

A photograph of a woman with long, curly dark hair, wearing a light blue shirt, holding a baby. The woman is looking down at the baby with a gentle expression. The baby is wearing a white headband and a purple wristband with the Chiesi logo. The background is a bright, hazy sky, suggesting an outdoor setting at sunrise or sunset.

Purpose First
Sustainability Report 2023

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A photograph of a modern Chiesi building with large glass windows and a dark facade, partially obscured by lush green trees in the foreground. The Chiesi logo is visible on the building's facade.

Introduction

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Message from the *Board*



Alessandro Chiesi,
Chairman



Maria Paola Chiesi,
Vice-Chairwoman

In the initial stages of our sustainability journey in 2015, we approached sustainability through the lens of Corporate Social Responsibility (CSR). However, we soon realized that this approach fell short in addressing the crucial dimension of ‘impact.’

In our value system, we understood, and still do today, that **financial success is a catalyst for driving innovation, fostering continuous improvement, and creating tangible positive impact.** This integrated approach allows us to pursue economic growth, social inclusion, and environmental sustainability in harmony.

Today, nearly a decade later, sustainability at Chiesi has evolved from a voluntary initiative to an essential dimension of business. By embracing the concept of shared value, Chiesi strives to address both social challenges and business opportunities simultaneously, linking our success to societal progress. This commitment is underscored by our status as a **Benefit Corporation**, a title that requires the board’s and senior management’s commitment to sustainability improvement and reporting.

In light of the accelerating climate crisis and global humanitarian crises in 2023, Chiesi recognized the need to step up our own efforts to address these challenges. We launched the **Sustainability Strategic Plan 2023-2028**, a Group-wide effort to set our long-term direction, while recognizing the need to be flexible in responding to the ever-changing sustainability landscape.

The plan focuses on six impact areas: Governance, Patients, People, Community, Environment and Value Chain, which are connected to our strategic areas (Patients, People, Planet and Prosperity). This plan includes actions such as improving our understanding of **ESG (Environmental, Social, and Governance) risks and opportunities**, ensuring robust governance open to listen to and include the perspective of stakeholders, optimizing data management, fostering a culture of innovation, and promoting a **psychologically safe work environment.**

At the same time, the plan guides Chiesi’s shift to **a patient-centered approach**, focusing on patient needs and safety in product development, and using patient insights to improve disease awareness, diagnosis and access to treatment. In parallel, we are committed to addressing key ecological issues such as reducing greenhouse gas emissions, minimizing environmental impacts and respecting biodiversity. Our goal is to **accelerate the environmental transition** and decarbonization of our entire value chain.

This transformative vision aims to make a meaningful difference. Chiesi’s history is rooted in clear values: **Integrity, Ethics, and Purpose.** They are passed on and embraced by those who choose to become part of Chiesi and by those who choose to collaborate with us.

**Alberto Chiesi, Alessandro Chiesi, Maria Paola Chiesi,
Giacomo Chiesi, Andrea Chiesi, Giuseppe Accogli**
Board of Directors



“By embracing the concept of shared value, Chiesi strives to address both social challenges and business opportunities simultaneously, linking our success to societal progress.”

CEO's Letter to Stakeholders

2023 has indeed been a year of momentous change and growth for Chiesi Group. Although I joined the company in April, my journey with this nuanced and multifaceted organization has already been insightful and rewarding.

Chiesi is a family endeavor with a unique ability to plan for the long term, taking into account the needs of future generations. Many companies define their values, vision, and mission when faced with the challenges of our time. For Chiesi the direction has been clear from the start. **Crafted decades ago, our mission still guides us today: a commitment to improve patients' health and improve the quality of people's lives, an entrepreneurial spirit driving innovative solutions, and a responsibility to our planet and its inhabitants.**

The path forward, for any company aspiring to remain relevant for decades to come, is one that acknowledges its impact on the world—both positive and negative. To thrive in the future, corporations must **reduce and mitigate negative impacts while extending positive effects beyond shareholders to the local communities, underserved patient groups, all employees, and our planet,** which, in particular, urgently needs our attention.

My decision to embrace this ethos was an easy one. Now, more than ever, we are dedicated to providing patients with solutions that enhance their quality of life. We aim to do so in a way that sustains us as a company, enabling us to reinvest in research and innovation to improve lives. It is a cycle built on a solid foundation of **responsibility, accountability, and the recognition of our role in society.**

We have recently embarked on direct interactions with our stakeholders through **stakeholder engagement initiatives.** This approach goes beyond mere communication or listening; it involves co-creation, leveraging the company's expertise and the stakeholders' needs. This broader engagement encompasses all areas of impact, surpassing our previous solely healthcare-focused efforts.

Finally, but not least, it is essential to **join forces among companies, regulators, and suppliers within our sector.** We must come together to identify better solutions to the environmental sustainability issues of our practices and the negative impacts they have, such as the use of plastic containers. It makes no economic or efficiency sense for each entity to act independently, without putting the well-being of patients and everyone involved at the center. On certain matters, which are common to all, **a common solution must be found together, especially when the patient's and planet's well-being is directly affected.**

The business case for sustainability is about resilience, and relevance in an increasingly complex and interconnected global economy.



Giuseppe Accogli
Chief Executive Officer

Mission and Values



Our Mission



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



We wish to maintain a high quality entrepreneurial team characterized by self-confidence and a collaborative spirit.



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

Our Values

Our Values and Behaviors lay the foundation for Chiesi's company culture, helping to characterize our internal ethos, and guiding our daily actions.

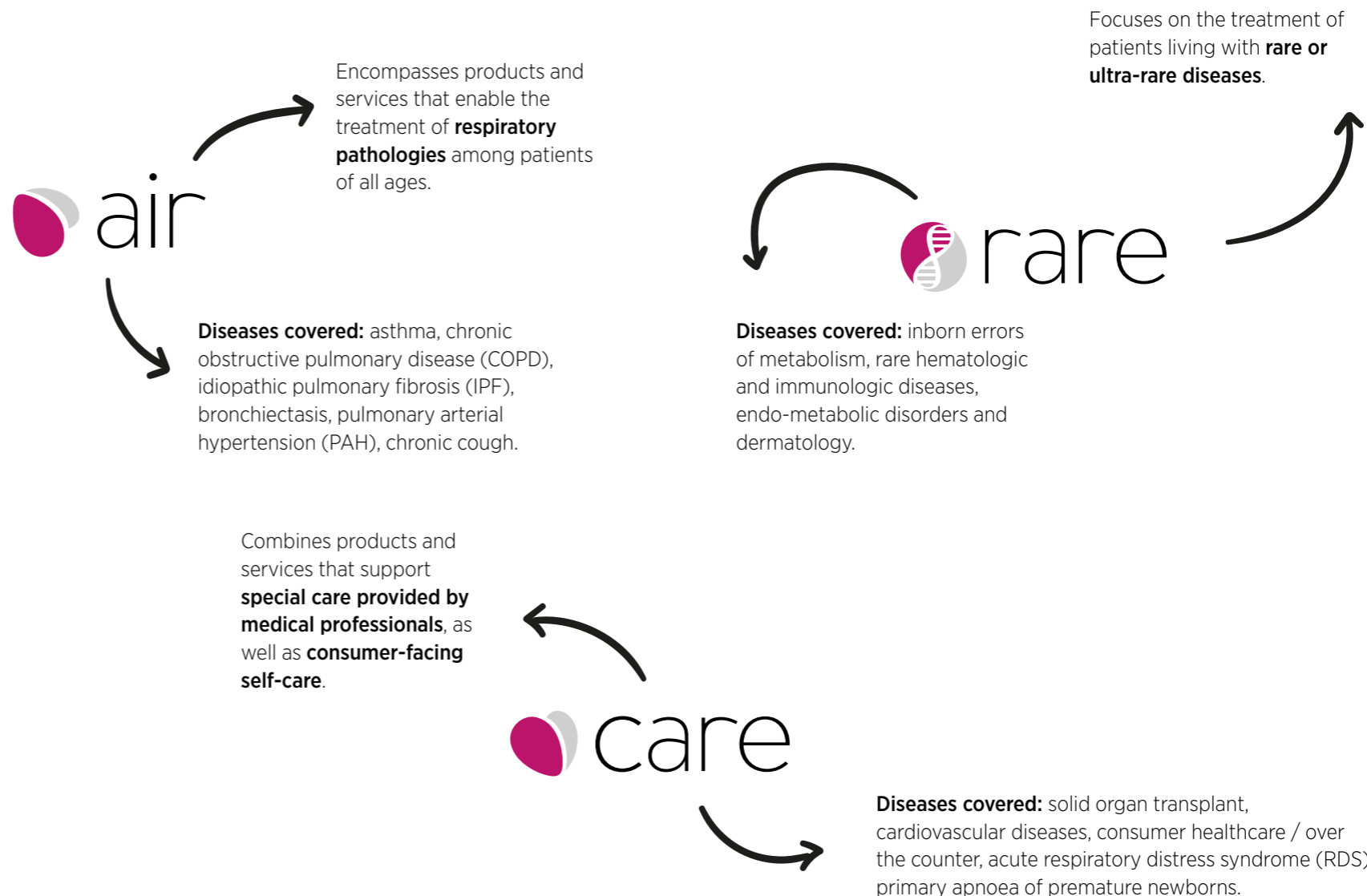


This is us

Chiesi Group Overview



Our Business Areas



Chiesi Around the Globe

Headquarters

Parma, ITALY

31 Affiliates around the world

4 Production Plants

Parma, ITALY

Blois, FRANCE

Santana De Parnaiba, BRAZIL

Niefern, GERMANY

7 Research & Development Centers

Parma, ITALY

Toronto, CANADA

Chippenham, UK

Cary, USA

Paris, FRANCE

Shanghai, CHINA

Stockholm, SWEDEN



Group Structure¹

Italy Chiesi Farmaceutici S.p.A

Chiesi Italia S.p.A

Opocrin S.p.A

Immobiliare Opocrin S.r.l.

CANADA

Chiesi Canada Corp.

USA

Chiesi USA Inc.

└ Cornerstone Biopharma Inc.

MEXICO

Chiesi Mexico S.A. de C.V.

BRAZIL

Chiesi Farmacêutica LTDA.

SPAIN

Chiesi España S.A.U.

└ Amryt Pharma Spain SL
└ Aegerion Pharmaceuticals SL Spain

BELGIUM

Chiesi S.A.

GREECE

Chiesi Hellas A.E.B.E.

