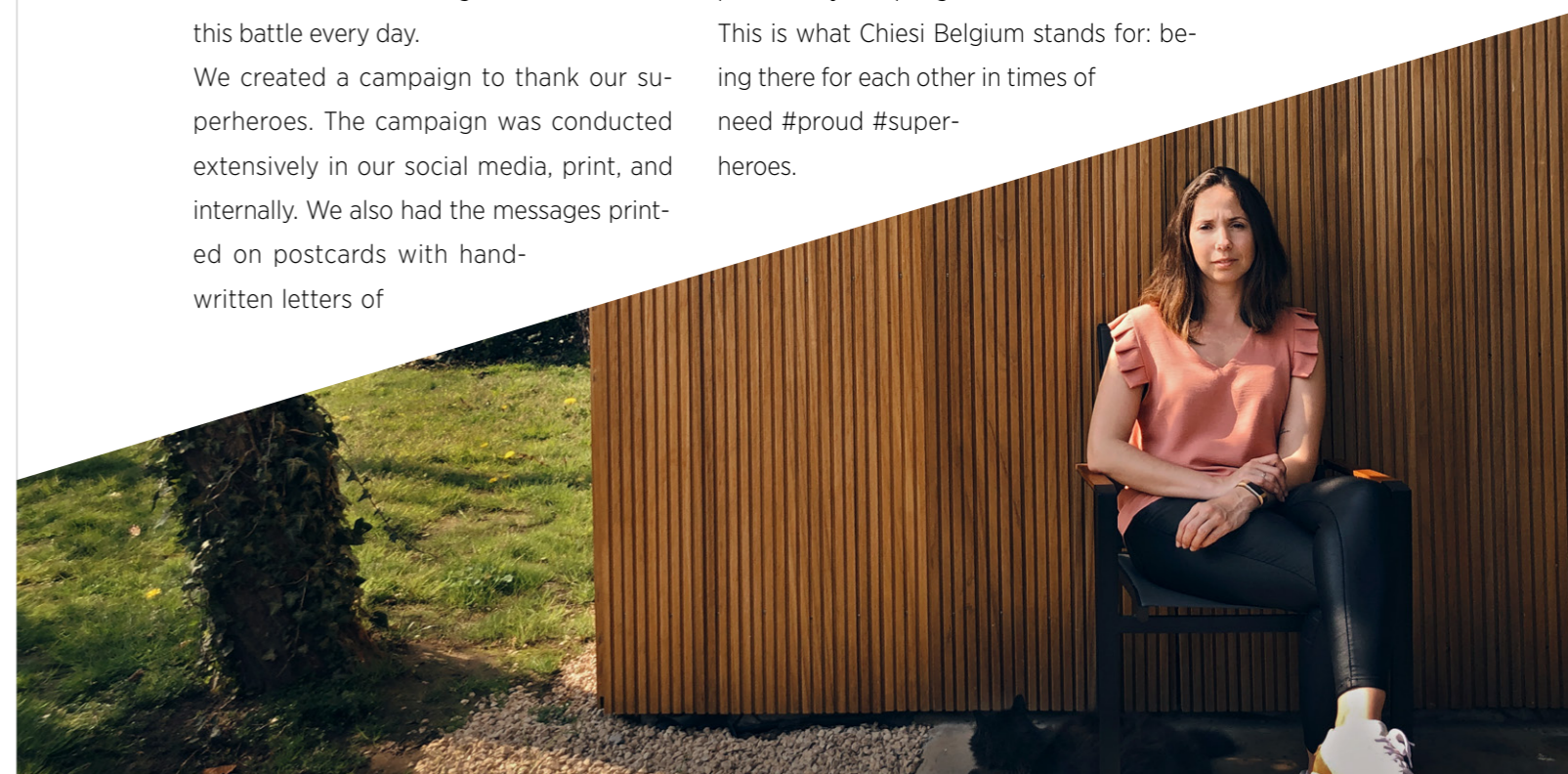
Sales Representative, Chiesi Belgium

March 2020. Coronavirus is striking hard worldwide. We go into lockdown, and at that specific moment, we don't know much about the virus, so we must wait and see what will happen in the coming days and weeks. A few weeks later, it becomes clear that the virus would remain in our lives for a while, and we start to feel the consequences. Everyday things are no longer possible, like visiting Health Care Professionals (HCPs) for example, in a moment when they really needed support. But we wanted to reach out and thank them for being in the front line of this battle every day.

We created a campaign to thank our superheroes. The campaign was conducted extensively in our social media, print, and internally. We also had the messages printed on postcards with handwritten letters of

gratitude to our care heroes! At the end of the year, as infection rates were up again and HCPs went back on the battlefield, with hospital pressures rising, we ran another campaign. This time, we asked an artist to develop a personalised Christmas card to send out to all healthcare personnel to put them in the spotlight once more.

The impact of this action was great. We received many lovely reactions, both internally and externally. It also gave me the opportunity to be more in touch with HCPs, which is particularly unique given the Corona crisis. This is what Chiesi Belgium stands for: being there for each other in times of need #proud #superheroes.



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Highlights

CHIESI'S IMPACT COMMITTEE - REPORTING TO BOARD OF DIRECTORS INCLUDING THE FOLLOWING GLOBAL DEPARTMENTS

-  Shared Value & Sustainability
-  Global Communication & External Relations
-  Global Research & Development
-  Global Marketing
-  Global Procurement
-  Global Rare Diseases
-  Legal & Corporate Affairs
-  Corporate Health Safety & Environment
-  Global Human Resources

We started to integrate ESG (Environment, Social, Governance) topics into our risk management processes, linking our materiality analysis with risk mapping. Our goal for 2021 is to further strengthen their integration.

MAIN 2020 RISKS

-  Information Security
-  Business Relations
-  Pricing dynamics
-  R&D pipeline
-  Employees' health and safety
-  Environmental sustainability

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Increasing the transparency and ethical practices of business is possible through various corporate governance activities. Some relevant aspects are described below.

We reinforced our collaborative and open approach with the tax authorities.

We set-up our internal Tax Control Framework (TCF) in 2018 for the detection, measurement, management, and control of tax risks arising in all our activities. Within the same framework, we committed to perform ongoing monitoring and maintenance activities required by the model itself. Such activities are framed in the Cooperative Compliance regime we entered in in November 2019 and are therefore a duty required by the Italian Tax Authorities (Italian Revenue Agency, Agenzia delle Entrate). Therefore, in 2020 we validated the efficacy and effectiveness of our model within this new context.

Another cornerstone of our open approach vis-à-vis the tax authorities is the Advanced Price Agreements (APAs) with the Italian Revenue Agency, with whom we share and agree on the remuneration of the transactions with our affiliates in various countries.

In addition to the recurrent activities outlined here above, 2020 was also an opportunity for Chiesi to demonstrate its full collaboration with the Tax Authorities in one of the most prestigious and ambitious projects: The International Compliance Assurance Programme (ICAP). ICAP is an innovative worldwide pilot project hosted by the Organisation for Economic Co-operation and Development (OECD), in which multinationals disclose

selected tax data with a group of Tax Authorities, who carry out an open and frank combined tax risk assessment. The goal of this project is to draft a common consensus, among those Tax Authorities, on the low level of risks – and the connected high assurance provided by our robust tax procedures – of the international transactions and activities carried out by the Chiesi Group.

Following the positive completion of three plenary meetings with 10 Tax Authorities, in November 2020, we expect to complete the project in 2021, the date in which we will receive an “outcome letter” by each authority. These documents will detail the results of their analysis, hopefully rewarding Chiesi’s open approach and our tremendous effort in this unprecedented proactive data sharing.

In 2020, Chiesi adopted the “Corporate Guidelines on Public Affairs” defining the standard that all Chiesi employees need to respect when interactive with Institutions.

We strongly believe that we are dependent on one another and thus responsible for each other and future generations. Therefore, we strive to provide our perspective to public policy debates through regular engagement with policymakers and other external stakeholders. We believe that our contribution (based on data-driven information and insights) could help advance policy develop-

ment, particularly in innovation, patient access to medicines, and sustainability. In doing so, we commit to the highest standards of ethics, integrity, and transparency.

Chiesi's Impact Committee

In 2018 we set up an Impact Committee, formed by key functions consisting of the following departments to properly manage and monitor the purposes of common benefit we have as a Benefit Corporation:

- Shared Value & Sustainability;
- Global Human Resources;
- Corporate Health, Safety and Environment;
- Global Marketing;
- Legal & Corporate Affairs;
- Global Research & Development;
- Global Rare Diseases;
- Global Procurement; and
- Global Communication & External Relations.

The Impact Committee reports directly to our Board of Directors and is responsible for defining sustainability objectives in line with our purpose of common benefit expressed in our corporate by-laws. It also assesses the results achieved and it releases the Impact

Report that we are required to publish annually, which is included in this report’s Annex.

We improved the risk management process and the link with ESG topics.

In 2020, we progressed with the development of an Enterprise Risk Management (ERM) process to map the main risks for the company, both strategic and operational. Our ERM function was established in 2019 within the Global Finance department with the objective to improve and enforce the company’s comprehensive approach towards risk management.

In 2020, we performed a synergy and integration process with existing risk management activities throughout corporate functions. We also identified the main risks that impact ESG topics by connecting our materials analysis with risk mapping. Our 2021 objective is to strengthen the integration of Environmental, Social, and Governance issues within risk management processes.

The following list represents our main risks:

RISK	DESCRIPTION	MITIGATION ACTIVITIES
Information security	The macro risk is associated with the use of information technology and its level continues to rise, as companies increase their digitalisation and threats from hackers become ever more and sophisticated with impact on unavailability of systems, business interruption, and loss of sensitive information.	We established an information security programme and a dedicated internal function to set up solutions aimed at reinforcing technical security solutions, protecting critical information, and systems. Our mitigation strategy also includes disaster recovery procedures to ensure that critical and sensible data are preserved in case of extreme events. In addition, a continuous security awareness campaign (e-learning training) is developed as well.
Business Relations	The Covid-19 pandemic has impacted business relations also in the pharmaceutical sector. The emergency forced to change the way businesses relate to stakeholders, prompting them to find new and different ways to maintain relationships. In particular, boosting the use of technologies and different channels through virtual modalities.	We boost continuous improvement in establishing and nurturing relationships with stakeholders in alternative modalities. Investments in new technologies to support virtual stakeholder engagement were done, and proportionate training for employees that directly engage with stakeholders were maintained.

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RISK	DESCRIPTION	MITIGATION ACTIVITIES
Pricing dynamics	The Covid-19 pandemic also put enormous pressure on public budgets combining increased healthcare spending with depleted tax revenues, record unemployment and struggling economies. While long-term perspectives remain strong for the pharmaceutical sector, and extra funding has been granted in most developed Countries, payers may focus on the rationalisation of expenditure, to reduce in part the spread versus pre-pandemic years. This in turn is expected to translate into tougher reimbursement and price negotiations, with potential impact on patient access to new treatments, as well as a revamped fostering of generics and bio-similar adoption in more mature classes.	Chiesi believes that medicines' adoption and price should be strictly connected to the value they bring to patients and the society as a whole. Based on that, Chiesi remains focused on improving the benefits of its therapeutic solutions as well as their supporting evidence.
R&D pipeline	The Covid-19 emergency has created significant challenges for R&D. That said, non-clinical development has not been materially impacted, but clinical studies have been delayed, which in turn has impacted the projected timelines to approval of new treatments impacting the business roadmap.	We closely monitor the status and evolution of this dynamic scenario working closely with our clinical contract research organisations and where feasible adopting mitigation actions such as, for example, electronic (remote) patient consent, home delivery of clinical study treatments, and home-based patient evaluations.
Employee's health and safety	The Covid-19 emergency increased the risk due to the complexity of measures to be implemented to control and monitor the virus spread in the workplace and ensure the health and safety of employees.	Enforcement of the structured health and safety system to put in place all needed measures to control and avoid the spread of Covid-19 in the workplace. See our "Processes" chapter for more details.
Environmental sustainability	There is well-known scientific evidence demonstrating that the climate crisis is happening and is a global risk. Governments around the world are committing to facing this unprecedented challenge, first through the Paris Agreement goals with a common effort to limit climate change to 1.5°C above pre-industrial levels. It is essential for companies to consider environmental issues as key input for their strategy in order to put in place prompt actions to reverse the climate crisis. This requires companies to manage and minimise their environmental impact and anticipate stricter regulatory measures.	Assessing our environmental impact was a key step in the process of integrating sustainability into our business model. We developed in 2018 a strategic plan fully dedicated to sustainability, including also environmental issues. From this plan, many projects were developed to minimise our impact on the environment. We developed a roadmap to become Carbon Neutral by 2035. One of the milestones of this plan is the investment to a low global warming potential propellant that will allow us to develop a portfolio of pMDI products using a new propellant, with a clear GHG emissions reduction goal as high as 90%. Furthermore, we have a specific project targeting the energetic performance of our buildings as well as a plan to minimise the impact caused by mobility practices (e.g. business travel and car fleet). Carbon footprint is not the only topic we are managing in terms of environmental impact, since we are also putting in place a program to monitor and assess the impact in terms of pharmaceuticals in the environment, aiming at minimising also this kind of impact even though Chiesi's practices already respect the highest standards concerning chemicals management. See our "Processes" chapter for more details.

4. Actively and positively contributing to European and International Agenda

We want to act as a force for good, promoting a conscious and different way of doing business.

"When you consider the challenges, the world is facing in this very moment, it is easy to understand that alone we can do little. Only through a constant and pro-active dialogue with our stakeholders we can move the needle, advancing sustainability and healthcare agenda forward". **Giovanna Usvardi, Head of Global Communication & External Relations, Chiesi Group**

#EveryStoryCounts

It's worth it to help, so we double it!

Wojciech Potoczek

Digital Manager, Chiesi Poland

As Chiesi employees, we have been supporting the "Szlachetna Paczka" campaign for years, to help those in need. Just before Christmas, private individuals raise funds to buy food, clothes, and furniture for families in need. One of our colleagues, Jola, asked her supervisor in Chiesi - will Chiesi double all the funds we raise as employees? Chiesi said, whatever you can raise among all employees, we will double it. The collection exceeded everyone's expectations!

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They thought the gifts were for several families, not just for them. Food, toys, furniture, and removing Christmas paper from each box caused another wave of euphoria in both children and parents.

The funds donated by Chiesi were given to the SOS Children's Villages foundation. We were able to purchase a laptop for one of the children under the care of the foundation. Thanks to this, each small donation made by an employee of the company made it possible to give happiness to several people for Christmas. Big things start with small initiatives, and it's all about the people. We might all be different, but every one of us is Chiesi. It's simply worth it to help!

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Highlights

We are at the beginning of the decade of action. Great changes will take place and influence our industry. For Chiesi to face the decade's new challenges, this Report has been laying out the strategy we are putting in place.

At Chiesi we are aware that we cannot shift the paradigm of the healthcare system to a more sustainable one alone. For this reason and despite the challenging times we reinforced our policy-making initiatives.

In 2020, we engaged and supported several patient-focused and patient-led projects to shape a better future for people living with respiratory and rare diseases.

- Breathe Vision 2030 is a collective initiative driven by European level patient groups and respiratory societies collaborating for better respiratory health care and protection of our lungs. The vision has been created to address the deficit of European-level policy with respect to respiratory health, as well as the need of a unified voice on this topic. <https://www.breathevision.eu/>;
- Chiesi was involved in the development of Rare 2030, a patient-led multi-stakeholders foresight study for rare diseases policy to propose policy recommendations to improve the policy context at the EU and national level; and
- We also completed a macroeconomic study – Pendulum – to benchmark the societal costs of rare diseases in the US against those of common chronic disorders. Pendulum also provides a quantification of the societal benefits brought about when pharmaceutical treatments for these diseases exist.

We believe strongly that we are a positive source for potential change. Through our collaboration in advanced policy creation, we consolidated our membership in several industry-multi stakeholder advocacy platforms at a global level.

INDUSTRY



MULTI-STAKEHOLDER PLATFORMS



PARTNERSHIPS PATIENTS' ASSOCIATIONS



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The Group is implementing a comprehensive plan of action to actively and positively contribute to the European and International Agenda. The main initiatives that ran in 2020 are described below.

We continued to support and promote collaborations across all relevant stakeholders to advance health policy agendas.

In 2020, Chiesi supported the preparatory work to launch **Breathe Vision 2030**, a collective initiative driven by European level patient groups and healthcare professionals that have come together in a European Lung Health Group. It brings together 179 European level non-profit organisations across 34 European countries, including nine from non-EU states, with the intent to advocate for better prevention, care, and patient participation in respiratory health. Breathe Vision for 2030 brings together the visions and priorities of all

these stakeholders to increase awareness and prevention for respiratory health by 2030, improve lung health care and research, and tackle Covid-19 and its long-term impacts in Europe.

Chiesi continues to support the respiratory community capacity-building projects. In 2020, we supported EFA (European Federation of Allergy and Airways Diseases Patients' Associations) to organise their Allergy and Respiratory Patients' Digital Conference 2020, which explored how digital tools and innovation can empower allergy and respiratory patients to be in control of their healthcare.

Raising awareness on Covid-19 impact for healthcare service providers:

Infermieri a viso aperto (T.N. Nurses unveiled)

"**Infermieri, a viso aperto**" (T.N. Nurses unveiled), is an awareness campaign carried out and promoted by Chiesi and with the free patronage of FNOPI, the Italian National Federation of Nursing Professions Order. A collection of photographic shots, taken by the professional photographer Settimio Benedusi, and stories were collected on the dedicated website. This virtual exhibition shows who, every day, behind a mask, smiles and at the same time gives a reassuring and determined look – professionals rather than heroes.

The Campaign is part of the "Empathy Manifesto" project run by Chiesi, which transforms the concept of empathy into concrete actions. The main objective was drawn up with the help of "our" people to meet the goals relating to our sector and become a driving force for change in our future society.

The "Infermieri, a viso aperto" Campaign represents an example of how the concept of empathy can be turned into a tangible activity, sharing the values shown by nurses in the care they bring to patients.

Our sincere thanks go for the fundamental role they play in the midst of the pandemic.

We strive to advance rare the Disease Policy agenda with the communities of people living with rare conditions in the US and EU.

In 2020, Chiesi GRD completed a macro-economic study called "Pendulum". This study benchmarks the societal costs, in the US, of treating rare diseases versus those of common chronic disorders and provides a quantification of the societal benefits when pharmaceutical treatments for these diseases exist. This research represents an initial building block of our engagement with Rare Disease Advocacy Groups, authorities, and other stakeholders to increase Rare Diseases patient access to health in the US.

In the current context, developing drugs for rare diseases is a challenge due to several limitations and obstacles. To facilitate drug development for rare diseases, we would need to enhance the use of available tools, which would lead to reduced delays, risks, and costs and improved patient and regulatory acceptability. In June 2020, IRDiRC published the "IRDiRC Orphan Drug Development Guidebook". A tremendous initiative where Chiesi provided a valuable contribution. The Guidebook provides an innovative and unique model to expedite R&D processes by systematically organising the resources and tools in Europe, the US, and Japan into a standardised framework. The Task Force worked for two years, with more than 20 experts from the field of RD, to help reach the IRDiRC second goal: '1000 new therapies for rare diseases

will be approved, the majority of which will focus on diseases without approved options' by 2027. The 'Boosting delivery of rare disease therapies: the IRDiRC Orphan Drug Development Guidebook' has been published in Nature Reviews – Drug Discovery. All the material from the Orphan Drug Development Guidebook is now available on a user-friendly website.

In 2020, we partnered with several stakeholders in a broader rare disease community, including researchers, academia, patient representatives, members of the investor community, rare disease companies, and trade associations to create the European Expert Group on Orphan Drug Incentives (OD Expert Group). The multidisciplinary group has been working to provide ground-breaking ideas and potential solutions to address the vast unmet needs in treating rare diseases, looking at the entire lifecycle of orphan drug development. With over ninety percent of patients without an approved treatment option, the need for innovation and research into orphan drugs is immense. Through its work, the OD Expert Group is also contributing to improving the policy tools in Europe for the development of new treatments for rare diseases.

<https://od-expertgroup.eu/>

Chiesi has been involved in the development of Rare 2030, a patient-led foresight study for rare diseases policy. The study, co-funded by the European Union and stirred by

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the EU patients Association EURORDIS, has gathered the input of 184 experts, including a large group of patients, practitioners, and key opinion leaders from 38 countries. This group will propose policy recommendations to improve the policy context at the EU and national level and ensure a better future for people living with a rare disease in Europe.

<https://www.rare2030.eu/>

We are committed to providing our contribution to the advancement of a sustainable health policy agenda globally.

We support EFPIA (European Federation of Pharmaceutical Industries and Associations) with respect to the EU pharmaceutical strategy. Chiesi is committed to contributing to a constructive dialogue to find collaborative and concrete solutions to address issues of supply, access, and availability of new medicines for patients and create the conditions in which Europe can re-establish itself as a

FRANCE

Proactively increasing awareness of Chronic Obstructive Pulmonary Disease (COPD)

Since 2017, we are committed to raising awareness towards COPD among health and political authorities, health care professionals, patients, and the general public. Chiesi works closely with the five key respiratory associations, including patient association, to reach this aim. In 2019 and 2020, seven regional events took place with key players of this pathology. In November 2020, we orchestrated a national debate at the ministry of Health to create additional awareness on COPD.

We actively promote civic and sustainable development through specific and pragmatic actions in Italy.

Chiesi is a partner of the Fondazione per lo Sviluppo Sostenibile (Foundation for Sustainable Development), a pre-eminent point of reference for the main sectors and players in sustainable development in Italy. The foundation puts its know-how at the service

world industrial leader in bringing transformative treatments to patients.

<https://www.efpia.eu/media/413638/eu-industrial-and-pharmaceutical-strategy-an-opportunity-to-drive-europe-s-health-and-growth.pdf>

We are actively contributing to EUCOPE (European Confederation of Pharmaceutical Entrepreneurs) to shape the competitiveness and attractiveness of the pharmaceutical ecosystem by focusing on the needs of European-based small and medium pharmaceutical companies.

In 2020, Chiesi Joined the Biopharma Sustainability Roundtable, a sector-specific platform designed to connect and support senior biotech and **pharma** executives in driving their Biopharma **sustainability** agendas forward with a particular focus on ESG reporting frameworks.

of civil and environmental commitments. In particular, it supports companies and organisations that are on a shared path towards sustainability. It contributes through continuous education, dissemination of publications, studies and research, and meaningful dialogues, involvement of institutions and social forces, and networks to promote the strategic themes of the green economy: the

circular economy, climate and energy, green cities, and sustainable mobility. One of the most important initiatives under the umbrella of the Foundation is Italy for Climate, which

promotes the implementation of a climate roadmap for Italy, in line with the European Green Deal and the objectives of the Paris Agreement.

#EveryStoryCounts

*It's worth it to help,
so we double it!*

Jolanta Wagrodzka

Administration Specialist, Chiesi Poland

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Business Ethics and Compliance

Chiesi is committed to encouraging the highest level of respect, transparency and ethical behaviour in managing professional interactions among all our employees and with our partners and customers.

“Being a reliable company” is both a core value and a motivating goal that requires a deep commitment to ethical behaviour from everyone. To support this goal, in addition to what is explained in the chapters above, we have developed and adopted several procedures and guidelines which set out common requirements with which all companies in the Group must comply, beyond fulfilling the requirements of laws and regulations.

Legality Rating promoted by the Italian Competition Authority (AGCM). Chiesi Farmaceutici S.p.A. has been awarded the maximum Legality Rating score of 3 stars by the Italian Competition Authority (AGCM).

Organizational, management and control model

Over the past few years, we have established tools and processes to prevent, monitor and respond to any cases of non-compliance. In 2003, pursuant to Italian Legislative Decree No. 231/2001, applicable across the whole Italian territory, we adopted an Organizational, Management and Control Model (known as a “Model 231”) that clearly defines our ethical commitments and responsibilities in the conduct of our business activities. Model 231 defines administrative responsibilities and rules to avoid unlawful behaviour and identifies the role and responsibilities of the Surveillance Body. The latter is entrusted with the power of supervising the correct application of the Model itself and refers the outcomes of such activity to the Board of Directors on a periodic basis.

Model 231 includes the Code of Ethics and Conduct, which expresses the company’s commitment to operate in accordance, not only with the laws and regulations currently in force, but also with certain principles and rules of ethical conduct. The Code is binding on all bodies, employees, consultants, collaborators, agents and, on a more general level, all third parties acting on behalf of the company.

In 2005, Chiesi adopted the Group Code of Ethics and Conduct, which at the time was implemented by our main affiliates and, in 2010, it was endorsed by all Chiesi affiliates worldwide. In addition, a number of European affiliates implemented internal control systems shaped on legal requirements similar to the Model 231. The Model 231 is available to all employees via intranet (C-Share). It is subject to periodic review and revision, and any change is promptly communicated to all employees.

In 2021, the Code of Ethics and Conduct and the Group Code of Ethics and Conduct were replaced by a new “**Chiesi Code of Conduct**”. The new version of the Code is aimed at stressing the Group’s commitment to using its business as a force for good and in

pursuing loyalty, fairness, transparency and honesty values in any relation with both internal and external stakeholders (including communities, environment and patients). In 2012, we released our Group Guidelines on Ethics and Compliance, which provide a common framework of rules and aligns governance processes and systems, whilst ensuring that all key risks are identified and managed effectively in all countries. Chiesi’s Corporate Compliance Committee, whose members (from the legal, human resources and internal audit functions) are appointed by the Board of Directors, oversees implementation of these guidelines. In 2015, our commitment to compliance resulted in the formal assignment of responsibilities in this area to an autonomous and independent function: The Group Compliance Office.

A Confidential Reporting System (“whistleblowing system”), established in 2017, is a direct communication channel that allows employees at all levels to report behaviours, such as a conflict of interest or other misconduct, that might damage the Group’s business or reputation.

Anti-corruption

Our work requires ongoing professional engagement with healthcare operators and scientists. We pay considerable attention to the appropriate management of these relationships, to exert the highest level of control to prevent improper or unlawful behaviours. We have implemented several mechanisms to this end. In 2015, we adopted a Corporate Standard Operating Procedure (SOP) that interact with healthcare professionals and healthcare organisations. It defines a set of binding principles – in line with IFMPA and EFPIA Code of Conduct requirements – with which any company in the Group must comply when interacting with Healthcare Professionals (HCPs) and Healthcare Organisations (HCOs). In 2016, we adopted a Corporate Anti-Bribery Policy, directly applicable to all Companies of the Group, which provides a set of guidelines on how to recognise and avoid improper behaviours.

Corporate Internal Auditing is in charge of carrying out risk assessments and audits for all Chiesi Group affiliates.

Internal Auditing

Since 2008, a Corporate Internal Audit function is incorporated. The Head of Internal Auditing is a member both of the Surveillance Body and of the Corporate Compliance Committee, and provides auditing activities and investigation support to them when necessary. The audit plans and projects are executed, by taking into consideration operational risks, as well as the compliance and ethics risks in any geography in which the auditing activities are executed. Therefore, anti corruption and transparency considerations are built into the design and execution of auditing activities.

Audit results are timely and extensively communicated to management. Periodic meetings are held with the Surveillance Body, Corporate Compliance Committee, Statutory Auditors, and External Auditors in order to share information, results and insights. The Board of Directors is briefed on audit activities and related results annually.

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"When suddenly the world becomes small, nature becomes so precious that you take care of it passionately ... fully in line with one of Chiesi's values".

Patrizia Dogni

Congress & Event Specialist, IMDD, Chiesi Headquarters

"Our employees helped to raise money for a local charity and to make a bigger impact, Chiesi doubled all the funds we raised. We were able to make real differences in people's lives".

Wojciech Potoczek

Digital Manager, Chiesi Poland

#EveryStoryCounts

Nature, the great healer!

Patrizia Dogni

Congress & Event Specialist, IMDD, Chiesi Headquarters

"When suddenly the world becomes small..." This was the beginning of the unexpected lockdown that made me face loneliness as I had never experienced before. To distract myself from the fear of Covid-19, I spontaneously decided to begin daily walks in the nearby countryside, and slowly I discovered the great healing power of Nature! I started to observe nature around me more carefully, and my appreciation grew day by day. Nature helped me to rediscover positivity, increase my concentration and creativity at work and remove my anxiety.

My daily contact with nature made me appreciate even more the

work that Chiesi is doing. One example is Consorzio KilometroVerdeParma, a reforestation project in which we actively contribute on the Parma territory. A great initiative which we hope to expand in the following years. For sure, at the end of the lockdown I had learned the missing words to complete the opening sentence: "When suddenly the world becomes small, nature becomes so precious that you take care of it passionately ... fully in line with one of Chiesi's values."





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#EveryStoryCounts

Finding happiness in taking care of others

Mark Murphy

Account Executive - Styal, Chiesi UK

I am very fortunate to be married to a wonderful wife, be the proud father of four young adults in higher education and work for a B-Corp Certified Company, Chiesi, who are looking after us all very well in these extraordinary times. Outside of work, I am a local councillor, chairman of my local village hall committee, and a sports coach. As well as looking after the local community I am also passionate about protecting the environment. I am a life-long member of the Royal Society for the Protection of Birds and more recently have been offsetting my carbon footprint by growing and planting trees. When the Covid-19 pandemic struck in early 2020, I decided to further help my community, family members, neighbours, and vulnerable and older people in need locally. I have been making phone calls, offering support, dropping off shop-

ping and hot meals, picking up prescriptions, running people to surgeries, making emergency hospital runs, leading walks and cycle rides, and feeding sheep and hens for people – all in spite of snow and bad weather! Over the Christmas and New Year's period I also helped organise zoom calls for older people to connect with distant family members. It has made our family so happy to be able to use our free time to help these lovely people and they have in turn enriched our lives. When my wife who is a front line school teacher contracted Covid-19 it was heart-warming to receive food, support and well-wishing calls from the very same kind, lovely people we had been helping.

Mark Murphy, Chiesi UK



Background Information Regarding the Sustainable Development Goals (SDGs)

The Sustainable Development Goals are a set of 17 objectives, launched in 2015 by the United Nations, as part of a comprehensive strategic plan: the 2030 Agenda. The objectives represent the global challenges identified by the U.N. to be achieved by 2030 in order to ensure a sustainable future of shared prosperity.

Their progress over time is monitored through a system of 169 targets and over 240 indicators. The objectives have been developed by adopting a multidimensional approach that considers the economic, social, and environmental dimensions, as well as the 10 founding principles of the Global Compact, in order to formulate the 17 final goals towards which to strive.

The SDGs are deeply interconnected, and

Chiesi and the Role of Business to Do Its Part in Achieving the SDGs

At Chiesi, we firmly believe in the value of the SDGs and we put our best efforts into their implementation. To maximise the results of our actions, we have chosen to prioritise 9

SDGs as recipients of our strategy. The selection was made in line with our business model and the skills and abilities we are able to offer.



Our commitment to the SDGs stems from a deep sense of responsibility regarding our impact and, at the same time, an awareness of the role of business in fostering the tran-

sition to a long term sustainable economic system. Recognising that all stakeholders have a role

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to play to achieve the SDGs by 2030, business too is an essential element and a driving force in this process.

In January 2020, a new tool called the SDG Action Manager was launched in order to guide and support companies towards this shared objective.

Insights on the SDGs Action Manager (SDG AM)

The SDG Action Manager was born thanks to a solid partnership launched in 2017 between

- The U.N. Global Compact (U.N.G.C.): The U.N. agency responsible for guiding and supporting the global business community in advancing the U.N. goals and values through responsible corporate practices; and
- B Lab: The U.S. based non-profit organisation that develops B Corp's measurement tools and encourages their worldwide diffusion.

The result is a new and publicly available online tool, the SDG Action Manager (SDG AM): an actionable management platform for businesses to assess, compare and improve their performance in order to deliver tangible progress on the Sustainable Development Goals by 2030.

Companies are now supported in managing their impact on the SDGs throughout their operations, supply chain, business model, and collective action, while monitoring their risk of negative impact.

Chiesi's Results

We decided to be one of the first companies in the world to adopt the new tool and have now been using it for two years. The following section of the report outlines our results for 2020.

The scores stated are the result of a self-assessment based on internal company infor-

mation and Chiesi's interpretation of the SDG Action Manager content. The performance is not validated by B Lab, but the use of an internationally shared tool still allows us to spread our best practices worldwide, responding to the mission of the 2030 Agenda, as well as comparing our performance against other companies.

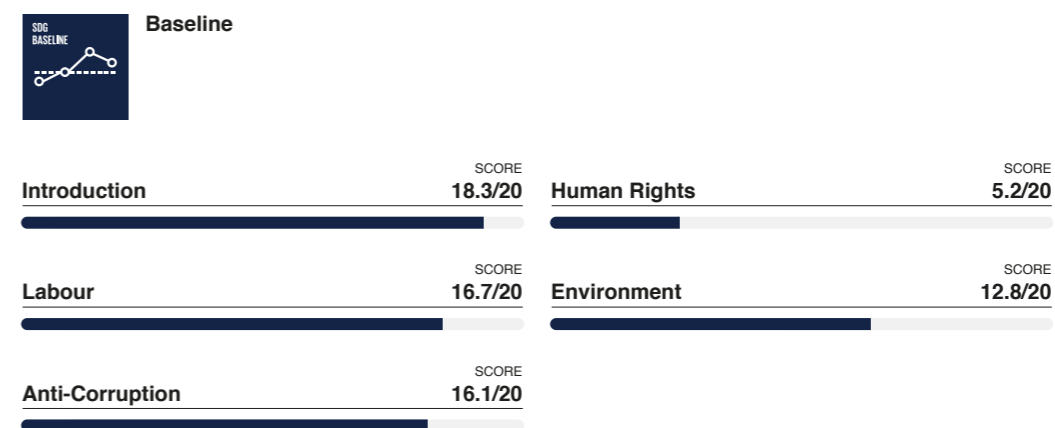
The analysis has produced 3 results

1. Our overall impact: the baseline

The Baseline module is a starting point that includes topics that intersect all SDGs prior to deep diving into the individual goals.

It measures how companies proactively contribute to the SDGs as well as their overall

commitment with respect to social and environmental issues, such as commitments to human rights, positive labour practices, environmental management systems, and good governance.