FRANCE

Chiesi S.A.S.

└ Amryt Pharmaceuticals SAS France

NHCO Nutrition S.A.S

POLAND

Chiesi Poland SP. Z.o.o.

SWITZERLAND

Chiesi S.A.

UNITED KINGDOM

Atopix Therapeutics Limited

Liquidation

Cheshire Healthcare Limited

Unikeris

Chiesi Healthcare Limited

└ Chiesi Limited

Amryt Pharma Limited

UNITED KINGDOM

└ Amryt Pharma Holdings Limited UK

└ Amryt Pharma UK Ltd

└ Aegerion Pharmaceuticals Ltd UK

IRELAND

└ Amryt Pharmaceuticals DAC Ireland

└ Amryt Genetics Ltd Ireland

USA

└ Amryt Pharmaceuticals Inc

└ Amryt Endo, Inc. (formerly chiasma Inc.) US

└ Aegerion Pharmaceuticals Holding Inc US

ITALY

└ Amryt Pharma Italy SRL

Liquidation

GERMANY

└ Amryt GmbH Germany

└ Amryt Pharmaceuticals GmbH Germany

SWITZERLAND

└ SOM Pharmaceuticals SA Switzerland

ISRAEL

└ Chiasma Ltd Israel

COLOMBIA

└ Amryt Colombia S.A.S. Colombia

ARGENTINA

└ Aegerion Argentina S.R.L. Argentina

BRAZIL

└ Amryt Brazil Comerdo Importacao Medicamentos Brazil

TURKEY

└ Amryt Turkey Ilac Ticaret Ltd. Sirketi Turkey

NETHERLANDS

└ Aegerion Pharmaceuticals BV Netherlands Liquidation

CANADA

└ Aegerion Pharmaceuticals Ltd Canada

AUSTRIA

Chiesi Pharmaceuticals GmbH

ROMANIA

└ Chiesi România S.r.l.

CZECH REP.

└ Chiesi CZ S.r.o.

SLOVENIA

└ Chiesi Slovenija D.o.o.

HUNGARY

└ Chiesi Hungary Kft.

SLOVAKIA

└ Chiesi Slovakia S.r.o.

BULGARIA

└ Chiesi Bulgaria Ltd.

PAKISTAN

└ Chiesi Pharmaceuticals PVT. Limited

└ Master Pharma Private Limited

IRAN

└ Daroo Gostaran Khavare Mianeh

RUSSIA

└ LLC Chiesi Pharmaceuticals

CHINA

└ Chiesi Pharmaceutical Shanghai Co. Ltd.

└ Chiesi Pharmaceutical Consulting Shanghai Co. Ltd.

AUSTRALIA

└ CHIESI AUSTRALIA PTY LTD

└ NEW ZEALAND EMERGE HEALTH NEW ZEALAND LIMITED

NETHERLANDS

└ Chiesi Pharmaceuticals BV

GERMANY

└ Chiesi GmbH

└ Chiesi Orphan GmbH Liquidation

TURKEY

└ Chiesi Ilac Ticaret A.S

SWEDEN

└ Chiesi Pharma AB

JAPAN

└ Chiesi Pharma Japan KK

Valline S.r.l. is the parent company of Chiesi Farmaceutici S.p.A.

As of March 2024

Chiesi S.A (BE): 0.01% owned by Chiesi GmbH (DE)
Chiesi Mexico S.A. de C.V.: 0.01% owned by Valline S.r.l.
Chiesi Hellas A.E.B.E.: 1.01% owned by Valline S.r.l.

- ◆ Companies directly owned
- ◆ Companies indirectly owned
- ◆ Associated companies

¹In April 2023, Chiesi Group concluded the acquisition of Amryt Group, a Nasdaq-listed company in Ireland, for \$1.5 billion, enhancing Chiesi's portfolio and presence in rare diseases.

Board of Directors



In memory of Dr. Paolo Chiesi

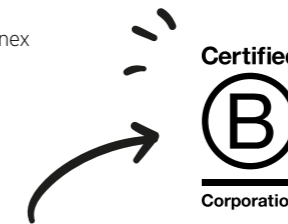
In early 2024, we bid farewell to our Honorary President, Paolo Chiesi. He shaped our future alongside his brother Alberto Chiesi for generations to come.

Paolo Chiesi spent his entire professional life leading the Research and Development department, achieving significant scientific milestones in respiratory, neonatal, and rare disease therapies. His relentless dedication to the company and his charismatic leadership inspired countless colleagues.

Founder and President of the Chiesi Foundation, he improved access to healthcare for chronic respiratory patients in Latin America and newborns and mothers in Sub-Saharan Africa.

In honoring his legacy, we strive to uphold his two most cherished values: simplicity and humility. Simplicity, as he believed, means that even the most important changes come through small daily victories. Humility involves openness to others and the ability to listen, recognizing that each person brings value and must be included to achieve ambitious goals.

Paolo Chiesi will be remembered as a leader, founder, colleague, friend, father, and grandfather. We honor him for his kindness, respect, attentiveness, and constant willingness to share and care.



Our Story



Neive Terzi, the company's first female researcher and first employee with a graduate degree.

1935
Rooted in Innovation
 Chiesi's journey began in 1935 with our **first laboratory**, paving the way for innovation, commitment and the creation of value for all.

1985
A Breakthrough for Life
 By Chiesi's 50th anniversary, we achieved a significant milestone with Poractant Alfa, a **life-saving treatment for preterm babies** with respiratory distress syndrome.

2005
Bridging Health Gaps
 Chiesi's mission to foster health equity globally took shape with the establishment of the **Chiesi Foundation**. The organization was founded with the goal of providing access to knowledge and care to patients suffering from respiratory diseases and neonatal diseases in low- and middle-income countries.

2015
Transparency and Responsibility
 In 2015, we launched our **Corporate Social Responsibility (CSR)** program, a significant milestone in integrating sustainability into our business. This commitment led to the publication of our first CSR report, providing a transparent account of our activities to our stakeholders.

2018
Pioneering Sustainability
 With the launch of our first Sustainability Strategic Plan, our "WeAct Sustainability Manifesto", and the adoption of **Benefit Corporation form in both Italy and the United States**, sustainability became an integral part of our identity.

2019
Understanding our Impact
 We measured and improved our environmental and social impact through an independent assessment, resulting in our **first B Corp certification**. This recognition validates our actions and fuels our commitment to continuous improvement and a more inclusive and equitable future.

2021
Caring for our Planet
 With a commitment to achieve carbon neutrality² by 2035, we secured **approval for ambitious greenhouse gases (GHG) reduction targets from the Science Based Targets initiative (SBTi)**. To further solidify our purpose-driven approach, Chiesi France adopted the legal status of Société à Mission.

2022
Equal Pay, Higher Impact
 Chiesi was able to globally **close the gender pay gap** within the organization. In the same year, we renewed the **B Corp recertification** with a remarkable 16.3 points increase in our B Impact Score (to 103.8/200).

2023
A New Chapter
 Alberto Chiesi and Paolo Chiesi passed the torch to the next generation: **Alessandro Chiesi assumed the role of Chairman, with Maria Paola Chiesi as Vice-Chairwoman. Giuseppe Accogli** stepped into the position of **Group CEO**. Additionally, in late 2023, the Shared Value and Sustainability department merged with Global Strategy, reinforcing sustainability as a guiding principle further solidifying a core company belief: sustainability is business.



² The first commitment was carbon neutrality by 2035, which evolved to Net Zero in 2023 when the new SBTi standards was published. See [Planet chapter](#)

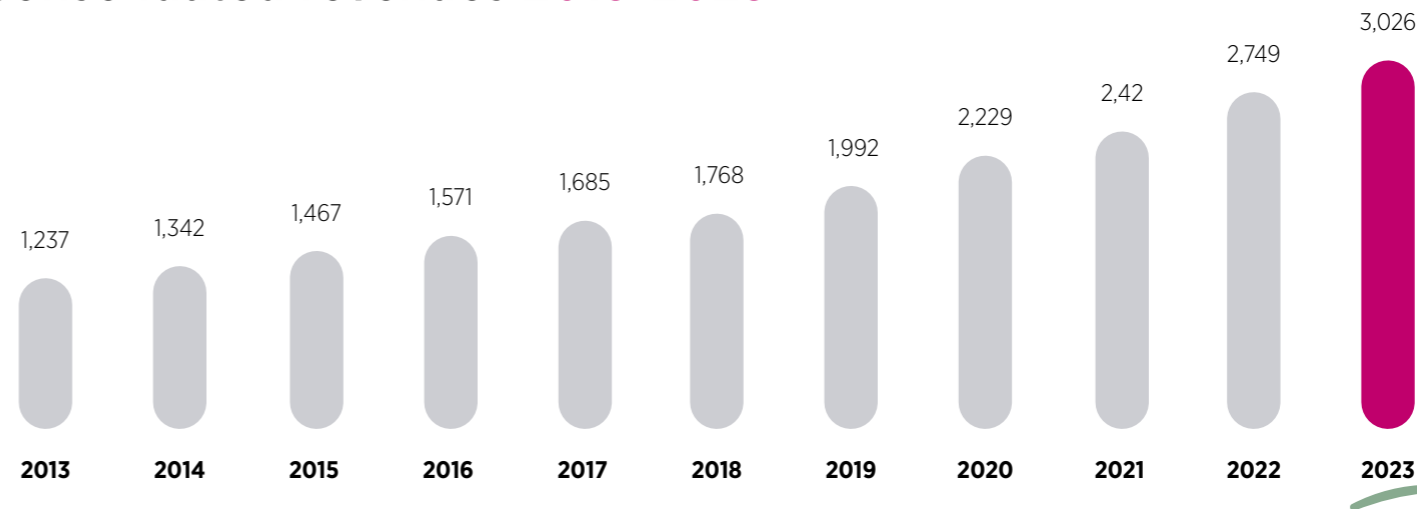
2023: at a glance

EBITDA on Revenues

EBITDA DETAILS		
	2023	2022
EBITDA (€ MILLION)	893	827
% on Revenues	29.5%	30.1%

* Revenues (€ MILLION)

Consolidated revenues 2013-2023*



GROUP REVENUES			
	2023	2022	Growth @CER
air	€1,708M	€1,634M	6%
rare	€540M	€332M	65%
care	€778M	€783M	2%
Total	€3,026M	€2,749M	12%



Employees*

Total workforce:

7,122

of which

437

External collaborators



Research & Development Investment

23.8%

Group revenues dedicated to R&D

720.7m EUR

Total expenses in R&D

Number of patents filed³

Worldwide patents in the Chiesi Group portfolio:

6,201



43 first filings at the European Patent Office (EPO)

1st among Italian pharmaceutical companies

5th among all Italian companies

* For the reconciliation with the number of employees reported in the Consolidated Financial Statement, please, refer to the section Scope and Calculation Methodologies.

³ European Commission - 2023 EU Industrial R&D Investment Scoreboard

Economic Value Generated and Distributed

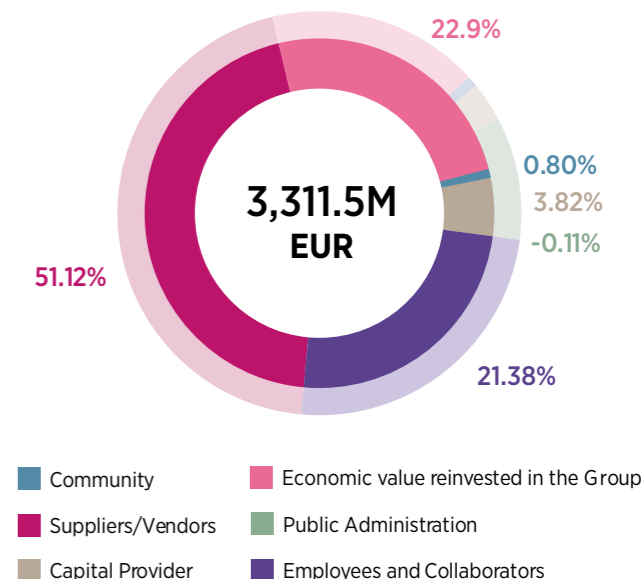
In 2023, over 77% of the economic value generated was distributed to stakeholders, with the remainder reinvested in the company.

Do Good, Do Well, Repeat

At Chiesi, we embrace the principle of “Do good, do well, repeat.” This philosophy drives our commitment to **creating business solutions that benefit society, achieve financial success, and reinvest in impactful initiatives**. We exemplify this cycle of positive impact by analyzing the economic value we generate and distribute among our stakeholders.

Our four areas—Patients, Planet, People, and Prosperity—reflect this approach. By prioritizing solutions that benefit Patients, Planet, and People (“do good”), we achieve prosperity (“do well”). We then reinvest our financial success into further research and development (“repeat”), demonstrating that **doing well and doing good are not only compatible but also mutually reinforcing**.

ECONOMIC VALUE GENERATED AND DISTRIBUTED (€ MILLION)	2023	2022	2021
Economic Value Generated	3,311.5	2,807.5	2,434.3
Economic Value Distributed	2,550.2	2,327.5	1,888.5
<i>Community</i>	26.4	26.1	22.0
<i>Capital providers</i>	126.5	88.7	82.0
<i>Public Administration</i>	-3.6	273.3	182.0
<i>Employees and Collaborators</i>	707.9	677.5	579.4
<i>Suppliers/Vendors</i>	1,693.0	1,261.9	1,023.1
Economic Value Retained	761.3	480.0	545.8



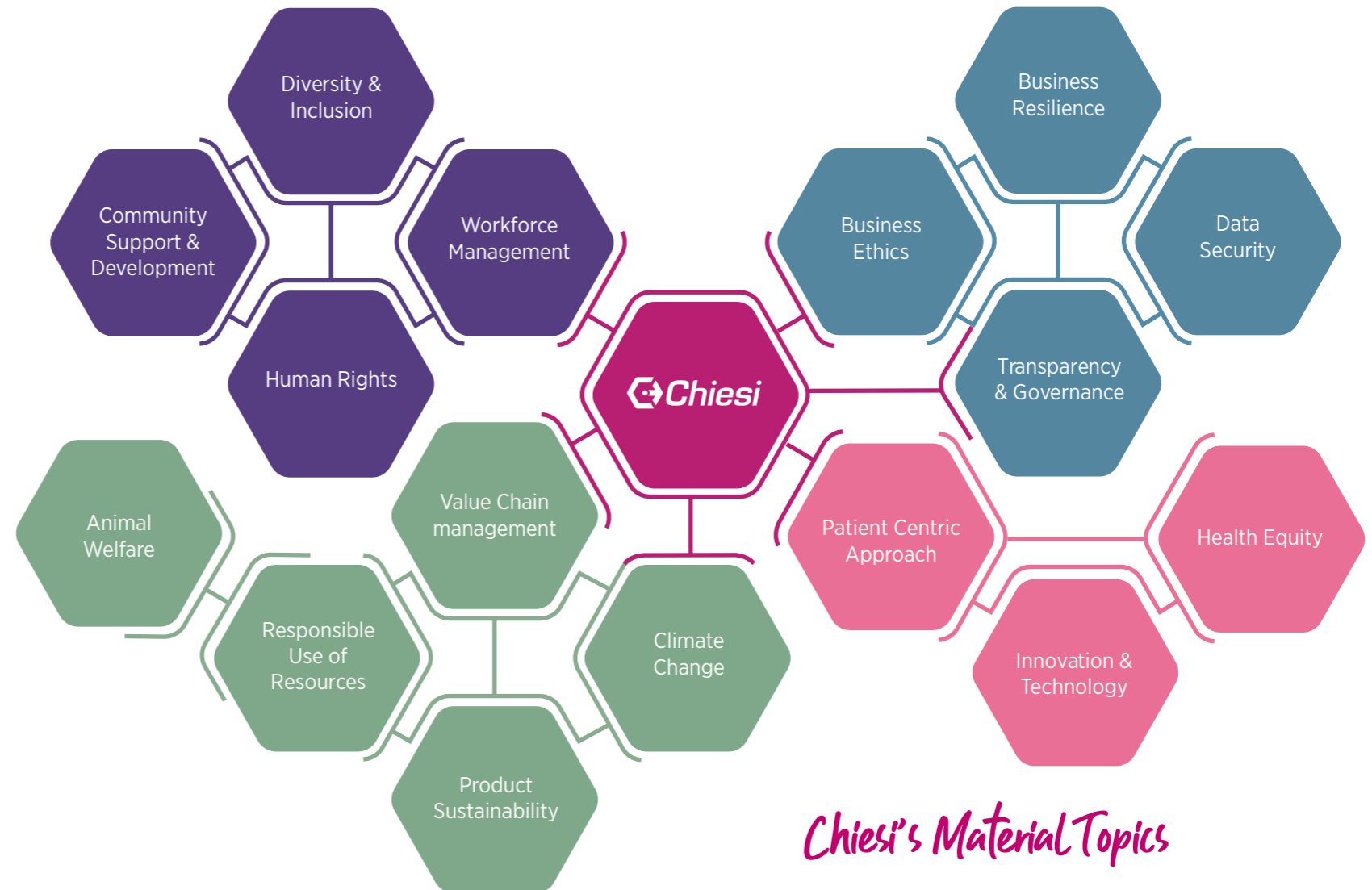
⁴ As identified by the [Business for Societal Impact Guidance Manual](#)
⁵ Dividends are considered the ones distributed within the reference year but related to the profit of the previous year.
⁶ It is mainly due to the recognition of Patent Box tax credit and tax credit for drug and vaccine research and development activities, both recorded by the Parent Company.

Approach to Sustainability

Materiality

This report is organized around our four strategic areas (Patients, Planet, People and Prosperity) and our material topics. The concept of materiality is essential for identifying the key issues that matter most to our stakeholders and that create **significant impact from an environmental, social and governance perspective**. By focusing on these material topics, we can ensure that **our strategies and actions align with stakeholder priorities and drive meaningful change**.

For a detailed exploration of our materiality assessment and its implications, please refer to the [About this Report chapter](#).



We
ACT →

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.

Benefit Corporation

Chiesi has integrated shared value principles into its business model by **adopting the Benefit Corporation form in Italy and the US in 2018, and the Société à Mission form in France in 2021.** We are actively working to achieve this status in other Chiesi affiliates where legislation allows.

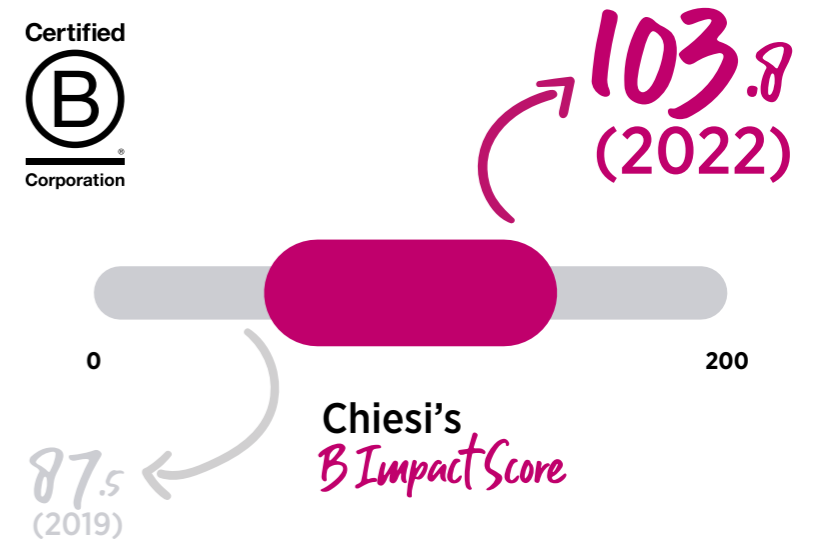
Even without this formal structure, since 2022, Chiesi affiliates worldwide have started to **incorporate public benefit purposes directly into their bylaws,** with a focus on long-term sustainability and a net-zero economy. In 2023, 91.7% of Chiesi affiliates changed their bylaws to include specific common benefit purposes.

As a Benefit Corporation, we are legally required to **prioritize positive social and environmental impact.** With this comes the requirement to report on our progress on an annual basis to ensure that we are achieving our goals. In addition, some regulations require the establishment of a dedicated governance that ensures proper management of the company impact. One of the governance mechanisms we have decided to include within the company is the **Impact Committee,** that oversees our sustainability strategy, sets annual targets aligned with our common benefit purposes, and monitors their implementation.