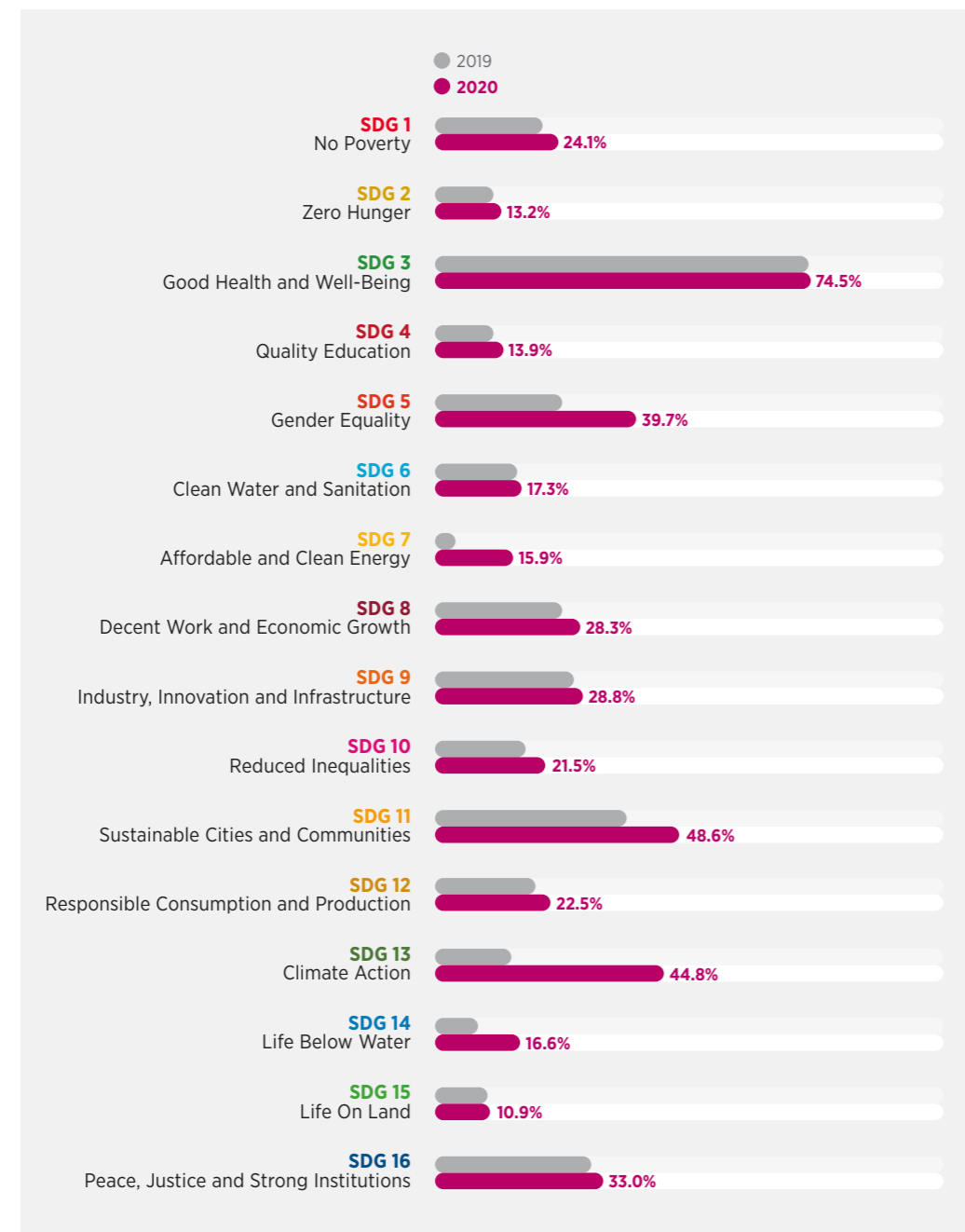


— Chiesi's baseline has grown from 65.4% to 69.3% in the past year mainly driven by our improvements on labour related topics. Overall, our organisation shows a general well-rounded commitment to the most relevant social and environmental global issues. A solid set of processes and a structured organisation are helping us to ensure a proactive focus on these matters. Nevertheless, we have identified additional activities that will be considered in our improvement plans, an example of which is the increased attention to labour practices. In fact, in 2020, we have expanded the implementation of our Code of Interdependence to our suppliers which, among other things, requests the respect of labour rights and child labour policies; and

— Note on Human Rights: the analysis shows the most room for improvement is in this area. Our operations and facilities are located in geographies where human rights are generally granted, and we did not feel the need to establish extra control models. The analysis brought to our attention possible additional measures that we intend to implement ensuring further protection of human rights over time.

2. An overall evaluation of our performance on the 16 scored SDGs

Note that SDG 17 intersects all of the other 16. Therefore, it is not evaluated by the SDG AM.



The results show that the company contributes to 74.5% of SDG 3 - Good Health and Well-being - which is the highest percentage among those assessed.

This means that the tool recognises our business model as being fully oriented to the promotion of Good Health and Well-being.

Our commitment to SDG 3 focuses particularly on the following defined targets:

- Target 3.2: By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births;
- Target 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and

treatment and promote mental health and well-being;

- Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health care services and access to safe, effective, quality and affordable essential medicines, and vaccines for all; and
- Target 3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Scoring system

The score for each SDG is expressed as an overall percentage in order to provide a consistent and comparable benchmark across all companies.

The subtopics' scores are reported on a point-based system in order to clearly track the company's progress and improvement over time. Subtopics have equal weights, and each question has its own score value.

Furthermore, when evaluating the company's performance, it is important to also consider the potential risks that may be generated by factors less under its control such as business practices and lack of information. These risk levels are represented through a colour code in each of the SDG modules.

3. Our progress in the 9 SDGs we are committed to

In addition to the baseline analysis, Chiesi's performance is measured against four different subtopics for each of the 9 SDGs we are committed to:

- Business Model: How Chiesi's business model can contribute to each SDG;
- Internal Operations: How Chiesi can contribute to each SDG within itself;

- Supply Chain: How Chiesi manages its supply chain's contributions to each SDG; and
- Collective Action: This section recognises the broader opportunities Chiesi can engage in outside of its business model, operations, and supply chain to contribute to each SDG.

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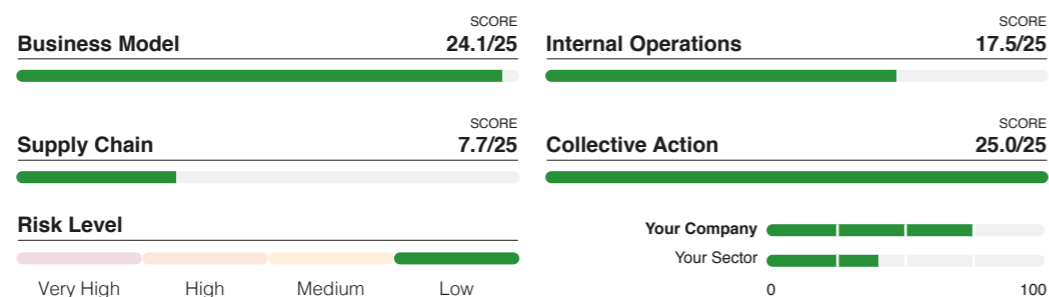
SDG 3 - Good Health and Well-Being

Ensure healthy lives and promote well-being for all at all ages.

This module highlights essential practices a business can take to contribute to SDG 3 - Good Health and Well-Being, such as providing healthcare to employees within its operations and supply chain, safety programmes for employees, and participating in collective action at the industry, local, and national level.



SDG 3 - Good Health and Well-Being
 Ensure healthy lives and promote well-being for all at all ages



Key observations

Overall, our scores on this SDG remained on par with last year's. They are defined by Chiesi's business model which is specifically designed to contribute to Good Health and Well-Being. This result recognises Chiesi's impact over and above other companies in the pharmaceutical sector, according to the benchmarking provided by the tool.

- Within the internal operations area, which includes practices that promote SDG 3 within our own facilities, we are pleased to have achieved the highest possible score. This reflects our efforts in this area and, includes, for example, the supplementary health benefits and wellness initiatives we have implemented for our people;
- We should reinforce the assessment criteria and guidelines put in place with our suppliers to further encourage healthcare

- and operational health and safety development on their side;
- Although we have specific activities to advocate for positive regulatory changes in place, it would be beneficial to improve our collaboration with stakeholders in order to influence their approach or performance specifically related to achieving SDG 3; and
 - Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 3.

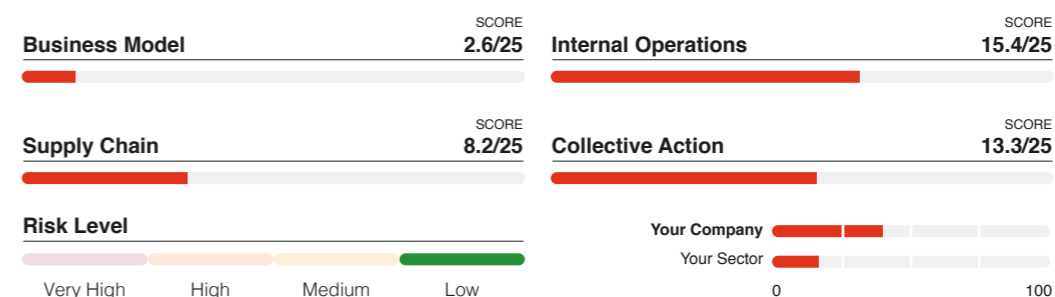
SDG 5 - Gender Equality

Achieve gender equality and empower all women and girls.

This module highlights essential practices a business can take to contribute to SDG 5 - Gender Equality, such as increasing women's representation in the workforce, management and supply chain, managing gender discrimination complaints, offering non-discrimination training, and providing equitable caregiver leave.



SDG 5 - Gender Equality
 Achieve gender equality and empower all women and girls



Key observations

Chiesi has invested a lot on this SDG in 2020, allowing us to reach an overall score of 39,7% vs 26% last year, and performing over the industry average. This was made possible thanks to the activation of specific initiatives, and particularly to the "Collective Actions" and the creation in 2020 of a specific Gender Equality Committee. This committee's agenda is to study and monitor gender inequality, with the goal for 2021 to implement the action plan designed to fill the gender gap. We were also awarded the "Diversity Leader Award", in recognition of our efforts.

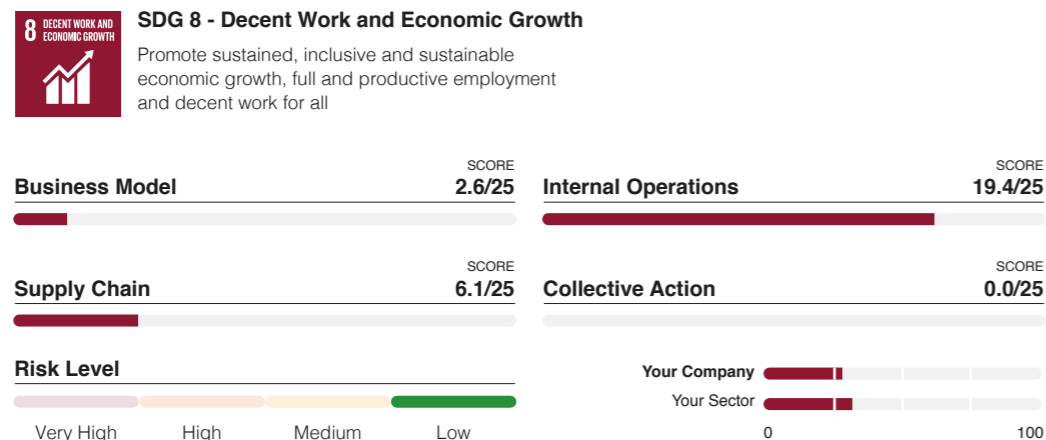
- Chiesi does not have a specific business model designed to contribute to gender equality. However, we have aligned our social and environmental performance strategy throughout our practices and processes to specifically address the SDG 5 targets;

- For the internal operations area, we have a solid performance in all of the evaluation topics, such as women's representation in the workforce and management as well as gender discrimination management. At the same time, we are aware that we have more steps to take to address the pay gap issue and to ensure gender equality in leading positions;
- Our Suppliers' Code of Interdependence, along with the procurement policy that gives preference to women-owned businesses, are recognised as good practices that contribute to SDG 5; and
- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 5.

SDG 8 - Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

This module highlights essential practices a business can take to contribute to SDG 8 - Decent Work and Economic Growth, including paying a living wage, ensuring fair working conditions in their operations and supply chain, and providing professional development opportunities.



Key observations

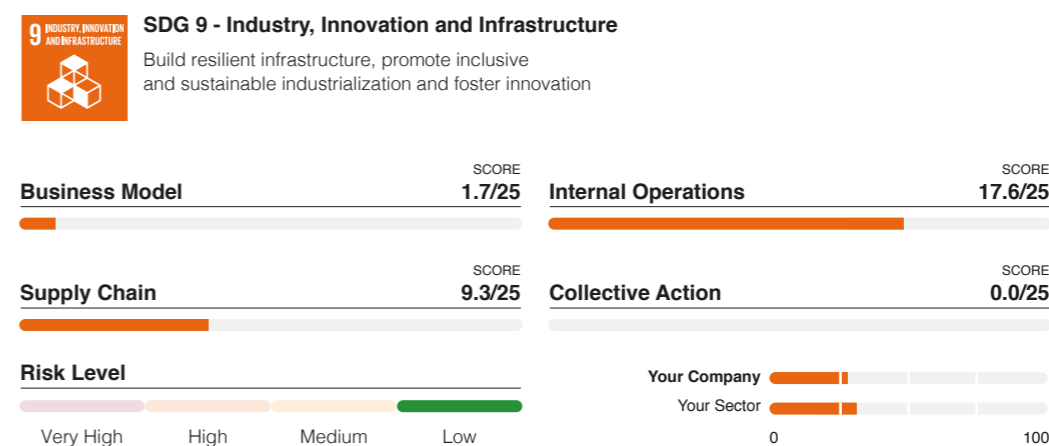
Chiesi's overall performance has improved in 2020, increasing almost two percentage points from 26.4% to 28.3%, is mainly driven by "Internal Operations" and "Supply Chain".

- Our business model is not specifically designed to promote decent work and economic growth. Chiesi's commitment results in the alignment of our social and environmental performance throughout our practices and processes to address SDG 8 targets;
- In the evaluation process of Internal Operations, we resulted in having a strong commitment in ensuring working conditions that respect labour rights. Our operations are focused on monitoring and improving worker satisfaction / engagement and on transparency (i.e., in ensuring access to information);
- For the supply chain, the analysis confirmed improvement opportunities on the topics of the social and environmental impact of our suppliers, and with respect to our spend on local providers. We are aware that further improving on this latter point is limited by the impossibility to refer to local suppliers in our specific sector;
- Our policy making strategy does not include any initiatives specifically designed to advocate for policy changes to contribute to SDG 8 (either at individual or collective level); and
- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 8.

SDG 9 - Industry, Innovation and Infrastructure

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

This module highlights essential practices a business can take to contribute to SDG 9 - Industries, Innovation and Infrastructure, including enhancing research and development efforts aligned with sustainable development priorities, supporting small-scale suppliers, and adopting clean and environmentally sound technologies and industrial processes.



Key observations

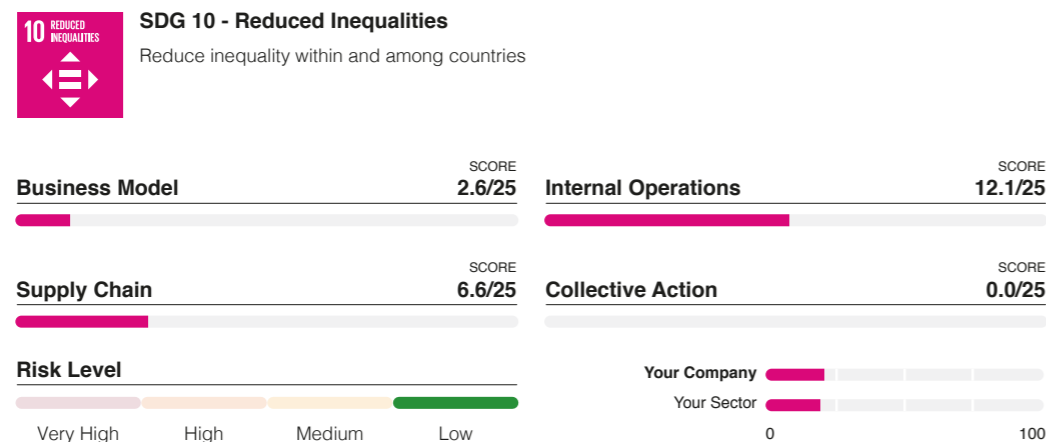
The overall score on SDG 9 has marginally increased in 2020 and scores at 28.8%, a result slightly behind the industry average.

- Our business model is not specifically designed to build a resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Chiesi's commitment results in the alignment of our social and environmental performance throughout our practices and processes to address SDG 9 targets;
- The assessment for the category 'Internal Operations' has fully recognised Chiesi's point of excellence in R&D and our commitment to promoting the use of technology for research innovation. Furthermore, our Environmental Management System and water conservation practices were highlighted as strengths. Chiesi's performance could improve in conservation and in the percentage of company facilities certified according to Green Building Standards;
- The analysis has rewarded our contribution in R&D and technology with our suppliers. Investment in local and Small and medium-sized enterprise suppliers remains low, reflecting a characteristic of our industry;
- Our policy making strategy does not include any initiatives specifically designed to advocate for policy changes to contribute to SDG 9 (either at individual or collective level); and
- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 9.

SDG 10 - Reduced Inequalities

Reduce inequality within and among countries.

This module highlights essential practices a business can take to contribute to SDG 10. Reduced Inequalities, including paying a living wage, reducing the pay ratio within the company, and employing non-discrimination practices in their operations.



Key observations

At Chiesi, reducing inequalities is an area where we have made progress too, especially thanks to “Internal Operations” initiatives linked to the company’s mobilisation to continue its journey to become an inclusive workplace.

- Our business model is not specifically designed to reduce inequality within and among countries. Chiesi’s commitment results in the alignment of our social and environmental performance throughout our practices and processes to address SDG 10 targets;
- With regard to our supply chain, we have room to promote diversity within our providers and, in particular, we could put in place specific activities to support small scale suppliers to prevent discrimination and harassment;
- Our policy making strategy does not include any initiatives specifically designed

to advocate for policy changes to contribute to SDG 10 (either at individual or collective level); and

- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 10.

SDG 11 - Sustainable Cities and Communities

Make cities and human settlements inclusive, safe, resilient and sustainable.

This module highlights essential practices a business can take to contribute to SDG 11 - Sustainable Cities and Communities, including promoting inclusive urbanisation practices, adopting green building standards, and promoting sustainable transport for employees.



Key observations

Chiesi has invested an immense amount of effort on SDG 11's 2020, allowing the overall score to increase by almost ten percentage points, reach one of its highest scores and achieve almost double of what other pharmaceutical companies usually achieve. The key innovation was delivered on the “Supply Chain” subtopic which recognised Chiesi’s efforts to reach carbon neutrality. More specifically, among other things, in 2020 we reorganised our whole transportation structure to reduce environmental impact.