B Corp Certification

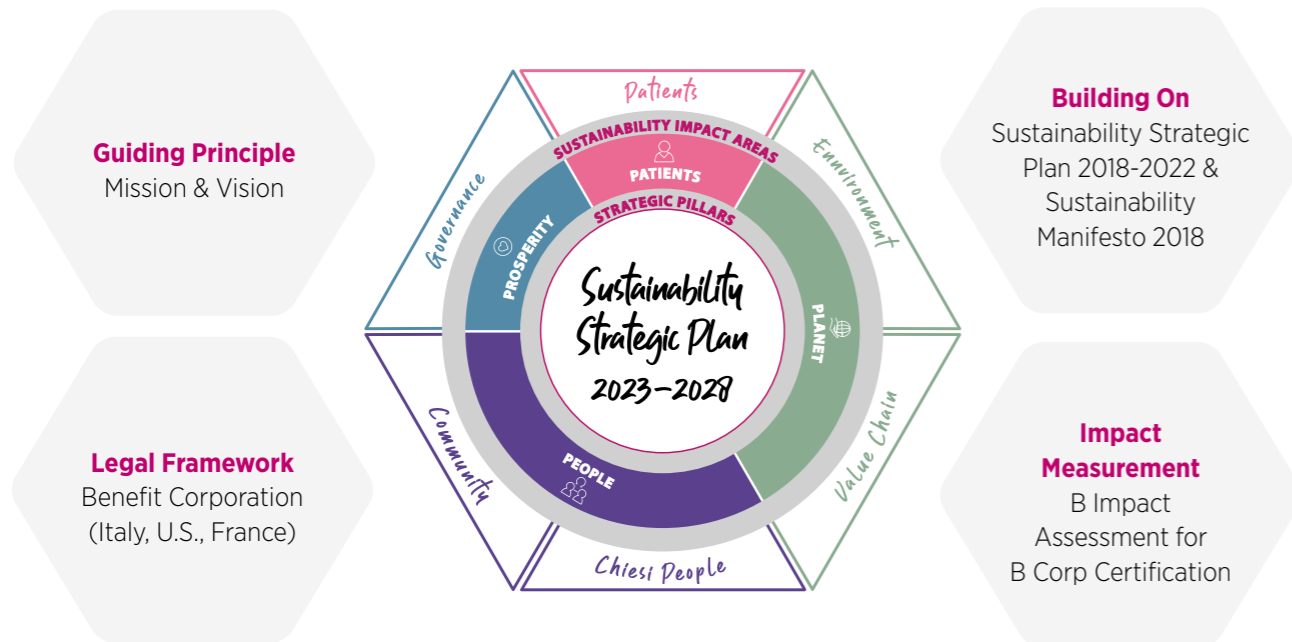
As a company, Chiesi values the importance of **measuring and improving its social and environmental impact,** as well as contributing to a more equitable, regenerative, and inclusive economy. B Corp certification, issued by the **non-profit organization B Lab,** is a voluntary certification that recognizes companies that demonstrate a high level of social and environmental impact and provides a robust framework for evaluation. In 2018, we joined the B Corp certification process and underwent a rigorous assessment called **B Impact Assessment (BIA).**

The BIA evaluates a company's impact across five areas: **Governance, Employees, Community, Environment, and Customers.** It combines qualitative and quantitative data and information in a thorough assessment. All Chiesi affiliates use this tool to evaluate and improve their overall impact on society, the environment, and the economy.



Sustainability Strategic Plan

In 2023, Chiesi finalized the Sustainability Strategic Plan (SSP) for 2023-2028, building on the success of our 2018-2022 plan. This new SSP serves as a **roadmap to guide our actions**, ensuring a lasting positive impact both within and beyond our company. By focusing on sustainability within our strategy, we view our organization through the eyes of our stakeholders, prioritizing their needs and placing them at the forefront of Chiesi's mission.



Sustainable Development Goals (SDGs)

Chiesi is dedicated to the United Nations Sustainable Development Goals (SDGs) for a healthier, fairer, and more prosperous world. We focus on **nine key goals** where we can make a meaningful impact with the resources and capabilities we have. Since 2020, we have utilized B Lab's SDG Action Manager tool to evaluate and enhance our performance.



Prosperity

Transparency & Governance —

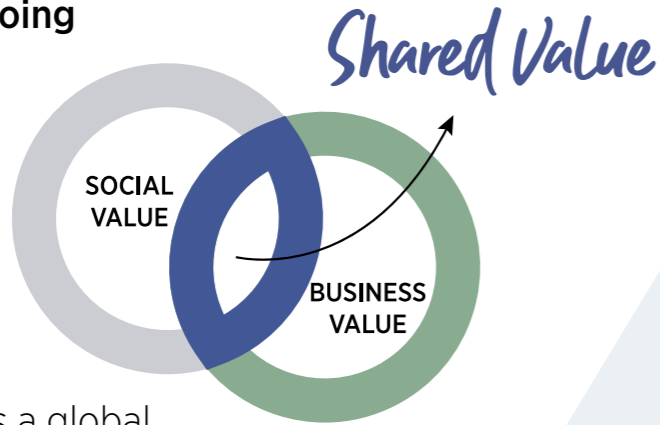
Business Ethics —

Business Resilience —

Data Security —

Prosperity at a glance

Our way of doing business...



...follows a global agenda...



...and is anchored in our bylaws.

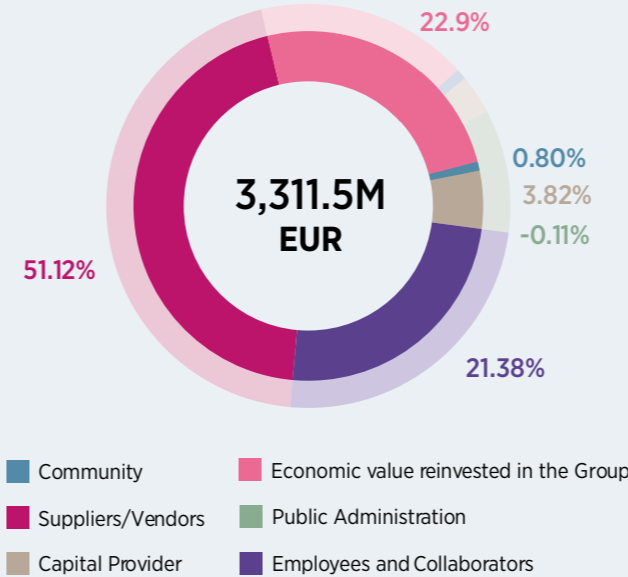
Benefit Corporation

Legal framework adopted in Italy, the U.S. and France

GUIDING PRINCIPLES

Economic Value Generated and Distributed

In 2023, over 77% of the economic value generated was distributed to stakeholders, with the remainder reinvested in the company.

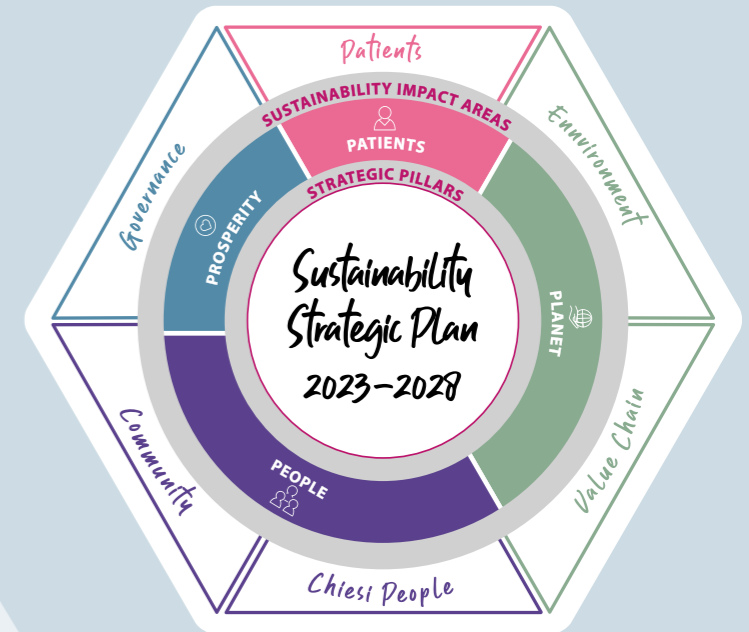


In 2023 we merged the Strategy and Sustainability departments to strengthen our sustainability governance, creating a brand new team

Strategy, Sustainability and Growth Unit

HIGHLIGHTS

In 2023, we went a step further and created a strategy with ambitious goals to be better equipped for the future



ROADMAP

Transparency and Governance

Chiesi has deliberately placed fundamental topics like Governance, Transparency, and Ethics into its Prosperity branch. This strategic choice ensures that our business operations are driven by a shared value approach, meaning we link our financial success to societal progress. The prosperity we generate in turn feeds our ability to have a meaningful impact on patients, people and the planet. By embedding these principles into our core business, we commit to a holistic model of sustainable growth.



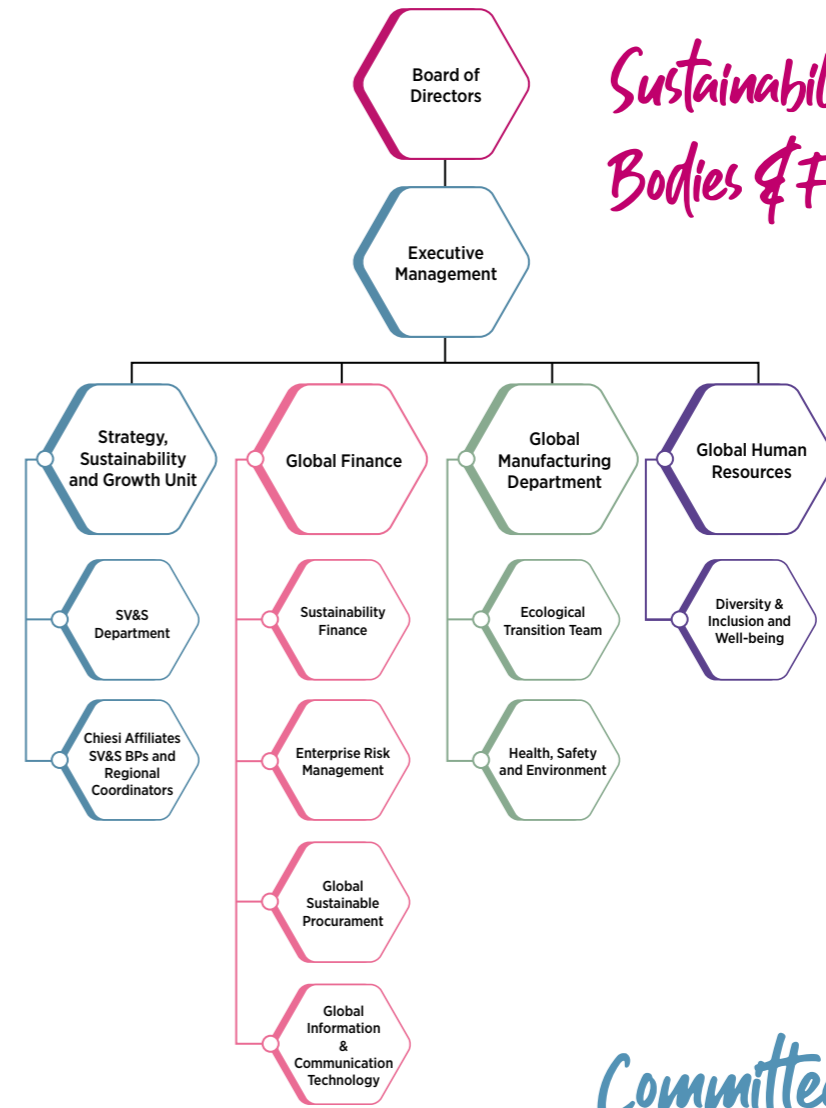
Sustainability Governance

Governance at Chiesi involves creating and maintaining strong strategies, processes and mechanisms to address ESG topics. We drive long-term success and continuously improve our governance practices to meet evolving stakeholder expectations and adapt to changing circumstances.