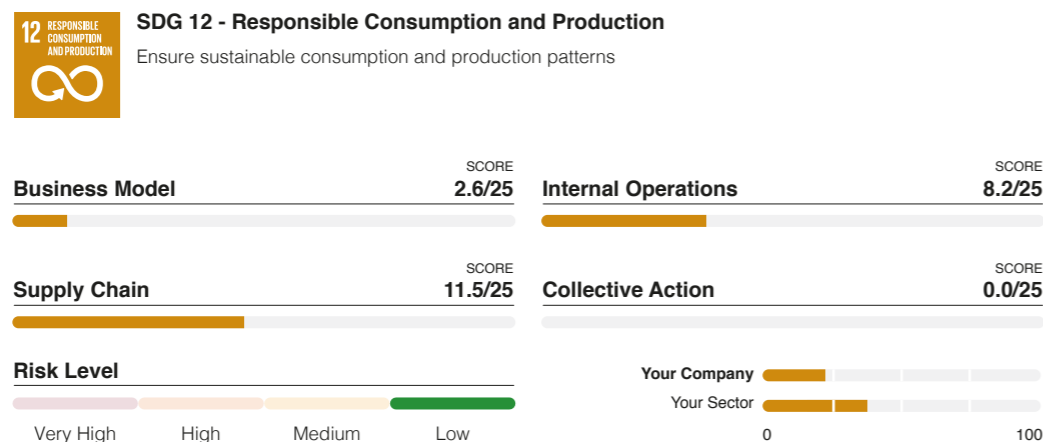
- Our business model is not specifically designed to make cities and human settlements inclusive, safe, resilient and sustainable. Chiesi’s commitment results in the alignment of our social and environmental performance throughout our practices and processes to address SDG 11 targets;

- Chiesi improved access to high quality jobs and green spaces for the surrounding communities: the “Consorzio Kilometro-Verde Parma” (Green Kilometer Consortium) initiative is just one example. Moreover, we strengthened and safeguarded the cultural and natural heritage assets in the city of Parma with specific initiatives, such as “Parma, io ci sto!”. We also put in place specific practices to reduce carbon emissions from transportation, hence reducing the carbon footprint caused by travel / commuting;
- We have specific activities to advocate for policy changes in our local community to contribute to SDG 11 (either at individual or collective level); and
- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 11.

SDG 12 - Responsible Consumption and Production

Ensure sustainable consumption and production patterns

This module highlights essential practices a business can take to contribute to SDG 12 - Responsible Consumption and Production - including adopting circular economy principles, assessing supplier impact on resource consumption, and setting and reporting publicly on sustainability targets.



Key observations

The overall score on SDG 12 has slightly increased in 2020 to 22.5% (vs. 20% last year). Chiesi's main driver on this SDG remains its investment on Supply Chain, where we have continued to expand the reach of our suppliers' Code of Interdependence which states specific indications to ensure responsible consumption and production. In this area of evaluation, special recognition is also given to Chiesi's chemical management system.

- Our business model is not specifically designed to ensure sustainable consumption and production patterns. Chiesi's commitment results in the alignment of our social and environmental performance throughout our practices and processes to address SDG 12 targets;
- With regard to the 'Internal Operations' category, the tool recognises Chiesi's commitment in encouraging responsible

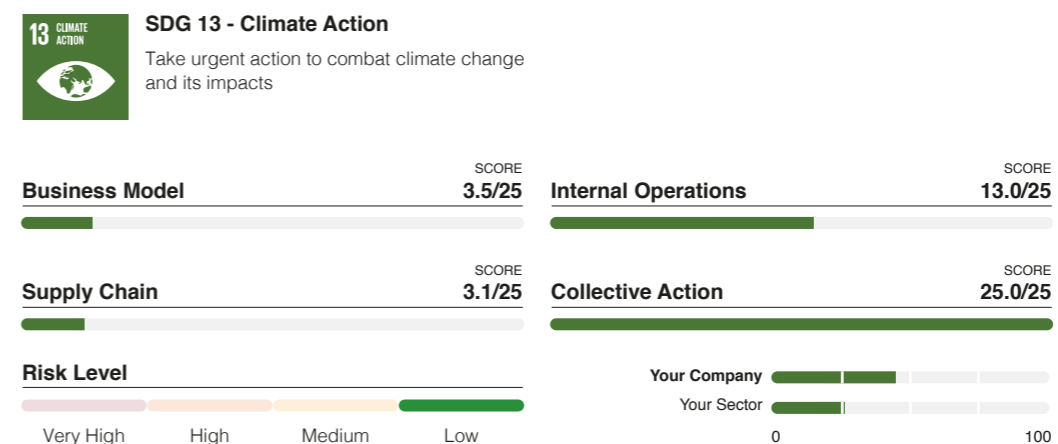
consumption and production. In particular, the reporting method we chose for our social and environmental performance represents the company's commitment to transparency. Some of the more difficult points can be traced back to typical challenges of the pharma sector, such as the longevity of products, the reduction of end-of-life waste and the percentage of environmentally preferred materials (from recycled materials, reused components, and/or certified sustainably sourced materials). The difficulty in intervening in these matters also stems from the strict regulation of our sector;

- Our policy making strategy does not include any initiatives specifically designed to advocate for policy changes to contribute to SDG 12 (either at individual or collective level); and
- Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 12.

SDG 13 - Climate Action

Take urgent action to combat climate change and its impacts.

This module highlights essential practices a business can take to contribute to SDG 13 - Climate Action, including employing climate risk assessments, adopting climate change governance, inventorying greenhouse gas emissions in their operations and supply chain, and setting science-based targets.



Key observations

SDG 13 is the SDG where Chiesi has had a record growth in 2020, going from 14.8% to 44.8% thanks to Collective Actions that allowed us to reach the maximum number of points available. For example, in 2020, we have co-founded an international coalition called Regenerative Society Foundation, that works on three pillars including climate action, as well as we have been among the first promoters of Italy4Climate, with the purpose to promote the implementation of a climate roadmap for Italy, in line with the European guidelines of the Green Deal and with the objectives of the Paris Agreement.

- We have a formal commitment to align our business with the Paris Agreement and measure progress towards it. At the same time, we recognise that our business model does not have a direct positive impact in taking urgent action to combat

climate change and its impacts;

- Our internal operations are on the right trajectory but with important steps yet to be taken. We need to encourage the purchase of energy from low-impact renewable sources. Our achievements in lowering the carbon intensity for Scope 1 and 2 were rewarded, together with the recognition of the progress made in managing Scope 3. Our pledge to meet carbon neutrality by 2035 has undoubtedly contributed to this result and represents the starting point to align all strategic directions to one main objective;
- Scope 3 includes the management of greenhouse gas emissions produced by the supply chain; therefore our 2035 plan will ensure further steps are taken in tracking and managing our suppliers CO2 emissions;
- Our policy making strategy does not include any initiatives specifically designed

to advocate for policy changes to contribute to SDG 13 (either at individual or collective level); and — Chiesi shows a low level of risk in negatively affecting or inhibiting SDG 13.

SDG 17- Partnerships for the goals

As stated in point 2, this goal is intersectional and therefore is not evaluated with a dedicated module. The progress of the international community in terms of strategic partnership is measured in the tool by various questions in the modules of the remaining 16 objectives.

As a B Corp and Benefit Corporation, Chiesi believes in the value of interdependence and the need to collaborate with all stakeholders in order to constantly evolve humanity's social and environmental impact positively.

The use of the SDG Action Manager tool allows us to assess our contribution to our 9 priority SDGs, but also underlines the interconnectedness of the SDGs and the importance of having a comprehensive and broad approach towards all 17 SDGs. This analysis enables us to also highlight those on which we have an impact without focusing our efforts intentionally. This specific SDG highlights our company's transparent approach and our commitment to sustainable development through our governance and our Benefit Corporation status since 2018.

In conclusion, the SDG Action Manager analysis leads us to broaden our vision and reflect on our future strategic directions.



#EveryStoryCounts

Investing in the research of rare diseases To make life happen

Tony Petrova

Office Manager, Chiesi Bulgaria

Our story is connected with Rare Diseases and in particular with patients with Thalassemia Major.

Our relationships with these patients through their organization – Association “Organization of Thalassemia patients in Bulgaria” have been established many years ago. Our partnership started in 2009 when Ferriprox became available therapy for Bulgarian Thalassemia patients.

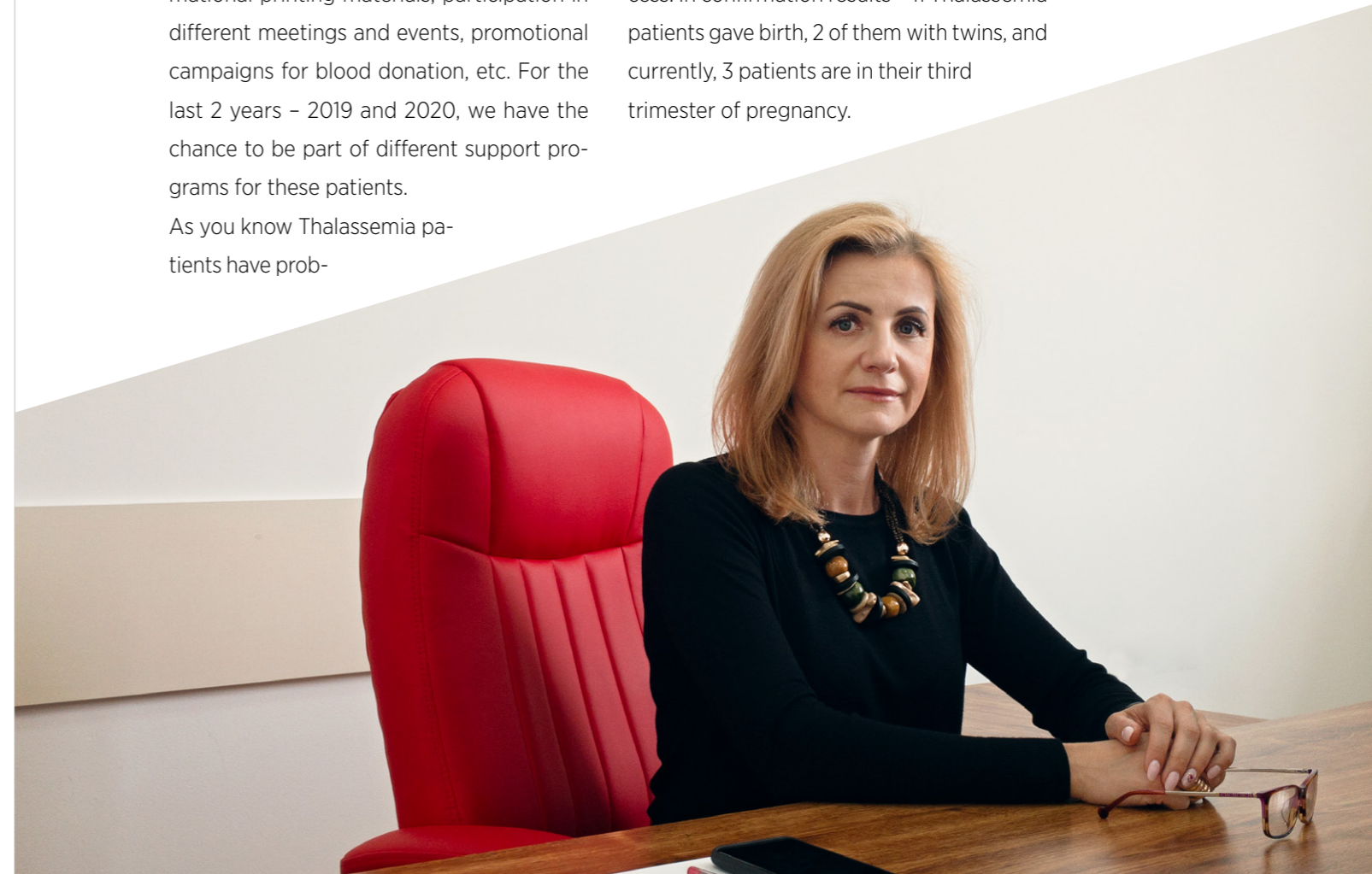
Last 10 years Chiesi Bulgaria was supporting the Association in many and different activities: patients' psychological training, educational projects for patients' families, informational printing materials, participation in different meetings and events, promotional campaigns for blood donation, etc. For the last 2 years – 2019 and 2020, we have the chance to be part of different support programs for these patients.

As you know Thalassemia patients have prob-

lems with reproductive functions because of chronic anemia conditions and iron overload. As a result, they are experiencing difficulties in fertility functions and a need for specific genetic examinations to assure the delivery of a healthy child.

Medical center “Repro Bio Med” with their fertility program takes care of this special group of patients for the last 7 years with amazing results.

2 years ago Chiesi Bulgaria made a decision for an annual financial donation of this program for genetic testing. We are happy to give a small contribution to this miracle process. In confirmation results – 11 Thalassemia patients gave birth, 2 of them with twins, and currently, 3 patients are in their third trimester of pregnancy.



In a year like no other, we built this Report made with the stories of resilient caregivers

Undeniably, 2020 has been a year marked by unprecedented and unexpected challenges. Humanity had to face it as a global community. It was a year in which we have had to strip back any personal objectives and unite to be stronger than the virus we are still seeking to overcome as we write this report.

In such a context and marked by our profound belief that our planet's health and its inhabitants deserve our best efforts, we have sought to transform this year's report into something more than a simple outline of our business results driven by standards and legal obligations. We wanted to give space to the voice of all of those colleagues and partners that have worked endlessly together to deliver the best impact possible to our patients and communities throughout the world.

This report tells the story of how Chiesi rose to the challenges brought about by a global pandemic. It is a testament to the great achievements and innovations resulting from a year where health and care were at center stage.

In order to better understand and communicate the above, a group of us immersed ourselves in the lives of the people Chiesi serves, helping us to empathise with them and enrich our perspective. The learning from this experience contributed to the shaping of the key messages of our 2020 Annual & Sustainability Report.

The outcome of this exploration from within, is a narrative that encapsulates our approach and has guided our actions in 2020:

In a year in which we could not breathe and were forced to stay away from our loved ones, we came face to face with the vulnerability and fragility of life. What troubled us most was not our fragility but the inequality that affected the weaker members of our society and left them vulnerable and helpless.

Belonging to the community of caregivers who care for others and stand up against unfair practices in the world, Chiesi tapped into its value of mutual solidarity to stop at nothing to help those who were suffering and left behind.

Chiesi firmly believes that everyone counts and every living being is unique and irreplaceable.

Driven to ensure continuity above all with genuine care in action, Chiesi wholeheartedly pledged its resources, knowledge, and equipment towards the utmost and timely care of patients, people, and the planet.

#EveryStoryCounts

The change of my life

Pavčina Janovská

Product Manager Primary Care, Chiesi Czech Republic

I have been working at Chiesi Czech Republic as Product Manager Primary Care for three years. When I started this job, I did not have any idea how my position would change in 2020. In January, we planned our big seminar "Day of Inspiration" for our physicians, as back then we had no idea what was awaiting. As Covid-19 hit, everyone felt the stress and fear of the virus. We had to stop visiting our physicians and the seminars were gradually cancelled.

The Czech Republic Team and I wanted to find a solution to support health care specialists during this hard time. Everything with Covid-19 was new. We decided to organise the first Chiesi online event where we would showcase our recommended procedures called "Situa-

tion in doctor's office in time of pandemic Covid-19".

It was very emotional to see how sharing such important information could have an impact in people's lives. Throughout the year, we continued to prepare other Covid-19 webinars to support our physicians and Czech hospitals working on the front line.

I'm happy to be working at Chiesi Czech Republic with such a great team. I wish that everyone could work in similar organisations which authentically care about people. I wish good health to everyone in these difficult times.





Credits: Federica Sandri, Chiesi Headquarters

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Impact Report 2021

As a Benefit Corporation we are required to issue an impact report specifying the activities and objectives needed for the purposes of common benefit, as indicated by Italian Law 28-12-2015 no. 208, subsections 376-384.

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Introduction

2020 was a year marked by unprecedented and unexpected challenges, which man has had to face as a planet. This Impact Report aims to present the objectives achieved by Chiesi in pursuit of the purposes of common benefit set out in our articles and the 2021 objectives.

Some programmes that were due for completion in 2020 were subject to slight delays or needed to be modified to suit alternative working approaches. In light of the continuing uncertainty, we hope that the situation caused by the Covid-19 pandemic will gradually improve in 2021. Although we hope our plans will remain unaffected, there is some concern that the current situation may require us to delay the launch of some of the initiatives set out in this document over the course of this year.

We are nevertheless committed to pursuing the various activities described below, provided that our key priorities include supporting our community, guaranteeing a constant supply of our drugs, ensuring the safety of our workforce and safeguarding the environment in the event another emergency arises.

Specific purposes of Common Benefit at Chiesi Farmaceutici

Chiesi Farmaceutici Spa has incorporated four specific purposes of common benefit and one general purpose into its company articles to define its Benefit Corporation profile:

I Commitment to continuously innovating to develop more sustainable company processes and procedures, in order to minimise negative impacts and enhance positive impacts on people, the biosphere and the territory;

II Positive impact on people and patients, with the aim of improving their health, wellbeing and quality of life;

III Contributing to the development of the local communities where the company operates; and

IV Promoting a conscious and sustainable approach to doing business, whilst also generating collaborative exchange with stakeholders.

The company also pursues – in addition to its economic objectives as a business – general purposes of common benefit and operates in a responsible, sustainable and transparent way in respect of people, communities, territories and the environment, cultural and social assets and activities, bodies and associations and other stakeholders.

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The following pages cover these purposes of specific benefit and provide the following details for each one:

- the specific objectives according to the 2018-22 strategic plan;
- a report on the activities and targets for 2020; and
- the activities and targets to reach during 2021, contributing to each specific purpose of common benefit.

Purpose of common benefit (I): Commitment to continuous innovation to render all company processes and procedures sustainable in order to minimise negative impacts and enhance positive impacts on people, the biosphere and the local area.

What we achieved in 2020

In 2020, Chiesi's commitment to this purpose of common benefit involved focussing particularly on the environmental impact generated by the company. Although we made it a priority to guarantee the supply of our drugs to all our patients, the safety of our workforce and the support of our communities during the Covid-19 emergency, our commitment to environmental sustainability remains one of the group's priorities. This commitment involved implementing the following actions:

1. Carbon Neutrality

Chiesi has set itself the goal of achieving Carbon Neutrality by 2035. Our plan specifically provides for carbon neutrality for scope 1 (direct emissions) and scope 2 emissions (indirect emissions mainly associated with the purchase of electricity) by 2030, and for scope 3 emissions (other indirect emissions) by 2035. To meet this objective, a long-term action plan was drawn up in 2020 taking 2019 as the year from which to calculate the reductions. The starting point was to complete the inventory of scope 1 and scope 2 emissions, and also define the inventory boundaries for scope 3 emissions, identifying priority areas. The steps needed to reach Carbon Neutrality were defined in accordance with the principles of the Science Based Targets Initiative (SBTi). One of the key aspects in defining the plan was to forecast the maximum reduction of all our emissions, maintaining the offsetting option only for those areas where a further reduction cannot be made.

2. Building energy efficiency

In the first half of 2020 a structured energy management system was implemented for the

rational use of energy and continuous improvement of energetic performance. This step also enhanced the cultural shift regarding energy issues, which not only aims to provide information about the most important technical aspects, but also concerned using energy correctly and the impact this has on carbon neutrality and the use of natural resources.

In June 2020 we obtained certification under the international standard ISO 50001 Energy Management System.

3. High environmental and social standards set by the new Headquarters

During 2020, Chiesi inaugurated its new head office in Parma (Italy), consisting of a new building designed on the basis of 3 key principles: people, innovation and sustainability. The new building embraces a vision of the company-people relationship, whereby the hierarchy is restructured to facilitate exchange, connection and co-working, creating a place where people can generate and discuss the ideas that will guide our future growth. Organisational flexibility is also promoted by open-plan working areas and the elimination of personal offices. Environmental sustainability is a key feature of the building yet is also linked to people's well-being via green recreation areas designed to bring people closer to nature. The new building, which covers 17,000 m², was constructed within an area measuring 46,300 m², requalifying a disused industrial site without occupying any agricultural land. The building is entirely carbon neutral and is the first building of its kind in the LEED BD+C v.4 New Construction category to achieve Platinum status in Italy and is among the top 35 buildings in the world. Lastly, the new Headquarters received the 2020 In/Architettura award in the New Construction category, promoted by the Istituto Nazionale di Architettura (National Institute for Architecture) and the ANCE (National Association of Construction Companies). We also obtained LEED EB:OM Gold certification in 2020 for the Research Centre building in Parma.

4. Animal Welfare

Chiesi only considers the use of animals for its scientific research ethically appropriate if there are no other suitable alternative methods available. The use of animals for clinical experimentation is required by the regulatory authorities for authorisation to proceed with human studies, in order to protect the health of patients and the environment and obtain final approval for the product. Every conceivable effort is made to keep the number of animals used for the purposes of experimentation to an absolute minimum, therefore also guaranteeing respect for the wellbeing of animals during all the phases of experimentation.

This objective is pursued according to the principles of the 3Rs¹ and adopting all of the latest scientific and technological innovations to facilitate the implementation of these principles and where possible introduce alternatives.

2020 saw the launch of the AAALAC (Association for Assessment and Accreditation of Laboratory Animal Care) accreditation process, the highest standard within the sector regarding animal wellbeing. In November 2020, the documentation was submitted in order to obtain certification by mid-2021. In addition, a training programme on this issue set up for Research

1. For more information go to the following link:
<https://www.nc3rs.org.uk/>

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& Development staff was completed at the end of 2020. Further training programmes are planned for all of our staff in 2021.

Our commitments for 2021

The information below concerns our 2021 commitments, which aim to pursue the purposes of common benefit described in this section, with a view to ensuring the continuity of the activities undertaken in 2020, focussing particularly on the issue of Carbon Neutrality and Products.

> Towards Carbon Neutrality

In 2021, we are planning to submit our reduction targets of greenhouse gas emissions to the Science Based Targets Initiative.

We have planned significant actions aimed at reducing our emissions in line with these targets, including the introduction of an emission-reduction system for HFA² gases in production processes, LEED EB:OM certification for two other buildings owned by the company, the conversion of around 20% of our company vehicles to electric power and the installation of 70 additional electric charging stations on our premises. In 2019 Chiesi began developing a range of minimal carbon spray inhalers, which use a new low Global Warming Potential propellant with a 90% lower carbon footprint. The new inhalers will be available to patients as of 2025. Further information is available at the following link: <https://www.chiesi.com/chiesi-farmaceutici-annuncia-un-investimento-di-350-milioni-di-euro-per-il-primo-inalatore-spray-pmdi-con-ridotto-impatto-ambientale-per-asma-e-broncopneumopatia-cronica-ostruttiva-bpco/>

As we are convinced that transparency is one of the key aspects of environmental impact management, as well as providing emission data in our Annual and Sustainability Reports, one of our objectives for 2021 is to join the Carbon Disclosure Project (CDP).

> Towards eco-friendly products

In 2021 we will implement an extensive global programme converting our products to eco-friendly alternatives using a Life Cycle Perspective approach, which will enable us to analyse the impact of our products and plan their development for their entire life cycle, implementing sustainability criteria from the early research phases to the industrial phase. One of the first actions we will introduce in this regard concerns the use of FSC (Forest Steward Council) certified paper for the secondary packaging on our main products. We also intend to optimise the environmental impact of the packaging used for products in the research phase.

2. HFA 134a and HFA 227ea propellants are used for spray inhaler pharmaceutical products, including those produced by Chiesi. These propellants come under the high Global Warming Potential category, i.e. potent greenhouse gases. It should be noted that in the overall inventory of equivalent global CO₂ emissions, these gases do not currently represent a significant percentage.

Specific purposes of common benefit (II): Positive impact on people and patients, with the aim of improving their health, wellbeing and quality of life.

What we achieved in 2020

Chiesi's commitment to this purpose of common benefit involved implementing the following actions in 2020:

1. Spending on Research and Development

During 2020 Chiesi's commitment to pharmaceutical innovation aimed at developing therapeutic solutions for patients' key medical needs was once again underlined by the significant share of our revenues dedicated to Research and Development, focussing particularly on respiratory diseases, neonatology, rare diseases and special care. In 2020, 20.1% of our turnover was invested in research and development activities, which breaks down into 12.1% for respiratory research in primary care, 7% for neonatology and 32.8% for rare diseases and special care. Chiesi ranks top among Italian pharmaceutical companies, second among Italian manufacturing companies and sixteenth among European pharmaceutical companies for investment in the field of research³.

2. Development of new services for patients in the rare disease area

Our objective for 2020 was to continue developing services dedicated to supporting patients affected by rare diseases to improve their quality of life and that of their caregivers. In the USA we have launched services supporting access to drugs for patients affected by thalassemia and a programme for access to our experimental treatment pegunigalsidase alfa for patients affected by Fabry disease. We have also set up home-based infusion services for patients affected by alpha-mannosidosis in various European countries.

3. COPD (Chronic Obstructive Pulmonary Disease) awareness campaigns

Over the year, awareness-raising campaigns have been run on the theme of COPD in France and the United Kingdom. One of the main initiatives we took part in at European level was the Breathe Coalition promoted by the EFA (European Federation of Allergy and Airways Diseases Patients' Associations), which aims to create a vision paper for respiratory health and a platform to respond to the 2021-2024 European health agenda.

4. Diversity and inclusion

Our main focus in 2020 within the scope of activities relating to diversity and inclusion was the issue of the gender pay gap, i.e. the difference in remuneration between men and women employed at the same level with the same job description. These activities involved setting up an annual monitoring process to analyse the gender pay gap trend and creating a Gender Gap Committee to directly involve the top management. The Committee was responsible for

3. The 2020 EU Industrial R&D Investment Scoreboard

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analysing the gap both in terms of remuneration and leadership positions held by women throughout the Group and also implementing an action plan to correct these aspects.

The company values were also reviewed in 2020, looking in particular at diversity, equality and inclusion, given that Chiesi is a certified B Corp and Benefit Corporation.

As part of this process and focussing on the value of inclusion and authenticity, the company's Diversity & Inclusion Committee, which is in charge of managing the group's strategy on these issues, concentrated on prioritising areas requiring attention, such as training for Chiesi people, creating an infrastructure (policy and processes) and identifying diversities at Chiesi (gender, sexual orientation, generation, culture, ability, personal style or lifestyle).

Chiesi also joined forces with Parks – Liberi e Uguali (Free and Equal), a non-profit association created to help member companies recognise and fully realise the potential of developing strategies and good practices to respect diversity, focussing specifically on gender identity and sexual orientation.

Chiesi also formed two important partnerships – one with the European Platform of Diversity Charters, signing the Charter for Equal Opportunities, and the other with the WEPs Network (Women's Empowerment Principles), demonstrating its commitment to gender equality issues.

Our commitments for 2021

The information below concerns our commitments planned for 2021, which are aimed at pursuing the purposes of common benefit described in this section.

> Spending on Research and Development

Continuing to invest around 20% of revenues in Research and Development, specifically contributing to the respiratory area, neonatology, rare diseases and special care.

> Development of new services for patients in the rare disease area

In 2021, our objective is to ensure continuity for the programmes providing services to support patients, which will be extended to some primary immunodeficiencies, a new strategic area for rare diseases. We will also evaluate the feasibility of a humanitarian access programme for some therapies.

> COPD (Chronic Obstructive Pulmonary Disease) Awareness campaign

The main objective is to ensure continuity for activities aimed at raising awareness about COPD and our active participation in the Breathe Coalition promoted by the EFA.

> Our people

We have a series of objectives concerning our people, which are in line with the strategic areas prioritised in 2020:

- Diversity, equality and inclusion: identifying specific Group targets for the management of

aspects within the scope of gender equality, such as the gender pay gap and equality in leadership positions, and developing training programmes and specific awareness-raising initiatives dedicated to the top management on issues concerning gender equality and inclusive leadership in line with Chiesi's values. In addition, we intend to implement a policy on Diversity, Equality and Inclusion issues throughout the entire Group;

- Promoting digital transformation in the Group's internal processes, in order to improve opportunities for employee training programmes, performance evaluation and the promotion of talents; and
- Creating global guidelines to standardise the Group's approach regarding initiatives aimed at ensuring the health and wellbeing of employees.

Specific purposes of common benefit (III): Contributing to the development of the local communities where the company operates.

What we achieved in 2020

The Covid-19 pandemic has rapidly changed the social and economic fabric of the local and international communities where Chiesi operates. As a Benefit Corporation, on the basis of our culture and the value of interdependence on which B Corps are founded, we experienced a strong sense of responsibility and civic duty towards the wider community, whether local, national, scientific hospital-based or non-profit in general. This committed us to evaluating and responding to requests for support from the community via a specially created committee. Chiesi's commitment to this purpose of common benefit in 2020 involved implementing the following actions:

1. The "Non Più Soli" project

"Non più soli" (No longer alone) was set up as a pilot project in Parma in 2019 and aims to ensure that care and basic necessities (shopping, drugs, etc.) are provided for single elderly people discharged from hospital who are temporarily dependent on the help of others. This project was run in 2020 during the height of the Covid-19 pandemic, when assistance was extended to include not only the elderly but all categories of socially vulnerable people in the Parma area, who were struggling during the early months of the emergency (March-June).

During the Covid-19 emergency, Chiesi also made a significant contribution to the local community with over €3 million in money and goods for hospitals and non-profit organisations in the Parma area and at national level and an overall total of more than €10 million across the Group.

2. Parma Italian Capital of Culture 2020+21

As part of its commitment to actively contributing to the social and cultural development

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of its local community, Chiesi confirmed its support for the initiative Parma Italian Capital of Culture 2020+21. Together with another B Corp from Parma, it was also directly involved in promoting the Pharmacoepa project (<https://pharmacopeaparma.it/eng/homepage>), aimed at rediscovering the chemical-pharmaceutical identity of the Parma area. As part of the project, Chiesi also promoted the initiative «The Art of Caring» <https://www.artedellacura.com/en>, providing a closer look at the area's chemical-pharmaceutical patrimony and the way it relates to the company's history.

Our commitments for 2021

The information below concerns our commitments planned for 2021, which are aimed at pursuing the purposes of common benefit described in this section.

> Parma Italian Capital of Culture 2020+21

Chiesi has confirmed it will continue to support and take part in Parma Italian Capital of Culture 2020+21. For 2021 our objective is to ensure continuity for Pharmacoepa and take part in the "Imprese Creative Driven" call, which aims to make culture and creativity an integral part of companies in the area within the scope of Parma 2020+21, by setting up special projects for employees.

> B Corp School

Chiesi will contribute to initiatives intended for schools and the young generations on promoting positive value creation models through the B Corp School project. The project is promoted by Invento Innovation Lab, a B Corp which aims to promote new regenerative business models in schools, helping students create start-ups based on the B Corp model. Our objective for 2021 is to involve 3 schools in the local area.

> KilometroVerdeParma

The social enterprise KilometroVerdeParma Forestry Consortium is a hands-on project designed to involve everyone, which is run throughout the local area and aims to create permanent green and woodland areas in Parma and the surrounding province. Chiesi is one of the founding members of the Consortium and actively takes part by setting up reforestation initiatives. The Consortium's aim for 2021 is to plant 20,000 trees in the local area and Chiesi has confirmed its active involvement by creating a wood consisting of 2,000 trees.

> "Parma, Io Ci Sto!"

"Parma, io ci sto!" was set up in 2016 to bring about real change, combining commitment with input from everyone to turn ideas into concrete actions for the local area. Chiesi is one of the founding members and intends to continue supporting the association "Parma, Io Ci Sto!", which aims to encourage concrete actions for the sustainable development of the Parma area by promoting joint initiatives between companies, public institutions, citizens and other figures in the area.

Specific purpose of common benefit (IV): Promoting an informed and sustainable approach to doing business, whilst also generating collaborative exchange with stakeholders.

What we achieved in 2020

Chiesi's commitment to this purpose of common benefit involved implementing the following actions in 2020:

1. Involving patients in our processes

Stakeholder engagement processes were set up with the aim of making the patient's perspective part of Chiesi's company processes. The following activities were run in 2020:

- An ecosystem of new solutions able to help patients in their daily life with exercises and healthy lifestyle programmes was developed, all starting with more effective breathing. A pilot project in this area has been run in Italy;
- Patients affected by serious respiratory diseases have now become involved in order to see diseases from their point of view and create profiles for future drugs currently in the research and development phase. Over 1,000 asthma and COPD sufferers have also been interviewed to provide a better understanding of the obstacles and benefits presented by inhaler devices; and
- Within the Rare Diseases Business Unit, there is now a global Patient Advocacy function, which is designed to maintain a continuous dialogue with patient associations. The Patient Engagement function's team has also been further reinforced to speed up the process of involving patients in the clinical development of our therapies.

2. Implementation of the Supplier Code of Interdependence

The Code of Interdependence is the first Code of Conduct introduced between Chiesi and all its suppliers based on the principles of the Sustainable Development Goals and co-created in 2019 with key stakeholders from our supply chain. During 2020, the implementation of the Code of Interdependence focussed on strategic suppliers with the following steps:

- Sharing the Code with all suppliers at Group level and introducing a specific clause in all contracts with third parties;
- Implementing a qualification process in line with the principles of the Code for service providers at our Headquarters HQ and at some of the Group's affiliates, in particular in Brazil, the UK, Germany and France; and
- Defining an audit plan at HQ level based on the principles of the Code.

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Our commitments for 2021

The information below concerns our commitments planned for 2021, which are aimed at pursuing the purposes of common benefit described in this section.

> Involving patients in our processes

The objectives for 2021 in this regard are as follows:

- Ensuring continuity regards integrating patient input and that provided by their caregivers in defining our drug profiles and clinical trial protocols;
- Involving patients affected by asthma and COPD through the EFA (European Federation of Allergy and Airways Diseases), to gain a better understanding of their needs and examining the application of digital services more closely; and
- Engaging our patients to gather feedback on the perceived value of our innovative low-carbon inhalers.

> Implementing of the Supplier Code of Interdependence

Our main objective for 2021 is to further extend the introduction of the Code using a series of specific actions:

- Completing the qualification process of suppliers at the affiliates;
- Implementing a supplier audit and compliance process at HQ level to ensure they are following the Code of Interdependence; and
- Developing training programmes for suppliers who have been identified with potential for improvement following the qualification process.

> Regenerative Society Foundation

In 2020 Chiesi was a founding partner of the Regenerative Society Foundation (<https://www.regeneration2030.eco/>), an organisation which aims to involve companies, academic and government institutions and individuals and promote the exchange of ideas and set up joint activities concerning the regenerative economy, happiness and fighting against climate change. In 2021 Chiesi also wants to continue taking part in these dialogues through the Regenerative Society Foundation to promote the organisation's values and make its own contribution to encouraging companies to introduce a new model for doing business.

General purposes of Common Benefit and Impact assessment

As a Benefit Corporation, aside from the economic goals of its own business activities, Chiesi is committed to pursuing purposes of common benefit and operating in a responsible, sustainable and transparent way towards people, communities, territories and the environment, cultural and social assets and activities, bodies and associations and other stakeholders.

In order to comply with the statutory requirements and report on the impact generated by the company, Chiesi uses the B Impact Assessment third party standard, the assessment tool which forms the basis of B Corp certification.