This overview of our sustainability governance highlights the key ESG functions within our organization. Sustainability is deeply integrated into our business, with all Chiesi departments, including Public Affairs, Business Units, Global Value & Access, Global Medical Affairs and Global Health, actively participating in sustainability initiatives. This commitment is further reinforced by incorporating sustainability responsibilities into the job descriptions of all Executive Committee members.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)



* This is not an exhaustive list of all the functions involved in sustainability. The functions responsible for patient impact are integrated throughout our organization and detailed on the following pages.

Key Bodies and Roles

The **Board of Directors** ensures that sustainability is integral to Chiesi's decision-making, especially concerning capital expenditures, strategy, and major people management decisions. They approve the company's materiality analysis, the Impact Report, Sustainability Report and Sustainability Strategic Plan.

Key aspects of the **Board's function** include the allocation of specific executive responsibilities among directors and the separation of roles between the Chairman, the main shareholders, and the Chief Executive Officer (CEO). The shareholders' meeting appoints the members of the Board of Directors and determines the compensation of the Board of Directors. While there is currently no performance evaluation of the Board, the Board does monitor and evaluate the overall performance of management, including social and environmental performance.

The Board encompasses an **expert in ESG**, who in 2023 is also Head of Shared Value & Sustainability (operating as Chief Sustainability Officer). The Chief Executive Officer is also the chair of the Executive Committee and of the Environmental Steering Committee.

At the end of 2023, the Board of Directors consisted of seven members, with 86% being male and 14% female. Six members are from the Chiesi family, representing the interests of the owner family. Six directors are over 50 years old, making up 86% of the Board, while the remaining 14% is represented by one member aged

between 30 and 50. At the end of 2023, two members also hold executive positions within the organization. The tenure of Board members ranges from less than one year to 39 years. In 2023, the Chiesi Board of Directors met thirteen times, with an average attendance rate of 86%.

The **Executive Committee** integrates sustainability impacts into the company's strategy and decision-making and focuses on identifying, preventing, mitigating, and minimizing potential or actual adverse human rights and environmental impacts connected to the company's operations, subsidiaries, and value chains. The Executive Committee also approves the materiality analysis and sustainability strategy.

Both Chiesi's Board of Directors and Executive Committee are regularly informed on sustainability matters. The Executive Committee, in particular, receives detailed updates on social and environmental performance on a quarterly basis.

All Executive Committee members have ESG-related objectives embedded in their annual objectives, which in turn link performance to compensation. Chiesi also has long-term incentive targets that include ESG aspects, which are aligned with our sustainability strategic plan. In 2018, Chiesi established an Impact Committee, which is responsible for developing a strategic sustainability plan for approval by the Executive Committee and the Board of Directors. The Board receives the minutes of the Impact Committee meetings.



At the We ACT Day 2023,
Maria Paola Chiesi with the
SV&S BPs

Additionally, all employees are updated on financial results quarterly, and since 2023, they also receive information on social and environmental outcomes.

Full disclosure of the shareholders, Board and Executive Committee composition is available on the [company website](#).

The **Impact Committee** is a body responsible for the evaluation and the monitoring of Chiesi’s impact as a Benefit Corporation. The composition of the Committee reflects the main functions involved in the six impact areas: Governance, Patients, Community, People, Environment and Value Chain.

The Impact Committee defines annual objectives aimed at advancing the company’s common benefit goals. It engages relevant colleagues and stakeholders in this process, monitoring progress towards current objectives and providing oversight and guidance as needed.

Members of the Impact Committee are tasked with producing key deliverables such as materiality analysis and Sustainability Strategic Plan. These documents are crucial for informing strategic decisions and are approved by the Executive Committee before being presented to the Board of Directors.

The Impact Committee is made up of various functions to provide a holistic view of the company and ensure a unified approach.

The **Head of Shared Value & Sustainability** is appointed

according to the Italian Law 208/2015 for Chiesi Farmaceutici S.p.A. as the *“individual or the individuals to be appointed with the role and tasks for pursuing the common benefit”*. He/she informs the Board of Directors, serves as chair of the Impact Committee and defines its composition.

The **Shared Value & Sustainability (SV&S) department** steers ESG topics both globally and locally, coordinating the definition of the Group sustainability strategy, measuring and quantifying the company’s impacts on society and the environment, developing integrated improvement plans, and transparently communicating Chiesi Group’s environmental and societal performance. Since 2023, the SV&S team has been formally responsible for defining the environmental strategy. One of its members, the Environmental Strategy Leader, plays a key role in coordinating the execution of this strategy across various operational teams, including the Global Manufacturing Division and Research & Development (R&D).

Furthermore, **SV&S Business Partners (SV&S BPs)** oversee ESG impacts at affiliates and lead local sustainability projects, while ensuring global program implementation. The SV&S BPs are supported and mentored by **SV&S Regional Coordinators**. **SV&S Functional Business Partners** represent different areas of the organization - **Research & Development, Global Rare Diseases, International Markets Development, Global Information & Communication Technology and Legal & Compliance** to embed sustainability activities and foster a shared value mindset across these areas.



Dedicated Functions and Teams

Sustainability Finance leads the collection and management of ESG data, ensuring that all relevant environmental, social, and governance information is accurately gathered and maintained. This function is critical for aligning our financial practices with our sustainability goals, enabling informed decision-making and transparent reporting.

Enterprise Risk Management (ERM) offers a comprehensive view of our risk profile, integrating ESG risks into the broader spectrum of potential threats and opportunities. ERM provides strategic insights and support to mitigate and manage these risks effectively, thereby safeguarding the company's long-term sustainability and resilience.

Sustainable Procurement ensures that our value chain adheres to rigorous ethical and environmental standards. By vetting suppliers and monitoring practices, they uphold our commitment to sustainability throughout our procurement processes, promoting responsible sourcing and reducing environmental impact.

The **Ecological Transition Team**, situated within Corporate Engineering, is the department overseeing Chiesi's initiatives related to climate change, energy management, and environmental data collection and validation. They drive our efforts towards sustainability by implementing strategies that minimize our ecological footprint and enhance our environmental stewardship across all operational aspects.

The **Health Equity Strategy Head**, a role created in 2023, ensures the further development, execution, and long-term success of the Health Equity (HE) strategy. Through this strategy, Chiesi aspires to reach as many patients as possible and to improve the standard of care of people living with diseases by bridging the existing gaps in access to healthcare.

Health Safety & Environment (HSE) plays a crucial role in ensuring the safety of our workforce, compliance with environmental regulations, and effective management of chemical and biological risks.

Key Committees

The **Diversity & Inclusion (D&I) Committee**, led by Human Resources (HR), champions diversity within Chiesi, fostering an inclusive culture where differences are celebrated and valued.

The **Committee for Social Activities and Community Development (CASSC)**, led by SV&S, shapes Chiesi's strategy regarding local community development initiatives. It ensures that these activities align with the company's broader corporate social responsibility goals and effectively engage stakeholders and local partners.

In addition, the newly established **Environmental Steering Committee**, guided by the Environmental Strategy Leader, plays a crucial role in coordinating and overseeing Chiesi's environmental strategy and initiatives. A key focus of the Environmental Steering Committee is to enhance organizational awareness of climate change risks and opportunities.

"We Actively Care for Tomorrow"

is a term coined by Chiesi in 2018 to identify an extensive program. It is designed to **raise awareness** on sustainability and on Chiesi's commitments and involve all employees. The goal is to develop a more conscious way of behaving that has a positive impact on society and the environment.

The program encompasses multiple elements, including an **internal website**, an **educational path**, an **ambassador program**, **expert talks**, and an **annual celebratory day**.

Our We ACT ambassadors and other local champions are instrumental in driving local sustainability actions and initiatives. They lead activities such as organizing the annual "We ACT Day". **Across our affiliates, numerous colleagues actively contribute by collecting data, implementing improvements, and fostering positive change through various initiatives.**



*"In 2023, we conducted a global assessment of the various **Benefit Corporation legal forms** in the countries where we operate and began collaborating with our affiliates to adopt sustainable governance models. As we grow, it is crucial that our sustainability commitment becomes integral to our corporate identity, embraced by all functions and colleagues."*

Matt Wiggets

Legal & Compliance, Head of Legal & Compliance
Europe Top 5, SV&S Legal and Compliance Coordinator

CHIESI IMPACT COMMITTEE MEMBER

Transparency

Chiesi considers it a fundamental **responsibility to transparently report both our positive and negative impacts**, providing stakeholders with comprehensive data and insights to facilitate informed decision-making. This commitment not only drives us to continuously improve but also allows us to celebrate our achievements along the way.

In the realm of **non-financial reporting**, which encompasses the accounting, reporting, and auditing of non-financial information alongside financial disclosures, Chiesi has developed a robust ecosystem. This framework integrates regulatory requirements, industry best practices, and internal objectives to uphold rigorous standards. We strive to ensure that our reporting is comprehensive, reliable, and aligned with global expectations for transparency and accountability.

Ensuring high-quality **information and labeling** is crucial for our success as a pharmaceutical company, especially for patient safety. Chiesi maintains a 100% compliance rate with information and labeling procedures across all significant products and services.