Impact assessment for 2020 regarding Italy scored 98.1 points and was measured using version 6 of the B Impact Assessment. This higher score is due to the implementation of the strategic plan, which has been updated to incorporate a series of actions aimed at improvement emerging from the B Impact Assessment on Governance, Mission, People, Community, Environment and Patients directives. The changes introduced in the new issue of the B Impact Assessment specifically concerned:

- Systematically engaging suppliers in issues regarding sustainability and extending the qualification and assessment process to include benefit themes;
- Engaging patients and planning products with patients as a central focus, as well as a lifecycle perspective;
- Extending the product portfolio and solutions to improve patients' lives, therefore increasing our impact;
- Structured Carbon Neutrality and Better Building programmes, including energy management, which have a positive impact on people's wellbeing and Chiesi's positive contribution to climate change;
- Waste and water conservation programmes; and
- Diversity and Inclusion programmes.

SUMMARY OF CHIESI FARMACEUTICI SPA'S IMPACT PROFILE ASSESSMENT FOR ITALY BASED ON THE B IMPACT ASSESSMENT INTERNATIONAL STANDARD

Overall B Impact Score



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In order to comply with the statutory requirements, the company has set up an Impact Committee comprising the following functions: Shared Value & Sustainability, Human Resources, Health Safety and Environment, Marketing, Compliance, Research & Development, Global Rare Diseases, Procurement and Communications & Public Affairs. The Impact Committee is responsible for defining sustainability goals which align with the purposes of common benefit set out in the statute, assessing the results and drawing up the impact report.

Chiesi has also drawn up a sustainability statement for the financial year 2020 in accordance with the GRI standards (in accordance - core), which reports in a transparent way on the company's commitment to sustainability and the concrete actions it has implemented.

Impact report reviewed by Nativa

This impact report is the result of a joint initiative between Chiesi Farmaceutici Spa and Nativa SB Srl, which is based on the values of transparency, trust and interdependence and designed to guarantee that the information contained in the report is reliable and accurate.

The ultimate aim of this process is for Nativa to validate the updated impact assessment carried out using the B Impact Assessment tool and also an ongoing and effective commitment to work towards gradually achieving the specific purposes of common benefit.

The Review process is subdivided into three areas:

1. **Organisation: to ensure that the key figures according to area of competence have been involved and that the know-how needed for updating the BIA is guaranteed.** The company has provided further support for the organisation by drawing up a handbook and making it widely available.
2. **Data reliability: to ensure that any data and information generated is based on a valid structured process.** The company has designed a process aimed at gathering and verifying company data, structured in such a way to involve the company's main functions. A quality check system has also been implemented to further guarantee the reliability of the data.
3. **BIA compilation quality check: to ensure that the analysis tool has been completed correctly.** The answers entered to update the BIA have been checked and validated with the representative of the Team in charge of completion by discussing and comparing the actions for improvement implemented during 2020.

Conclusions

2020 has made us realise that a regenerative business model is the only possible solution if we are to guarantee a sustainable and inclusive future.

Being a B Corp and Benefit Corporation has enabled us to make a prompt response to the emergency and adapt to the change.

We believe that an interconnected and collaborative ecosystem can make the difference and render us more resilient in the face of the current situation threatening us.

This is why we have decided to overcome these obstacles and tackle increasingly complex challenges.

The next decade will be key to the future of businesses and our planet. And we are preparing to tackle it with the most effective tools and the best people.

Appendix: What is a Benefit Corporation and what is a B Corp

Benefit Companies, known throughout the world as Benefit Corporations, represent one of the most innovative models in terms of positive corporate social and environmental impact. They are profit-seeking companies with a dual business purpose: creating value both for shareholders and stakeholders. Together, they form part of a global movement of 'Purpose Driven Businesses', whose aim is to promote a more advanced economic model, which sees the companies as key players in regenerating society and the biosphere. The vision of this movement is to encourage healthy competition between all of the companies, as their activities are evaluated and assessed according to the same benchmark: positive impact on society and the planet, aside from their economic results.

Since 2016, Italy has been the first nation in the world and the first country after the USA to introduce Benefit Companies, a new form of legal status, which provides a solid base from which to align and protect the company's mission, in addition to creating long-term shared value.

Benefit Companies choose to:

- set down in their company articles the purpose for which the company exists and balance the shareholders' interests with those of all of the other stakeholders;
- make a complete assessment of its own impacts and provide this information in a transparent way by means of an impact report, which is integrated with the company's traditional reporting system; and
- adopt a governance system which ensures that the company can be managed as a force for regenerating society and the biosphere.

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The legal status of **Benefit Corporation** has given rise to a new role which serves to transform companies from within: the person responsible for the impact, in agreement with the management, has the task of ensuring that the company also aims to generate a positive impact on people, the society and the environment when carrying out its activities, and pursues the purposes of benefit set out in its own articles.

When measuring their impacts, Benefit Companies use a technological platform known as B Impact Assessment (BIA), which was developed by the non-profit organisation B Lab. This protocol, which is available free of charge online worldwide, enables a company to assess whether it creates more value than it destroys, i.e. if it is regenerative. In the event that a given company measures all of its economic, environmental and social impacts using the BIA protocol and exceeds a level of excellence scoring 80 points, verified by the B Lab Standards Trust on scale of 0 to 200, it is eligible to become a certified B Corp.

Certified B Corps are companies which are committed to promoting the most advanced business models all over the world and have been promoting the legal status of Benefit Corporation since 2006.

The thousands of B Corps and the 120,000 companies which make use of these tools in 71 countries and 150 industries, represent a concrete, positive and scalable solution to create value both for shareholders and stakeholders. One of the fundamental principles of B Corps is interdependence, i.e. the shared responsibility among B Corps towards all of the stakeholders and future generations. There are currently about 100 certified B Corps and over 400 Benefit Companies in Italy, the fastest growing community in the world.

<https://bcorporation.eu/>

<http://www.societabenefit.net/>



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Chiesi by the numbers

Employees

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY), BY GENDER (HEADCOUNT)						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Permanent	2,542	2,854	5,396	2,394	2,617	5,011
Temporary	263	308	571	211	258	469
Total	2,805	3,162	5,967*	2,605	2,875	5,480**

*The total of employees includes long-term employee absences and therefore differs from the total of employees reported in the Consolidated Financial Statement (equal to 5,856 at 31st December 2020) in which long-term employee absences are excluded, and it differs from the total workforce (equal to 6,389 at 31st December 2020) in which external collaborators (field force contractors and ad interim employees) of the Group are included and long-term employee absences are excluded.

**The total of employees includes long-term employee absences and therefore differs from the total of employees reported in the Consolidated Financial Statement (equal to 5,388 at 31st December 2019) in which long-term employee absences are excluded, and it differs from the total workforce (equal to 5,854 at 31st December 2019) in which external collaborators (field force contractors and ad interim employees) of the Group are included and long-term employee absences are excluded.

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE (FULL-TIME AND PART-TIME), BY GENDER (HEADCOUNT)						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Full-time	2,770	2,988	5,758	2,587	2,688	5,275
Part-time	35	174	209	18	187	205
Total	2,805	3,162	5,967	2,605	2,875	5,480

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY) BY REGION (HEADCOUNT)

at 31st December 2020

	Italy	Rest of Europe	North America	Rest of the World	Total
Permanent	1,937	1,980	397	1,082	5,396
Temporary	67	70	2	432	571
Total	2,004	2,050	399	1,514	5,967

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY), BY REGION (HEADCOUNT)

at 31st December 2019

	Italy	Rest of Europe	North America	Rest of the World	Total
Permanent	1,860	1,874	296	981	5,011
Temporary	74	80	-	315	469
Total	1,934	1,954	296	1,296	5,480

PERCENTAGE OF EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER (HEADCOUNT)

	2020	2019
Male	47.0%	47.6%
Female	53.0%	52.4%
Permanent	90.4%	91.4%
Temporary	9.6%	8.6%

TOTAL NUMBER OF EXTERNAL WORKERS (HEADCOUNT)

	2020	2019
Total	533	466

New employees hires and employees turnover

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	NEW EMPLOYEES HIRED - GROUP (HEADCOUNT)									
	2020					2019				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Male	114	243	50	407	14.5%	121	209	31	361	13.9%
Female	136	331	57	524	16.6%	128	289	44	461	16.0%
Total	250	574	107	931	15.6%	249	498	75	822	15.0%
Rate	40.5%	14.6%	7.6%	15.6%		44.2%	13.9%	5.6%	15.0%	

	TERMINATIONS - GROUP (HEADCOUNT)									
	2020					2019				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Male	41	115	52	208	7.4%	56	162	47	265	10.2%
Female	46	155	36	237	7.5%	46	221	38	305	10.6%
Total	87	270	88	445	7.5%	102	383	85	570	10.4%
Rate	15.0%	7.4%	7.1%	8.1%		18.1%	10.7%	6.4%	10.4%	

2019

New employees hired - Italy (headcount)	ITALY				
	2019				
	<30	30-50	>50	Total	Rate
Male	31	30	11	72	7.2%
Female	40	44	4	88	9.4%
Total	71	74	15	160	8.3%
Rate	44.1%	6.3%	2.5%	8.3%	

Terminations - Italy (headcount)	ITALY				
	2019				
	<30	30-50	>50	Total	Rate
Male	11	16	12	39	2.0%
Female	16	38	8	62	3.2%
Total	27	54	20	101	5.2%
Rate	4.5%	14.4%	2.0%	5.2%	

New employees hired - Rest of Europe (headcount)	REST OF EUROPE				
	2019				
	<30	30-50	>50	Total	Rate
Male	30	72	12	114	15.7%
Female	41	132	29	202	16.4%
Total	71	204	41	316	16.2%
Rate	47.3%	16.3%	7.5%	16.2%	

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		REST OF EUROPE				
Terminations - Rest of Europe (headcount)	2019					
	<30	30-50	>50	Total	Rate	
Male	11	53	25	89	12.3%	
Female	14	91	22	127	10.3%	
Total	25	144	47	216	11.1%	
Rate	16.7%	11.5%	8.5%	11.1%		

		NORTH AMERICA				
New employees hired - USA (headcount)	2019					
	<30	30-50	>50	Total	Rate	
Male	1	16	4	21	17.6%	
Female	5	21	8	34	19.2%	
Total	6	37	12	55	18.6%	
Rate	40.0%	18.5%	14.8%	18.6%		

		NORTH AMERICA				
Terminations - USA (headcount)	2019					
	<30	30-50	>50	Total	Rate	
Male	2	10	5	17	14.3%	
Female	4	12	8	24	13.6%	
Total	6	22	13	41	13.9%	
Rate	40.0%	11.0%	16.0%	13.9%		

		REST OF THE WORLD				
New employees hired - Rest of the World (headcount)	2019					
	<30	30-50	>50	Total	Rate	
Male	59	91	4	154	20.1%	
Female	42	92	3	137	25.8%	
Total	101	183	7	291	22.5%	
Rate	42.6%	19.2%	6.7%	22.5%		

		REST OF THE WORLD				
Terminations - Rest of the World (headcount)	2019					
	<30	30-50	>50	Total	Rate	
Male	32	83	5	120	15.7%	
Female	12	80	-	92	17.3%	
Total	44	163	5	212	16.4%	
Rate	18.6%	12.6%	0.4%	16.4%		

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		ITALY				
New employees hired - Italy (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		23	34	3	60	5.9%
Female		39	44	5	88	8.9%
Total		62	78	8	148	7.4%
Rate		39.5%	6.2%	1.4%	7.4%	

		ITALY				
Terminations - Italy (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		6	16	21	43	4.2%
Female		12	21	2	35	3.5%
Total		18	37	23	78	3.9%
Rate		11.3%	3.0%	4.2%	4.0%	

		REST OF EUROPE				
New employees hired - Rest of Europe (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		20	69	20	109	14.4%
Female		40	112	27	179	13.9%
Total		60	181	47	288	14.0%
Rate		38.5%	13.9%	7.9%	14.0%	

		REST OF EUROPE				
Terminations - Rest of Europe (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		15	38	23	76	10.0%
Female		20	73	25	118	9.1%
Total		35	111	48	194	9.5%
Rate		21.3%	8.8%	9.2%	9.9%	

		NORTH AMERICA				
New employees hired - USA & Canada (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		6	21	21	48	30.4%
Female		10	50	20	80	33.2%
Total		16	71	41	128	32.1%
Rate		59.3%	28.4%	33.6%	32.1%	

		NORTH AMERICA				
Terminations - USA & Canada (headcount)		2020				
		<30	30-50	>50	Total	Rate
Male		-	8	1	9	5.7%
Female		3	10	3	16	6.6%
Total		3	18	4	25	6.3%
Rate		16.7%	8.8%	5.5%	8.4%	

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New employees hired - Rest of the World (headcount)	REST OF THE WORLD				
	2020				
	<30	30-50	>50	Total	Rate
Male	65	119	6	190	21.7%
Female	47	125	5	177	27.7%
Total	112	244	11	367	24.2%
Rate	40.4%	21.8%	9.5%	24.2%	

Terminations - Rest of the World (headcount)	REST OF THE WORLD				
	2020				
	<30	30-50	>50	Total	Rate
Male	20	53	7	80	9.1%
Female	11	51	6	68	10.6%
Total	31	104	13	148	9.8%
Rate	13.0%	10.9%	12.9%	11.4%	

The category "Rest of Europe" refers to data of human resources of the following countries: Belgium, CEE (Bulgaria, Austria, Czech Republic, Romania, Slovak Republic, Slovenia, Hungary), France, Germany, Greece, Netherlands, Nordics (Denmark, Sweden), Poland, Spain, Switzerland, United Kingdom.

"Rest of the World" refers to the following countries: Brazil, China, Mexico, Pakistan, Russia, Turkey, Australia

"North America": following a scope enlargement in 2020, the word "USA" used in 2019 has been replaced by "North America" in order to include and report the employees of the Chiesi Canada affiliate, which opened in early 2020. 2019 data refers only to USA

Work-related injuries

	INJURIES (NUMBER AND RATE)					
	2020			2019		
	Men	Women	Total	Men	Women	Total
Work-related injuries	12	12	24	10	18	28
<i>of which fatalities</i>	-	-	-	-	-	-
<i>of which with high-consequences (excluding fatalities)</i>	-	-	-	-	-	-
Hours worked	4,971,579	5,365,807	10,337,386	4,596,584	4,760,935	9,357,519
Injury rate	0.48	0.45	0.46	0.44	0.76	0.60
High-consequence injury rate	-	-	-	-	-	-

EXTERNAL WORKERS INJURIES	
2020	
	Total
Work-related injuries	2
<i>of which fatalities</i>	-
<i>of which with high-consequences (excluding fatalities)</i>	-
Worked hours	850,181
Injury rate	0.47
High-consequence injury rate	-

The injury rate is the ratio of the number of injuries reported to the number of hours worked (including overtime), multiplied by 200,000. The high consequence injury rate is the ratio of the number of injuries with high consequence reported to the number of hours worked (including overtime), multiplied by 200,000. High consequence injuries are the one that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

As a consequence of the large amount of Smartworking done in 2020 due to Covid-19 emergency, worked hours of all affiliates have been estimated.

Note that for External workers injuries 2019 data are not available

Average hours of training per year per employee

HOURS PER EMPLOYMENT CATEGORY AND GENDER (HEADCOUNT)						
2020						
	Total hours for men	Average hours per men	Total hours for women	Average hours per women	Total hours	Average hours per employees
Executives	5,382	35	5,737	84	11,120	50
Managers and Field Force Area Managers	28,280	36.8	20,275	33.2	48,555	35.2
White Collar and Field Force Representatives	103,543	59.8	113,241	48.1	216,784	53.1
Blue collars	4,568	30.1	5,220	40.5	9,788	34.8
Total	141,774	50.5	144,473	45.7	286,247	48.0

HOURS PER EMPLOYMENT CATEGORY AND GENDER (HEADCOUNT)						
2019						
	Total hours for men	Average hours per men	Total hours for women	Average hours per women	Total hours	Average hours per employees
Executives	6,748	40	4,164	52	10,912	44
Managers and Field Force Area Managers	34,215	56.8	28,816	61.8	63,031	59
White Collar and Field Force Representatives	76,301	45	114,991	51.9	191,292	48.9
Blue collars	14,838	106.7	8,727	76.6	23,565	93.1
Total	132,102	50.7	156,698	54.5	288,800	52.7

For 2020 and 2019, allocation of training hours by gender and employees categories in some countries have been estimated.

Diversity of governance bodies and employees

Our current Board of Directors consists of 7 members. Of these, 6 are male and 1 is female (86% and 14% respectively). 6 directors are over 50 years old and account for 86% of the Board, while the other 14% is represented by a member between the ages of 30 and 50 years.

PERCENTAGE OF INTERNAL EMPLOYEES BY GENDER AND EMPLOYEE CATEGORY						
	2020			2019		
	Male	Female	Total	Male	Female	Total
Executives	2.6%	1.1%	3.7%	2.5%	1.1%	3.6%
Managers and Field Force Area Managers	12.9%	10.2%	23.1%	12.8%	9.5%	22.3%
White Collar and Field Force Representatives	29.0%	39.5%	68.5%	29.6%	39.8%	69.4%
Blue collars	2.5%	2.2%	4.7%	2.7%	2.1%	4.8%
Total	47.0%	53.0%	100.0%	47.5%	52.5%	100.0%

INTERNAL EMPLOYEES BY AGE GROUP AND EMPLOYEE CATEGORY								
	2020				2019			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Executives	0.0%	1.8%	1.9%	3.7%	0.0%	1.8%	1.8%	3.6%
Managers and Field Force Area Managers	0.4%	16.6%	6.2%	23.1%	0.3%	16.3%	5.6%	22.3%
White Collar and Field Force Representatives	9.3%	45.0%	14.2%	68.5%	9.6%	46.0%	13.8%	69.4%
Blue collars	0.6%	2.7%	1.4%	4.7%	0.7%	2.7%	1.4%	4.8%
Total	10.3%	66.0%	23.7%	100.0%	10.6%	66.8%	22.6%	100.0%

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In 2020 we reviewed our internal grading system and this has been reflected in a change in the employee categories. As a result of this harmonisation, the data collected in 2020 have different reporting logics than those reported in 2019. Therefore, 2019 was restated according to this new system.

Collective bargaining agreements

	PERCENTAGE OF TOTAL EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS (HEADCOUNT)	
	2020	2019
Total percentage	64%	64%

Economics Proportion of spending on local suppliers

In 2020, In Italy, Chiesi sourced 36% of its goods from national suppliers. The Group total spending on local suppliers represents 50% of global supply expenses.

Country	SPENDING ON LOCAL SUPPLIERS - %	
	2020	2019
Australia (Chiesi Australia PTY LTD)	71	90
Austria (Chiesi Pharmaceuticals GMBH)	49	47
Bulgaria (Chiesi Bulgaria LTD)	96	95
Czech Republic (Chiesi CZ S.r.o.)	89	83
Hungary (Chiesi Hungary KFT)	35	14
Romania (Chiesi Romania S.r.l.)	94	91
Slovenia (Chiesi Slovenija D.o.o.)	94	97
Slovakia (Chiesi Slovakia S.r.o.)	89	91
Belgium (Chiesi S.A.)	91	95
Brazil (Chiesi Farmaceutica LTDA.)	66	84
Canada (Chiesi Canada Corp.)	58	na

China (Chiesi Pharmaceuticals Shanghai Co. LTD)	100	99
Denmark (Zymenex Holding A/S)	96	98
France (Chiesi S.A.S.)	42	62
France (Nh.Co Nutrition S.A.S.)	81	78
Germany (Chiesi GMBH)	97	95
Greece (Chiesi Hellas A.E.B.E.)	90	94
Italy (Chiesi Farmaceutici S.p.A.)	36	46
Italy (Marco Antonetto Farmaceutici)	95	94
Mexico (Chiesi Mexico S.A. de C.V.)	97	97
The Netherlands (Chiesi Pharmaceuticals B.V.)	92	95
Pakistan (Chiesi Pharmaceuticals PVT. Limited)	95	97
Poland (Chiesi Poland SP Z.o.o.)	98	88
Russia (LLC Chiesi Pharmaceuticals)	99	86
Spain (Chiesi España S.A.U.)	82	83
Sweden (Chiesi Pharma AB)	62	83
Switzerland (Chiesi S.A.)	100	100
Turkey (Chiesi Ilac Ticaret A.S.)	87	88
United Kingdom (Chiesi Healthcare Limited)	96	96
United Kingdom (Atopix Therapeutics Limited)	100	87
USA (Chiesi USA Inc.)	78	52
Total	50	59

The figures are calculated based on the orders value issued during the accounting period from all Chiesi organisations in SAP (Systems Applications and Products in Data Processing), excluding internal orders and intercompany values. For Chiesi organisations outside SAP the figure is the value of purchases booked in the local Enterprise resource planning (ERP) system during the accounting period. As local suppliers were considered those suppliers which are located within the same national boundaries of the company location of operation.

Economic value generated & distributed

ECONOMIC VALUE GENERATED AND DISTRIBUTED (M€)	2020	2019
Economic value generated	2,334.58	2,012.45
Community	24.20	17.88
Capital providers	101.03	53.19
Public Administration	(38.33)	143.27
Employees and Collaborators	543.38	494.09
Suppliers/Vendors	1,032.39	860.07
Economic value distributed	1,662.67	1,568.50
Economic value retained	671.91	443.95

The increase in the value distributed to Capital Providers refers to losses on securities and bond disposal for about 34M. The capital providers section includes also dividends, which are considered the ones distributed within the reference year but related to the profit of the previous year.

The Public Administration section includes all of the income taxes and the contributions received by institutions. The big variation in the value distributed to the Public Administration is the result of the agreement on Patent Box benefit signed in May 2020 with the Italian Revenue Agency. The benefit refers to the five-years period 2015-2019 and it was recognized in the fourth quarter of 2020.

Community Investment has been calculated according to the [Business for Societal Impact Guidance Manual managed by Corporate Citizenship](#).

Environment Paper

PAPER CONSUMPTION (BASED ON PAPER ORDERED) - TONNES - GROUP		
Paper Type	2020	2019
FSC	8.26	8.13
Recycled	15.12	35.12
Mixed FSC - Recycled	0.72	2.98
Without environmental claims	1.00	1.71
Total	25.10	47.95

Energy consumption within the organization

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ)	2020	2019
Total non renewable fuel consumption	232,254	323,572
Natural gas	133,468	139,766
Gasoline	14,039	24,823
Diesel	80,982	150,841
Bioethanol	3,611	8,142
LPG	154	-
Total energy purchased	191,460	173,088
From renewable sources	153,723	36,635
From non-renewable sources	26,504	136,453
District heating	11,232	-
Electricity self-produced from renewable sources	459	444
TOTAL ENERGY CONSUMPTION	424,173	497,104

Energy intensity

	2020	2019
Energy intensity (GJ / mln eq. units)	2,203.37	2,386.00

Energy intensity related to production processes is calculated considering the energy consumption of the production plants divided by the production volume (reported as million of Equivalent Units produced). The production sites considered are: Blois, Santana de Parnaiba, Parma (Via Palermo-Via San Leonardo).

GHG emissions Direct (Scope 1) GHG emissions

DIRECT (SCOPE 1) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019*
Direct emissions	43,846	48,936
Biogenic CO ₂ emissions	1,271	581

***We undertook a detailed review of data provided by our sites in 2019, this has resulted in some restatements. The 2019 restatement and 2020 data includes all emissions categories (including propellant losses and refrigerant losses which were not previously included).**

As is stated above, Chiesi includes all the Kyoto gases in its GHG inventory and the definition of Scope 1 is in line with GHG Protocol. For this reason, the propellant used in respiratory products which had previously been excluded has now been taken into account. This propellant has a GWP of 1300 (IPCC 5th assessment report); therefore, even if the quantity of propellant lost in kg is not so high, the impact in terms of CO₂e is material. Propellant losses are calculated mainly from two sources: manufacturing and spray tests phases of pMDI production.

Regarding mobile emissions, all car fleet data was provided, no estimations of data were made. Consumption in litres is multiplied by the Defra emissions factors to achieve emissions results. Defra factors have been also applied to stationary emissions.

Emissions from refrigerant losses were calculated for manufacturing sites and remaining Chiesi sites (including R&D facilities and warehouses). Refrigerant top up data (kg) by refrigerant was provided for manufacturing sites. To calculate the emissions GWPs from IPCC 5th assessment report were used. Refrigerant losses from remaining Chiesi sites were estimated based on the site floor area. If the floor area was not provided this was estimated using the number of employees.

Biogenic CO₂ emissions are reported separately as indicated by GRI Standards.

Energy indirect (Scope 2) GHG emissions

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019*
Energy indirect emissions (location based)	12,695	12,939
Energy indirect emissions (market based)	2,030	15,572

***2019 Restatement consider new Emission Factors (International Energy Agency) Scope 2 emissions are calculated using both the location-based and market-based methods in line with the Scope 2 GHG Protocol. Data for total purchased electricity consumption was provided in kWh.**

Guarantees of Origin certificate were provided for a number of countries. These were used to calculate total amount of renewable consumption per country. This was accounted at 0 tCO₂e/kWh for market-based emissions and using grid values for location-based emissions. The remaining electricity purchased by country was classified as non-renewable. Where available, residual mix emissions factors were used to calculate emissions for market-based emissions. If not, grid emissions were used, as per location-based emissions. Since 2019 we have updated emissions factors used for location-based emissions, these are listed below:

Purchased electricity (US regions)	USEPA (2020)
Purchased electricity (Rest of World)	IEA (2020)
Residual electricity (Europe only)	AIB (2020)
Purchased electricity (Canada regions)	Environment Canada (2020)
Purchased electricity (Australia regions)	Australian Government Department of Climate Change and Energy Efficiency (2020)

Other indirect (Scope 3) GHG emissions

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS (TONNES CO ₂ e)	2020	2019
Other indirect emissions	769,239	743,606

Chiesi performed a full screening of these emissions to determine their significance. To do this, it carried out an Environmentally Extended Input Output assessment based on spend data for Purchased goods and services and Capital goods upstream categories. This method offers a comprehensive and straightforward cradle-to-gate analysis which can be performed quickly.

This is used as a materiality assessment and significant categories were recalculated using actual data. The other upstream categories were calculated using actual data, except for the commuting category which is estimated based on the number of employees in each country. For 2020, we assumed 50% home working for Europe and 30% for the rest of the world.

Spend data analysis cannot be carried out for downstream emissions. These were estimated using best available data, with the exception of use of sold products where a detailed analysis was carried out.

GHG Protocol definition: Direct (Scope 1) GHG emissions come from sources (physical units or processes that release GHG into the atmosphere) that are owned or controlled by the organisation. Direct (Scope 1) GHG emissions include, but are not limited to, the CO₂ emissions from the fuel consumption and propellant losses. Energy Indirect (Scope 2) GHG emissions result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organisation. Methodology: Scope 1 emission coefficient data for natural gas, diesel, gasoline, bioethanol and LPG were calculated using DEFRA (Department for Environment Food Rural Affairs, UK, 2020) data as source for emission factors (expressed in tCO₂ equivalent).

The GRI Sustainability Reporting Standards, in accordance with the GHG Protocol, include two methodologies for calculating Scope 2 emissions, the “Location based” approach and the “Market-based” approach. The “Location-based” approach provides for the use of a national average emission factor related to the specific national energy mix for the production of electricity (Sources are listed in factors tab).

The “Market-based” approach contemplates the use of an emission factor defined on a contractual basis with the electricity supplier. Given the presence of specific contractual agreements

between some Affiliates of the Group and the electricity supplier (purchase of certificates of Guarantee of Origin), this approach foresees the use of the emission actors relating to the national “residual mix”, without considering that electricity purchased from renewable sources (Source: Association of Issuing Bodies, European Residual Mixes 2018). When the “residual mix” emission factors is not available (for countries outside the EU), the factor of location based method has been used. Scope 3 emissions include emissions from transport used for business purposes, this includes emissions from employee private vehicles used for business. Emission coefficient data were calculated using DEFRA (Department for Environment Food Rural Affairs, UK, 2020).

GHG emission intensity*

GHG EMISSION INTENSITY (TONNES CO ₂ e/MLN EQ. UNITS)	2020	2019
GHG emission intensity (Scope 1 + Scope 2 location based)	444.31	475.51
GHG emission intensity (Scope 1 + Scope 2 market based)	374.01	526.29

*The GHG emission intensity is calculated considering the GHG emission (Scope 1 and Scope 2) of the production plants divided by the production volume (reported as million of Equivalent Units produced). The production sites considered are: Blois, Santana de Parnaiba, Parma (Via Palermo-Via San Leonardo). The restatement for 2019 and data for 2020 includes all emissions from the site above: this includes propellant losses and refrigerant losses which were not previously included.

Water withdrawal

TOTAL QUANTITY OF WATER WITHDRAWAL - MEGALITERS	2020	
	all areas	of which water stress areas
Surface water (Total)	2.40	0.89
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	2.40	0.89
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-	-
Groundwater (total)	2.83	2.79
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	2.83	2.79
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-	-
Seawater (total)	-	-
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	-	-
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-	-
Produced water (total)	-	-
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	-	-
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-	-
Third-party water (total)	260.11	17.66*
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	259.34	16.89
Other water ($> 1,000$ mg/L Total Dissolved Solids)	0.78	0.78
Total water withdrawal: surface water (total) + groundwater (total) + seawater (total) + produced water (total) + third-party water (total)	265.35	21.35

The sites located in Hamburg, Ankara, Athens, Barcelona, Beijing, Bruxelles, Chippenham, Melbourne, Moscow, San Paolo, Santana de Parnaiba, Shanghai, Sofia, Zhengzhou, Colonia del Valle are considered part of areas subjected to water stress. To identify water stress areas we used the following sources: l'Aqueduct Water Risk Atlas del World Resources Institute and Water Risk Filter del WWF.

2020 Data has been estimated for the following affiliates: Austria & CEE (all sites), Canada,

China (all sites), Pakistan and Switzerland. Estimates are based on actual water consumption per person from reporting sites for that year, manufacturing sites are not included in the average calculation as these have different water consumption requirements. All estimated water was assumed to be Third-party water.

* The breakdown of water withdrawal by source or third party water for water stress areas was not available for 2020.

WATER WITHDRAWAL BY SOURCE - MEGALITERS - 2019	
Municipal water	293.93
Surface water	
Of which freshwater	293.93

2019 water withdrawal is expressed in megaliters instead of m3 as in the previous Chiesi's Sustainability Report 2019, in order to be comparable with 2020 unit of measure in compliance with GRI Standards.

Water discharge

TOTAL WATER DISCHARGE TO ALL AREAS IN MEGALITERS	2020
Total Water Discharge	117.45
Surface Water	5.12
Groundwater	-
Seawater	-
Third-party water	112.32

BREAKDOWN OF TOTAL WATER DISCHARGE TO ALL AREAS IN MEGALITERS BY THE FOLLOWING CATEGORIES	2020
Total Water Discharge	117.45
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	117.45
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-

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TOTAL WATER DISCHARGE TO ALL AREAS WITH WATER STRESS IN MEGALITERS, AND A BREAKDOWN OF THIS TOTAL BY THE FOLLOWING CATEGORIES	2020
Total Water Discharge	5.12
Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	5.12
Other water ($> 1,000$ mg/L Total Dissolved Solids)	-

Data reported only refers to manufacturing sites of Parma (Italy), Blois (France) and Santana de Parnaiba (Brazil)

Waste by type and disposal method

Tonnes	2020			2019*		
	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Reuse	1.50	4.05	5.55	1.00	3.18	4.18
Recycling	360.43	1,609.20	1,969.64	351.42	1,509.24	1,860.66
Composting	-	14.88	14.88	-	17.19	17.19
Recovery (including energy recovery)	36.07	81.50	117.57	37.14	66.97	104.11
Incineration (mass burn)	65.46	17.74	83.20	47.06	57.34	104.40
Deep well injection	-	-	-	-	-	-
Landfill	16.44	14.80	31.24	13.33	17.19	30.52
On-site storage	55.46	1,468.43	1,523.90	70.92	1,803.62	1,874.55
Other	0.06	16.84	16.91	6.70	5.99	12.69
Total	535.43	3,227.44	3,762.88	527.58	3,480.73	4,008.31

* Data scope increased compared to 2019. For 2020, the perimeter has been enlarged, including data for Canada, Poland, Switzerland, Slovenia, Hungary and Bulgaria that have been estimated. Data is estimated for the following waste types: recycling, incineration and landfill, all non-hazardous. The estimate is based on average waste in kg per person by category from sites that are reporting actual data. Manufacturing sites are excluded from the average calculation as these are not comparable to offices.

2019 data has been restated due to the improvement of the data collection.

Note on methodology

This fourth Sustainability Report from Chiesi Group (Chiesi) provides for our stakeholders a clear picture of our activities and our impact on sustainability. In it, we describe our initiatives and the positive impacts that we achieved in 2020 (reporting period: 1 January to 31 December 2020) as well as the struggles we are facing.

This Sustainability Report was prepared in accordance with the "GRI Sustainability Reporting Standards" established by GRI - Global Reporting Initiative ("GRI Standard"): Core option.

Data and indicators reported in this document have been chosen from a variety of economic, social, and environmental factors that are most significant for Chiesi's business and Chiesi's stakeholders.

With regard to the financial data, the scope of reporting corresponds to that of Chiesi's consolidated financial statement. Regarding the qualitative and quantitative data on social and environmental aspects, the scope of reporting corresponds to Chiesi and its subsidiaries consolidated on a line-by-line basis in the consolidated financial statement. Any exception, with regard to the scope of this data, is clearly indicated throughout the Sustainability Report. Moreover, data and information related to initiatives of the Chiesi Foundation have been reported in the chapter "Corporate Citizenship", even if the Foundation is not included in the scope of the Consolidated Financial Statement. The Foundation represents an important element of the Group strategy in the social area; therefore, the inclusion of this information guarantees a complete representation of the social impact produced by the Group.

At the beginning of 2020 the R&D centre in Canada started its operational activities in the subsidiary established in 2019. In July the Group completed the acquisition of the company Smart Pharma sp z.o.o to expand its presence in the polish market. This company has been merged into our subsidiary already operating in the polish market on 31st December 2020.

For the Group portfolio, the most relevant acquisitions were aimed at strengthening the Group's presence in the Rare Diseases area and, in particular, two agreements were signed for the purchase of world rights for Ferriprox and, in November 2020, for Revcovi. This last acquisition also resulted in the integration of the Unikeris Limited company located in the UK into the Group. Finally, in 2020 the company Zymenex was liquidated and its business transferred to Chiesi Pharma AB. We did not experience any other significant changes in the organization's size, structure, ownership or supply chain.

Unless otherwise indicated, data and information contained in this Report refer to the year 2020. However, in order to facilitate an evaluation of the ongoing trend of the activity, the data and information related to the previous year, if available, are reported for comparative

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purposes. Any restatements of data and figures published in the previous Sustainability Report is clearly indicated throughout the document.

In order to provide the most accurate representation of performance and to ensure that the data are reliable, directly measurable quantities have been included while limiting, as far as possible, the use of estimates. Any figure that has been estimated is indicated as such; moreover, certain totals in the tables shown in this document may not add up due to rounding.

The Report has not been subject to external assurance. As regards the frequency of publication, reporting will be annual. The previous version was published in June 2020.

As regards the frequency of publication, reporting will be annual. The report is also available on the Chiesi website (www.chiesi.com) in the "Sustainability" section.

Stakeholder Engagement methods

In the following table are summarized all methods used for stakeholders engagement.