Responsible Tax Practices

Chiesi upholds transparency through responsible tax practices, demonstrating our commitment to fair economic contributions. Since 2018, we have implemented an internal **Tax Control Framework** to detect, measure, manage, and mitigate tax risks. This framework includes ongoing monitoring and maintenance, aligning with the Cooperative Compliance regime we have joined in November 2019 under the Italian Revenue Agency.

Since 2021, Chiesi participates in the **International Compliance Assurance Programme (ICAP)**, an innovative global initiative led by the OECD. Through ICAP, multinational companies disclose selected tax data

to a group of tax authorities, facilitating collaborative and transparent tax risk assessments. This initiative underscores our proactive approach to international tax compliance and transparency efforts.

Clinical Trial Transparency and Data Sharing

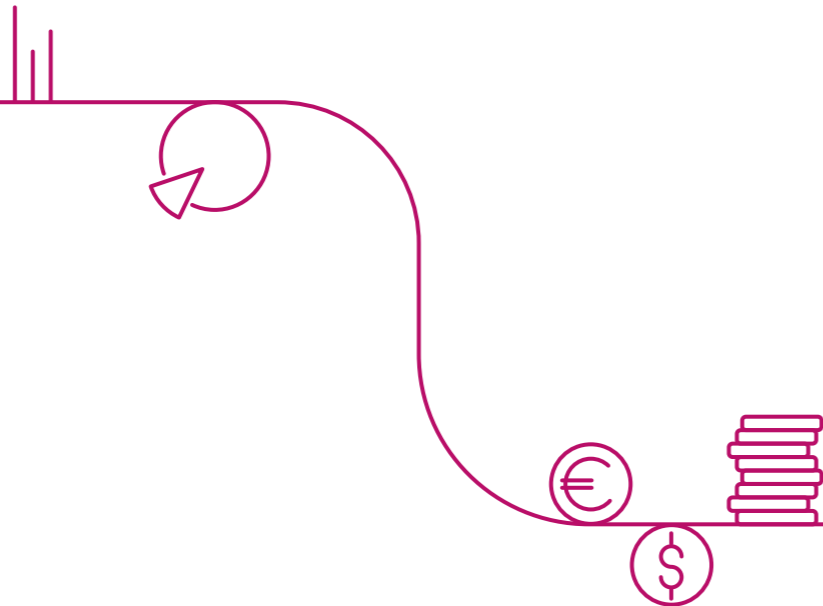
Chiesi adheres to local legislative and regulatory requirements by disclosing clinical protocols, study-related information, and summary results of clinical studies sponsored by Chiesi Farmaceutici S.p.A. and Chiesi Italia S.p.A. in public registries like ClinicalTrials.gov, EU Clinical Trials Register, and Clinical Trials Information System (CTIS) portal.

We ensure that information is accessible for phase 2-4 clinical trials, certain types of non-interventional studies, and clinical investigations on medical devices initiated on or after June 1, 2018, which are not mandatorily disclosed in WHO's Primary Registry. This includes public registration on ClinicalTrials.gov and disclosure of summary results within 12 months post-study completion. All disclosed clinical study information is accessible via the [Chiesi Clinical Study Registers](#) and complies fully with privacy and data sharing requirements.



*“In 2023, Chiesi committed to strengthening its sustainability reporting. The Group introduced **quarterly sustainability data collection** to regularly measure performance and, to prepare for CSRD requirements, underwent its **first limited assurance review for the 2023 Sustainability Report**. These efforts underscore our commitment to align financial and sustainability reporting, giving them equal relevance.”*

Eva Cannabona
Global Finance,
Group Sustainability Finance Lead
CHIESI IMPACT COMMITTEE MEMBER



Progress in 2023

Chiesi's approach to **sustainability governance** underwent a significant transformation. The SV&S department, previously operating independently, was integrated with key departments across the organization. This strategic merger not only places sustainability at the forefront of Chiesi's operations but also enhances synergies by leveraging diverse skill sets and capabilities.

The **newly established Strategy, Sustainability, and Growth Unit** plays a pivotal role in defining Chiesi's strategic direction and allocating resources to foster long-term shared value creation for the Group and its stakeholders. This integrated function encompasses Corporate Strategy, SV&S, Global Corporate Development, Competitive Intelligence, Scientific and External Knowledge Analytics and Insights, Center for Open Innovation and Competence, and Digital Health.

By consolidating these departments under a unified governance structure, Chiesi ensures that sustainability principles are deeply embedded within its core strategies, positioning the company to address evolving challenges while maximizing positive impacts for society and the environment.

2023 was a key year to identify and onboard many new colleagues who took the role of **SV&S Business Partners at country level** as well as start the nomination and development of the role of SV&S Regional Coordinators.

In 2023, Chiesi placed a significant emphasis on enhancing the **ESG preparedness of our Board of Directors and executive leadership**. Given the rapidly evolving regulatory landscape and complex societal challenges, we recognized the need to equip these key stakeholders with comprehensive knowledge across all ESG dimensions to effectively navigate future challenges. The ESG Readiness Program has been well received and plans are underway to continue and expand it across the organization.

Ambitions for 2024 and beyond

For 2024 we see as a clear focus leveraging on the new organizational structure of the Strategy, Sustainability, and Growth Unit to drive positive change in a structured and effective manner. Chiesi is also committed to further strengthening our global SV&S team.

In preparation for the **Corporate Sustainability Reporting Directive** (CSRD), Sustainability Finance, SV&S, and other relevant teams are working to improve the governance and management of sustainability data collection process.

Further focus will be on our approach to disclosure and communication. With the upcoming EU Green Claims directive, Chiesi has created internal **Green Washing and Social Washing Guidelines**, anticipating possible needed changes ahead of time.



*“Chiesi's approach to sustainable change has been strategic in recent years. Last year, we finalized the Sustainability Strategic Plan for 2023-2028, building on the success of our 2018-2022 plan. With contributions from over 90 colleagues, **the company now has a comprehensive roadmap that embeds a long-term, stakeholder-focused perspective into our governance, processes, and decision-making.**”*

Cecilia Plicco

Head of Shared Value and Sustainability
CHIESI IMPACT COMMITTEE CHAIR

Business Ethics

Chiesi's approach to business ethics is embedded in our mission: "Our goal is to combine commitment to results with integrity, operating in a socially and environmentally responsible manner." This commitment is further reflected in our value: "We interact with integrity and trust."

Business ethics encompass compliance management, guidelines for fair conduct, training and implementation by staff and management, and upholding ethical standards in decision-making processes as outlined in [Chiesi's Code of Conduct](#).

Chiesi continually monitors and strives to improve our ethical standards, a source of pride for our company. By prioritizing business ethics, we enhance our credibility and trust with stakeholders, anticipate future regulations through voluntary internal practices, and attract and retain talent.

Moreover, strong business ethics are crucial for minimizing risks such as non-compliance with laws and regulations and mitigating potential negative impacts on our stakeholders.

Approach

In 2015, Chiesi established a dedicated **Group Compliance** function and developed a Group Guideline on interactions with Healthcare Professionals (HCPs) and Healthcare Organizations (HCOs). These Guidelines – updated last in 2023 and now encompassing also patients and patient organizations - outline binding principles that our global organization must follow when interacting with HCPs, HCOs, patients and patient organizations.

The Chiesi Group's **Anti-Bribery Policy** (updated last in 2023) offers comprehensive guidance to individuals on identifying and addressing bribery and corruption issues throughout the Group. This enables them to behave responsibly and adhere to anti-bribery regulations, ensuring compliance across the group.

Model 231

Chiesi complies with the requirements outlined in Italian Legislative Decree no. 231/2001 ("Decree 231") across the entire Italian territory. This is facilitated through the implementation of an **Organizational, Management, and Control Model, known as Model 231**. The model clearly outlines Chiesi's ethical commitments and responsibilities in conducting business to prevent unlawful behavior.

To ensure adherence to Model 231, a **Surveillance Body** has been established. This body is tasked with overseeing the proper implementation of the Model 231 and regularly reporting its findings to the Board of Directors, thus reinforcing Chiesi's commitment to ethical business practices.

In 2023, Chiesi had no legal actions regarding anti-competitive behavior, violations of antitrust or monopoly legislation pending or completed in any of its territories. Further, there were no incidents of corruption.

SpeakUp&BeHeard



Chiesi Group's **whistleblowing system**, SpeakUp&BeHeard, allows anyone to report conduct believed to be unfair, illicit, or potentially damaging to Chiesi's business or that of third parties. This platform facilitates the reporting of suspected breaches of Chiesi's Code of Conduct or violations of laws and regulations in areas such as diversity and inclusion, health and safety, interactions with healthcare professionals and patients, human rights, the environment, bribery, data protection, animal welfare, and antitrust.

To ensure the highest level of protection and confidentiality for both reporters and those involved in the reported conduct, SpeakUp&BeHeard **operates independently of Chiesi's IT system**. It is accessible to Chiesi employees, business partners, and any third party who suspects misconduct. Each report submitted through SpeakUp&BeHeard is thoroughly assessed. Typically, these reports are managed at the affiliate level by Compliance functions with the necessary independence and professional requirements. In affiliates without such functions, Chiesi Farmaceutici S.p.A. handles the reports.

The Group Impact Committee receives yearly reports about grievances.

In 2023, an incident was reported through SpeakUp&BeHeard, involving allegations of moral harassment. The compliance team involved conducted an extensive investigation and implemented corrective measures. There were no incidents in the previous two years.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Anti-Bribery

In 2023, Chiesi Group achieved several milestones in its anti-bribery efforts. We released an **updated version of our Anti-Bribery Policy**, which now includes dedicated sections on conflicts of interest and interactions with patients and patient organizations. This update underscores the importance of adhering to specific procedures and processes in these areas.

Additionally, in 2023 Chiesi Farmaceutici S.p.A. started the process to obtain the **ISO 37001:2016 certification for its Anti-Bribery Management System** that was successfully concluded at the beginning of 2024. This achievement resulted from a ten-month project involving a dedicated cross-functional team of approximately 70 employees from various departments within the company.

The updated policy and ISO 37001 certification reaffirm our unwavering focus on compliance and emphasize Chiesi's **'zero tolerance' approach to bribery**.

Ambitions for 2024 and beyond

One of Chiesi's upcoming priorities is to further embrace **ethical marketing principles**, addressing more systematically the importance of this issue within the pharmaceutical industry. We are also reassessing our approach to communication to align with the **EU Green Claims Directive**, guaranteeing full compliance and transparency in our sustainability claims.