STAKEHOLDER	TYPE OF ENGAGEMENT
Employees	<ul style="list-style-type: none"> – Intranet – CEO communications – Workshops – Materiality survey – Employees survey
Patients and caregivers	<ul style="list-style-type: none"> – Regular survey – Projects with patients associations – Materiality survey
Suppliers	<ul style="list-style-type: none"> – Meetings and workshops – Partnership
Scientific community and universities	<ul style="list-style-type: none"> – Conferences – Research projects – Publications
Institutions and public administration	<ul style="list-style-type: none"> – Dialogue with regulators through survey, meetings and conferences – Materiality survey
Healthcare service providers	<ul style="list-style-type: none"> – Conferences – Surveys
Media	<ul style="list-style-type: none"> – Corporate website – Press releases
Local communities	<ul style="list-style-type: none"> – Chiesi Foundation activities – Events sponsored by the company – Materiality survey

Boundaries

For each of the topics that emerged as being material, in order to identify where the issue generates an impact and thus determine its relevance, a specific boundary was identified.

DIMENSION	MATERIAL TOPIC	BOUNDARY	
		Where the impacts occur	Chiesi Group involvement
Patients and products	R&D, innovation & digitalisation	Chiesi Group	Caused by the Group
	Access to healthcare for the underserved	Chiesi Group, healthcare service providers	Caused by the Group and directly linked through business relationship
	Eco-friendly products	Chiesi Group, Suppliers	Caused by the Group and directly linked through business relationship
	Holistic & Patient-centric approach	Chiesi Group, healthcare service providers, patients	Caused by the Group and directly linked through business relationship
Global value chain	Responsible management of the value chain	Chiesi Group, Suppliers	Caused by the Group and to which the Group contributes
Processes	Employees wellbeing, health & safety	Employees of Chiesi Group	Caused by the Group
	Employees management and development	Employees of Chiesi Group	Caused by the Group
	Diversity equity and inclusion	Chiesi Group	Caused by the Group
	Climate change & GHG emissions	Chiesi Group, Suppliers	Caused by the Group and directly linked through business relationship
	Energy use, reductions & alternative energy sources	Chiesi Group, Suppliers	Caused by the Group and directly linked through business relationship
	Water management	Chiesi Group	Caused by the Group
	Pharmaceuticals in the environment	Chiesi Group	Caused by the Group

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Processes	Waste management & recycling	Chiesi Group, healthcare service providers, patients	Caused by the Group and directly linked through business relationship
	Animal Welfare	Chiesi Group	Caused by the Group
	Governance, mission & engagement	Chiesi Group	Caused by the Group
Corporate Citizenship	Economic value generated	Chiesi Group	Caused by the Group
	Transparency	Chiesi Group	Caused by the Group
	Ethics and compliance	Chiesi Group, Suppliers	Caused by the Group and directly linked through business relationship
	Human Rights	Chiesi Group, Suppliers	Caused by the Group and directly linked through business relationship
	Community engagement and support	Chiesi Group, Chiesi Foundation	Caused by the Group and to which the Group contributes
	Business continuity, resilience and crisis response	Chiesi Group	Caused by the Group

Material topics and related GRI standards

MATERIAL TOPIC	GRI TOPIC	GRI STANDARD
R&D, innovation & digitalisation	na	na
Access to healthcare for the underserved	na	na
Eco-friendly products	na	na
Holistic & Patient-centric approach	GRI-416 Customer health and safety (2016)	416-1 Assessment of the health and safety impacts of product and service categories 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services
Responsible management of the value chain	GRI-308 Supplier environmental assessment (2016) GRI-414 Supplier social assessment (2016)	308-1 New suppliers that were screened using environmental criteria 414-1 New suppliers that were screened using social criteria

Employee's wellbeing, health & safety	GRI-403 Occupational health and safety (2018)	403-9 Work-related injuries
Employees management & development	GRI 401 Employment (2016)	401-1 New employee hires and employee turnover 404-1 Average hours of training per year per employee
Diversity, Equity & Inclusion	GRI-405 Diversity and equal opportunities (2016)	405-1 Diversity of governance bodies and employees
Climate change & GHG emissions	GRI-305 Emissions (2016)	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity
Energy use, reductions & alternative energy sources	GRI-302 Energy (2016)	302-1 Energy consumption within the organization 302-3 Energy intensity
Water management	GRI-303 Water and effluents (2018)	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal
Pharmaceuticals in the environment	GRI-303 Water and effluents (2018)	303-4 Water discharge
Waste management & recycling	GRI-306 Effluents and waste (2016)	306-2 Waste by type and disposal method
Animal welfare	na	na
Governance, mission & engagement	na	na
Economic value generated	GRI-201 Economic performance (2016) GRI-204 Procurement practices (2016)	201-1 Direct economic value generated and distributed 204-1 Proportion of spending on local suppliers
Transparency	GRI-417 Marketing and labeling (2016)	417-1 Requirements for product and service information and labeling
Ethics & compliance	GRI-205 Anti-corruption (2016) GRI-206 Anti-competitive behavior (2016) GRI-307 Environmental compliance (2016) GRI-419 Socioeconomic compliance (2016)	205-3 Confirmed incidents of corruption and actions taken 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices 307-1 Non-compliance with environmental laws and regulations 419-1 Non-compliance with laws and regulations in the social and economic area
Human rights	GRI-412 Human rights assessment (2016)	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening
Community engagement & support	GRI-413 Local communities (2016)	413-1 Operations with local community engagement, impact assessments, and development programs
Business continuity, resilience and crisis response	na	na

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GRI STANDARD	DESCRIPTION	PAGE/NOTE	OMISSION	
	GRI 101: Foundation 2016			
	General Disclosures			
	Organization profile			
GRI 102: General Disclosures 2016	102-1	Name of the organization	240	
	102-2	Activities, brands, products, and services	37-51	
	102-3	Location of Headquarters	Via Palermo 26 A, 43122, Parma, Italy	
	102-4	Location of operations	41	
	102-5	Ownership and legal form	15-19, 34, 158-159	
	102-6	Markets served	41-51	
	102-7	Scale of the organization	37-42, 138-139	
	102-8	Information on employees and other workers	99, 102, 200-211	
	102-9	Supply chain	114-122	
	102-10	Significant changes to the organization and its supply chain	37-38, 223-224	
	102-11	Precautionary Principle or approach	16-17, 148-150, 158-159	
	102-12	External initiatives	20-23, 28-29, 140-141, 153	
	102-13	Membership of associations	148-149, 151-159	
	Strategy			
	102-14	Statement from senior decision-maker	5-8	
102-15	Key impacts, risks, and opportunities	149-150		

Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	16-20	
Governance			
102-18	Governance structure	34, 158-159	
102-20	Executive-level responsibility for economic, environmental, and social topics	Head of Shared Value & Sustainability	
102-32	Highest governance body's role in sustainability reporting	Impact Committee (reporting to our Board of Directors)	
Stakeholder engagement			
102-40	List of stakeholder groups	25	
102-41	Collective bargaining agreements	106, 212	
102-42	Identifying and selecting stakeholders	25	
102-43	Approach to stakeholder engagement	24-27, 224	
102-44	Key topics and concerns raised	24-27	
Reporting practice			
102-45	Entities included in the consolidated financial statements	223-224	
102-46	Defining report content and topic Boundaries	24, 225-226	
102-47	List of material topics	24, 26-27	
102-48	Restatements of information	223-224	
102-49	Changes in reporting	223-224	
102-50	Reporting period	223-224	
102-51	Date of most recent report	223-224	

GRI 102:
General
Disclosures
2016

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GRI STANDARD	DISCLOSURE	PAGE/NOTE	OMISSION
GRI 102: General Disclosures 2016	102-52	Reporting cycle	223-224
	102-53	Contact point for questions regarding the report	30
	102-54	Claims of reporting in accordance with the GRI Standards	223-224
	102-55	GRI content index	228-237
	102-56	External assurance	The report has not been subject to external assurance
GRI 200 Economic Series			
Topic: Economic Performance			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	37-38, 42, 60-61, 138-139
	103-3	Evaluation of the management approach	138-139
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	138-139
Topic: Procurement Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	114, 116-123
	103-3	Evaluation of the management approach	114, 116-123
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	212-213
Topic: Anti-Corruption			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	158-159
	103-3	Evaluation of the management approach	158-159

GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	In 2020, no fines or non-monetary sanctions for non-compliance with laws and regulations were registered
Topic: Anti-Competitive Practices			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	158-159
	103-3	Evaluation of the management approach	158-159
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, antitrust, and monopoly practices	In 2020, no legal actions pending or completed regarding anti-competitive behavior and violations of antitrust and monopoly legislation, involved the company
GRI 300 Environmental Series			
Topic: Energy			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	85-92
	103-3	Evaluation of the management approach	85-92
GRI 302: Energy 2016	302-1	Energy consumption within the organization	86, 215
GRI 302: Energy 2016	302-3	Energy intensity	86, 215
Topic: Water			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226
	103-2	The management approach and its components	92-95
	103-3	Evaluation of the management approach	92-95
GRI 303: Water 2018	303-1	Interactions with water as a shared resource	93-94
GRI 303: Water 2018	303-2	Management of water discharge-related impacts	95

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GRI 303: Water 2018	303-3	Water withdrawal	94-95, 220-221	
GRI 303: Water 2018	303-4	Water discharge	95, 222	
Topic: Emissions				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	81-92	
	103-3	Evaluation of the management approach	81-92	
GRI-305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	81, 83, 216	
	305-2	Energy indirect (Scope 2) GHG emissions	81, 83, 217	
	305-3	Other indirect (Scope 3) GHG emissions	81, 83, 218	
	305-4	GHG emissions intensity	83, 219	
Topic: Effluents and waste				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	92-95	
	103-3	Evaluation of the management approach	92-95	
GRI-306: Effluents and waste (2016)	306-2	Waste by type and disposal method	81, 92-95, 223	
Topic: Environmental compliance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	80-96	
	103-3	Evaluation of the management approach	80-96	
GRI-307: Environmental compliance (2016)	307-1	Non-compliance with environmental laws and regulations	In 2020, no fines or non-monetary sanctions for non-compliance with environmental laws and regulations were registered	

GRI-308: Supplier Environmental Assessment (2016)	308-1	New suppliers that were screened using environmental criteria	In this report we are reporting on the total number of suppliers screened. We are currently working to disclose also the percentage of new suppliers screened by implementing a dedicated monitoring system	
GRI 400 Social Series				
Topic: Employment				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	98-99	
	103-3	Evaluation of the management approach	98-99	
GRI-401: Employment (2016)	401-1	New employee hires and employee turnover	202-208	
Topic: Occupational Health and Safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	109-113	
	103-3	Evaluation of the management approach	109-113	
GRI-403: Occupational health and safety (2018)	403-9	Work-related injuries	111-112, 209	
Topic: Training and education				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	99, 105-106	
	103-3	Evaluation of the management approach	99, 105-106	
GRI-404: Training and education (2016)	404-1	Average hours of training per year per employee	60, 99, 105-106, 210	

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Topic: Diversity and equal opportunity				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	99, 100-103, 211	
	103-3	Evaluation of the management approach	99, 100-103, 211	
GRI-405: Diversity and equal opportunity (2016)	405-1	Diversity of governance bodies and employees	99, 102-103, 211	
Topic: Human rights assessment				
GRI 103: management approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	118-121	
	103-3	Evaluation of the management approach	118-121	
GRI-412: human rights assessment	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	In this report we are reporting on the total number of significant suppliers that have signed at least one agreement. We are currently working to disclose also the total number and percentage of agreements that include human rights clauses or that underwent human rights screening	
Topic: Operations with local community engagement, impact assessments, and development programs				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	134-144	
	103-3	Evaluation of the management approach	134-144	
GRI-413: Operations with local community engagement, impact assessments, and development programs (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	58% of operations have developed activities in support of local community (The term operation refers to Chiesi Group legal entities)	

Topic: Supplier social assessment				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	118-121	
	103-3	Evaluation of the management approach	118-121	
GRI-414: Supplier social assessment	414-1	New suppliers that were screened using social criteria	In this report we are reporting on the total number of suppliers screened. We are currently working to disclose also the percentage of new suppliers screened by implementing a dedicated monitoring system	
Topic: Customer health and safety				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	50-51	
	103-3	Evaluation of the management approach	50-51	
GRI-416: Customer health and safety (2016)	416-1	Assessment of the health and safety impacts of product and service categories	50-51	
GRI-416: Customer health and safety (2016)	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	In 2020, no incidents of non-compliance concerning the health and safety impacts of products and services were registered	
Topic: Marketing and Labeling				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	50-51	
	103-3	Evaluation of the management approach	50-51	
GRI-417: Marketing and labelling (2016)	417-1	Requirements for product and service information and labelling	50-51	

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Topic: Socioeconomic performance				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	148-149, 158-159	
	103-3	Evaluation of the management approach	145-150, 158-159	
GRI-419: Socioeconomic compliance (2016)	419-1	Non-compliance with laws and regulations in the social and economic area	In 2020, no incidents of non-compliance with laws and regulations in the social and economic area were registered	
Other material topics				
Business continuity, resilience and crisis response				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	62, 124-131	
	103-3	Evaluation of the management approach	62, 124-131	
R&D, Innovation and digitalization				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	42, 59-61, 67-69, 72-73, 104	
	103-3	Evaluation of the management approach	42, 59-61, 67-69, 72-73, 104	
Eco-friendly products				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	43-44, 72-74	
	103-3	Evaluation of the management approach	43-44, 72-74	

Animal Welfare				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	95-96	
	103-3	Evaluation of the management approach	95-96	
Governance, mission & engagement				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	16-23, 28-29	
	103-3	Evaluation of the management approach	16-23, 28-29	
Access to healthcare for the undeserved				
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	26-27, 225-226	
	103-2	The management approach and its components	43-49, 67-74	
	103-3	Evaluation of the management approach	43-49, 67-74	

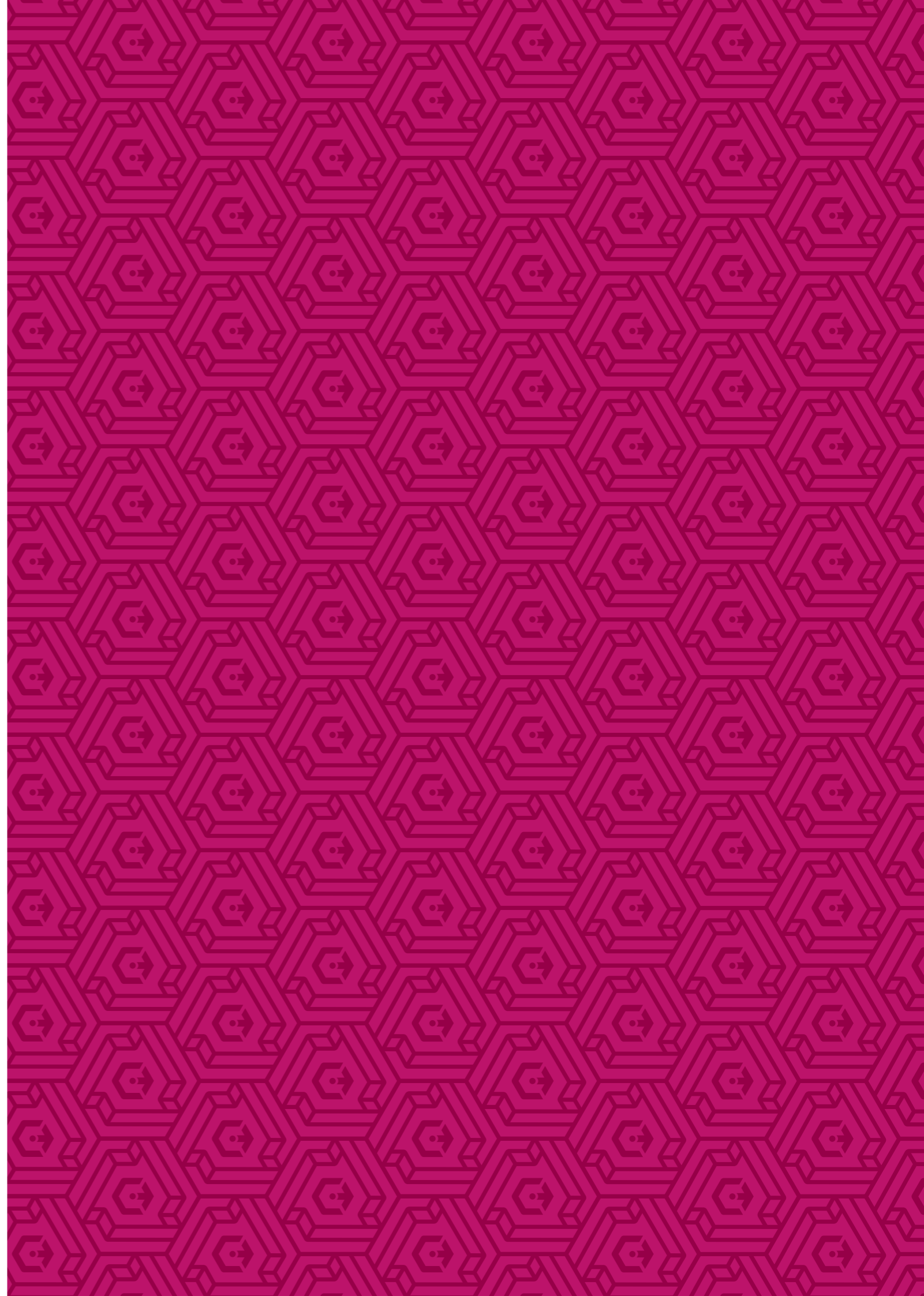
A Vote of Thanks

We conclude this report, with a heartfelt thanks to every single person who contributed to from our global network.

We thank everyone to acknowledge that, this is not an ordinary report of facts and information but an imprint of our soul that bears witness to a difficult period we have experienced together.

This report tells us that we are bound together in a commitment to serve those who need the most help.

We want to end this report by thanking each and every of our Chiesi fellow travellers who journey with us and believe deeply that, every story counts.





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