We are committed to enhancing **employee training on business ethics and transparency** at all organizational levels, ensuring that our ethical practices and commitment to transparency are consistently upheld.

In the coming months, an updated version of our **Group Code of Conduct** is expected to better reflect our commitments and values and ensure that the highest ethical standards are upheld.

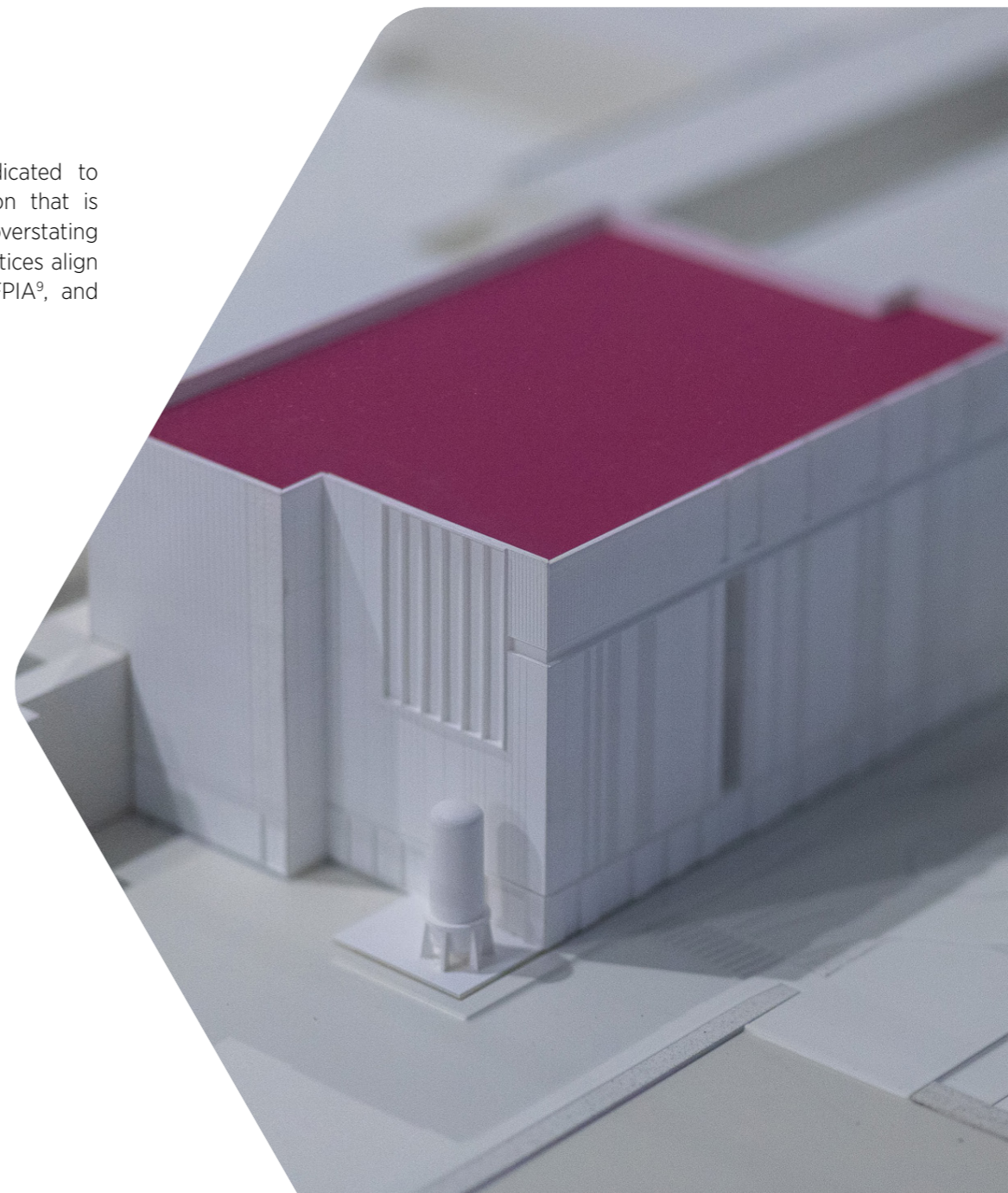
Finally, we aim to define a roadmap for **ISO 37001:2016 Anti-Bribery Management System** certification in our affiliates to ensure a consistent standard across the organization.

Ethical Marketing

Regarding **ethical marketing**, we are dedicated to offering comprehensive scientific information that is clear and accessible to all recipients, without overstating the actual benefits of our products. Our practices align with the Codes of Conduct of IFMPA⁸, EFPIA⁹, and Farmindustria.

⁸ International Federation of Pharmaceutical Manufacturers & Associations

⁹ European Federation of Pharmaceutical Industries and Associations



Business Resilience

Business resilience is the ability of an organization to grow in a complex environment by responding and adapting quickly to events that could threaten its operations, people, assets, brand or reputation. Effective risk and crisis management processes are essential enablers for business resilience.

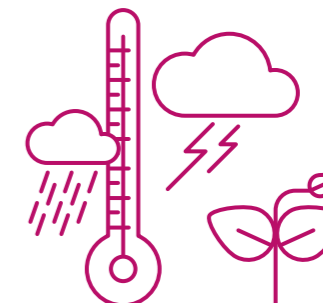
Enterprise Risk Management

Chiesi's Enterprise Risk Management (ERM) model follows a top-down approach led by senior management and aligned with the company's long-term goals. It addresses all significant risks, which are categorized in the **Chiesi Risk Model** as strategic, operational & business, financial, and legal & compliance risks. ESG risks are integrated into these four categories.

Since 2022, the Group has strengthened its **Enterprise Risk Assessment** methodology to better integrate ESG risks, ensuring their structured identification, evaluation, and management. In 2023, the Climate Change Risk Assessment was updated according to the recommendations of the **Task Force on Climate-related Financial Disclosure (TCFD)**.

Periodically, risk events are identified by management, supported by the ERM function, using qualitative and quantitative metrics, considering impact (reputational, economic, operational, HSE & sustainability), probability of occurrence within the Group's Strategic Plan timeframe, and the maturity of current control levels. These risks are prioritized and visualized on a **Risk Heat Map**.

The **Risk Management Committee**, comprising the CEO, CFO, Head of Strategy, Sustainability, and Growth Unit, and Head of ERM, sets the risk strategy and periodically monitors the implementation and effectiveness of risk response plans. The committee regularly reviews risk assessment outcomes and keeps the executive leadership team informed. Annually, risk assessment results, including mitigation plans and critical issues, are presented to the Board of Directors.



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Risks Overview

1. STRATEGIC

Market Dynamics

The pharmaceutical business faces significant **pricing pressure** on its products from governments, insurance companies, and other customers, aimed at containing public health spending. This pressure, compounded by global conflicts and economic uncertainty, leads to stricter reimbursement policies, risking reduced profitability.

Competition from generic products and early-market entrants threaten market share and expansion opportunities. Continuous market monitoring and strategic product differentiation help mitigate this risk.

Evolving **ESG legislation** may impose stricter regulations, requiring adaptation in development and production processes, with potential sanctions for non-compliance. Monitoring legislative changes helps the Group anticipate regulatory requirements.

Global presence exposes Chiesi to **social, economic, and political instability**. In this regard ongoing conflicts will continue to expose the company to potential performance impacts through price dynamics, inflation, exchange rates, credit risk, and supply chain issues. Constant monitoring ensures timely actions to maintain drug access for patients in affected regions.

R&D-related

Developing new products to meet medical needs or new indications for existing products is a lengthy and uncertain process, with risks of failure, delays, and extra costs at any stage.

Pipeline management is critical to balance all development phases and prioritize projects. Dependence on service providers adds uncertainty. Poor performance or non-compliance by these third parties can cause the

aforementioned delays, extra costs, or project failures. The Group carefully selects and monitors suppliers to ensure quality and compliance.

Additionally, the pharmaceutical sector is subject to laws and regulations that influence the marketing of products. Delays in obtaining the regulatory approvals needed to bring drugs to market can adversely affect the Group's performance.

Climate Change

In order to maintain an up-to-date view of its exposure to climate change and to assess the resilience and flexibility of its business strategy with respect to the potential impact of climate-related risks, Chiesi conducted a **Group-wide analysis of climate risks** in accordance with the TCFD guidelines in 2023.

Specifically, following TCFD standards, climate-related risks were evaluated in the short, medium, and long term against appropriate climate scenarios defined by internationally recognized providers (e.g., IPCC, IEA, Bloomberg NEF, WWF, etc.). Short and medium-term assessments consider both physical and transition risks that could impact activities outlined in the five-year Strategic Plan and the company's long-term objectives.

During 2023, Chiesi manufacturing plants registered zero days of production stop due to climate extreme events and other crises. See Chiesi's TCFD Report for further information on our actions to climate-related risks and opportunities.

Mergers and Acquisitions

Mergers and acquisitions (M&A) are strategic for the Group's growth and involve multiple risk factors that could jeopardize anticipated profitability. These include potential errors in initiative evaluation such as challenges in identifying potential targets, economic and financial feasibility, partner/licensor reliability, governance issues in M&A operations, risks related to execution and post-acquisition integration. Through due diligence at all stages minimizes these risks.

Intellectual Property

Protecting drug development investments requires securing and defending Intellectual Property (IP) rights. Failure to do so can harm performance. Additionally, accusations of patent infringement by third parties could lead to disputes and extra costs. Active IP management mitigates these risks.

B Corp Certification

In 2019 Chiesi obtained the B Corp certification. Should the group be unable to maintain and renew this recognition, this would have an important reputational impact.

2. OPERATIONAL AND BUSINESS

Operational risks include potential business interruptions from natural disasters, power outages, sabotage, or other unforeseen events. Chiesi mitigates these risks with specific **business continuity plans** designed to protect its operations.

Drug development and manufacturing are complex, heavily regulated processes worldwide. Whether Chiesi produces its materials and products internally or through third parties, it must ensure **strict adherence to regulatory standards and quality to uphold patient safety**. Non-compliance could severely impact the Group's performance.

The Group's reliance on third-party products and services exposes it to various risks such as reliability issues, governance shortcomings, and failures to meet contractual obligations or performance standards.

In its **supply chain**, the Group faces risks like dependency on single suppliers, which could lead to disruptions. To manage these risks, Chiesi employs structured processes for supplier selection, continuous monitoring, and maintains proactive communication. Additionally, periodic analysis focused on operational continuity risk is conducted across all direct purchases, and based on the findings, specific mitigation actions are defined, implemented and monitored. The Group further reinforces supplier partnerships through the Code of Interdependence, verified by third-party audits.

Human Resources

Challenges in **attracting, developing, and retaining talents** due to market skills shortages, intense competition, or insufficient internal training could hinder the Group’s strategy execution and ability to capitalize on new opportunities.

Chiesi Group prioritizes its workforce, evidenced by certifications like “Great Place to Work” and “Top Employer,” along with initiatives such as individual development plans, transparent performance management, succession planning, and international mobility policies. These efforts aim to foster employee development, motivation, and satisfaction globally.

Information Technology

The Group faces increasing risks from global cyber-attacks, which could disrupt Information and Communications Technology systems, production activities, and compromise confidential information, impacting reputation and performance. To safeguard corporate assets, the Group strengthens and monitors information technology and operational technology system security through technical solutions and ongoing awareness campaigns and training.

3. FINANCIAL

Interest Rate

The Group faces interest rate risk primarily from one billion euros in loans with floating rates linked to Euribor from BNL, Credit Agricole, and a syndicate of banks. To mitigate this risk, the Group repaid €150 million of the syndicated loan and hedged the remainder with an interest rate swap (IRS). Additionally, a short-term hot money facility with Crédit Agricole Italia reduced the average debt cost. Despite higher interest rates affecting 2023, returns on assets like cash and short-term investments have helped mitigate costs.

Exchange Rate

Operating internationally exposes the Group to exchange rate fluctuations impacting on profits and net asset value. The Group uses derivatives, such as

forward swaps, solely for hedging purposes. Centralizing management through a new global payment factory further enhances exchange rate risk management.

Credit and Liquidity

The Group monitors receivables and manages credit risk through insurance and short-term treasury investments. Financial counterparties are rated to diversify risk. The Group maintains a positive financial position with solid liquidity.

Exposure to Financial Market Trends

Chiesi Farmaceutici S.p.A. adopts a prudent liquidity investment policy using guaranteed capital products and external advisors for portfolio management. This approach separates risk management from asset allocation and ensures adherence to regulatory and compliance standards.

4. LEGAL AND COMPLIANCE

The pharmaceutical sector’s complex regulatory environment exposes the Group to legal and compliance risks, including non-compliance with laws, regulations, and internal standards. The Group’s robust internal control systems mitigate these risks effectively.

Ambitions for 2024 and beyond

In response to the ongoing global challenges Chiesi Group is strengthening its crisis management framework at the beginning of 2024 implementing a comprehensive **Group Crisis Management Policy**. The policy reinforces the Group’s approach to handling crises by detailing the organizational structure and defining clear accountabilities for crisis response. By establishing this policy, Chiesi Group aims to ensure a swift, coordinated, and effective response to any crises that may arise, thereby safeguarding its operations, stakeholders, and reputation.



Data Security

Data Security ensures the proper handling of data, including sensitive personal information, to respect individuals' rights and prevent privacy violations. This includes cybersecurity measures to protect critical systems from breaches, preventing disruptions and unauthorized access, destruction, alteration, or disclosure of data.

Chiesi is committed to handling personal data, both of its own employees and of all third parties with whom it has dealings, with care and solely for legitimate business purposes and in line with applicable laws and current privacy regulations. External suppliers are also required to comply with these regulations. Our **Global Information and Communication Technology (GICT) strategy** aims to build a sustainable, secure, and resilient cybersecurity environment.

Chiesi mitigates cybersecurity risks and protects

information by providing industry leading devices and technological tools. We train all employees in cybersecurity best practices to increase awareness and proper use of company equipment. Chiesi strictly prohibits any behavior that compromises the integrity of IT assets and mandates compliance with IT and security procedures.

Chiesi's internal **Information Security Policy** serves as the foundational framework for safeguarding its information and information systems. Issued by the **Information Security Committee**, this policy not only outlines the principles and practices for protecting sensitive data but also ensures the integration of information security into all business processes across the organization. By providing comprehensive guidance at a group-wide level, the Information Security Committee plays a crucial role in fostering a culture of security and resilience against evolving threats.

Progress in 2023

Chiesi updated its **Information Classification and Handling Procedure**, underscoring the importance of protecting all confidential information owned or controlled by Chiesi. The update emphasizes the need to classify information appropriately and adopt proper protective measures.

In 2023, the Group substantiated two customer **data breach complaints** resulting from human error, neither requiring notification to data protection authorities. Additionally, eight incidents of data leaks, thefts, or losses occurred, all stemming from human error with minimal impact. Swift remedial actions were taken in each case, ensuring no ongoing issues.

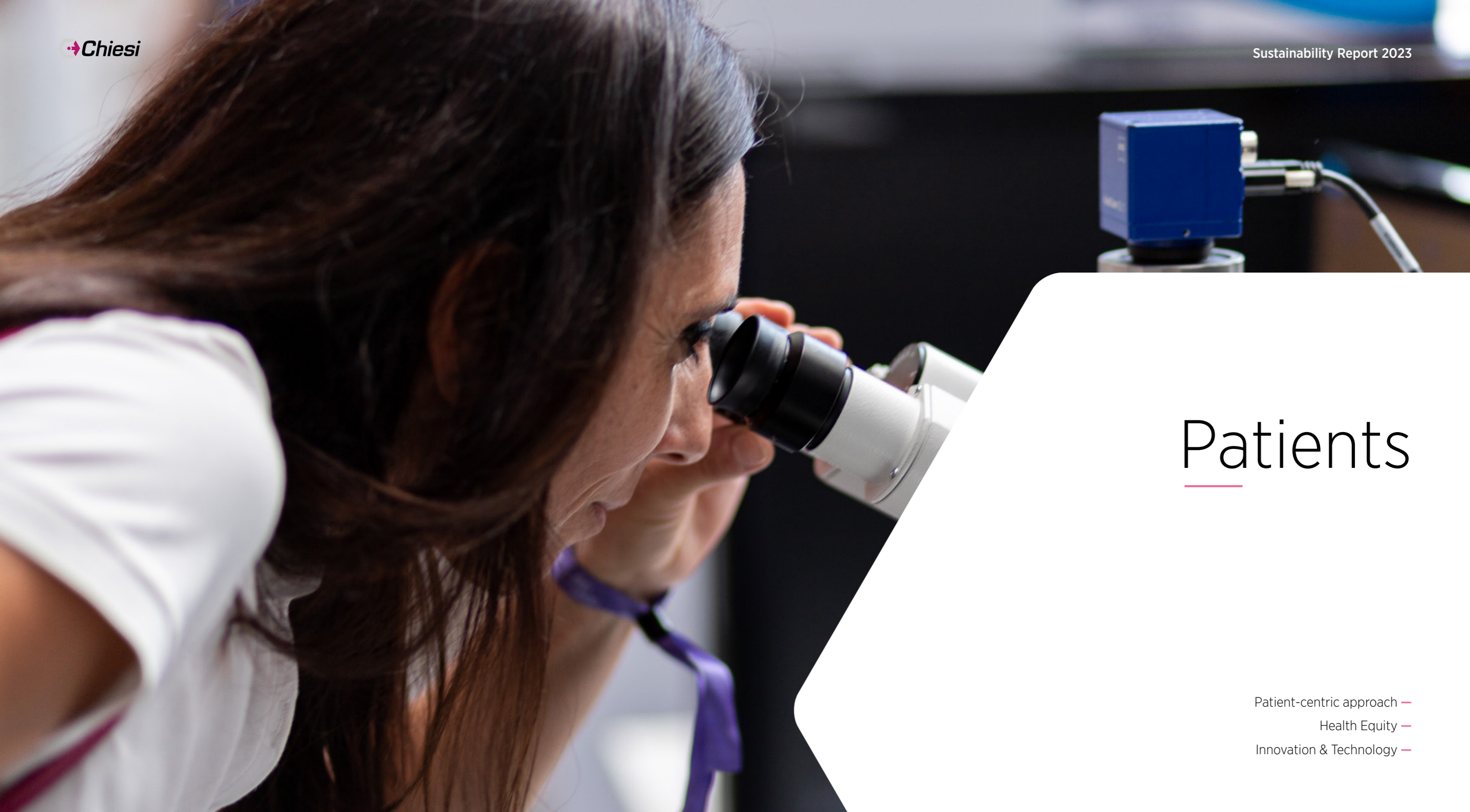
Ambitions for 2024 and beyond

In 2024, Chiesi Farmaceutici S.p.A. aims to pursue the **ISO 27001:2022** certification for its **Information Security Management System**. This internationally recognized standard specifies the requirements for establishing, implementing, maintaining, and continually improving an Information Security Management System. By obtaining ISO 27001 certification, Chiesi aims to reaffirm its commitment to robust information security practices and set a benchmark for industry standards. **By the publication of this report, Chiesi has successfully obtained the ISO 27001:2022.**



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)





Patients

- Patient-centric approach —
- Health Equity —
- Innovation & Technology —

Patients at a glance



Patient Journey

applied across our business areas

- air
- rare
- care

GUIDING PRINCIPLES

Gender Diversity

in clinical trials

MEN 56.6%

WOMEN 43.4%

R&D Investments

€ 720.7M total expenses

23.8% of sales reinvested internally

1,321 people

of which 757 scientists

Global R&D Staff

HIGHLIGHTS

Positive global impact through Health Equity efforts

Further develop our Patient Journey framework throughout the organization

ROADMAP

Patient-centric approach

At the core of our mission is our commitment to develop and bring to market innovative **pharmaceutical solutions**¹⁰ that improve the quality of people's lives. Innovation has always been a key driver and part of Chiesi's culture. Only by working closely with patients and understanding their needs, are we able to provide new, tailored therapeutic options and improve global health and well-being.

Chiesi recognizes each **patient as a unique individual**, not just a recipient of care. We view patients as integral members of a broader community, sharing the same environment as Chiesi. Our belief is that patient care must go beyond drug development and consider the entire healthcare journey of each individual.

To ensure that our solutions meet the people's needs, we actively partner with the **patient community, including patient organizations and caregivers, and also with healthcare professionals and other stakeholders.**

In addition, we are working with national healthcare systems to develop environmentally friendly models of care and raise awareness about the **link between climate and human health**. For further details, please refer to the [Climate Change chapter](#).

The Patient Journey

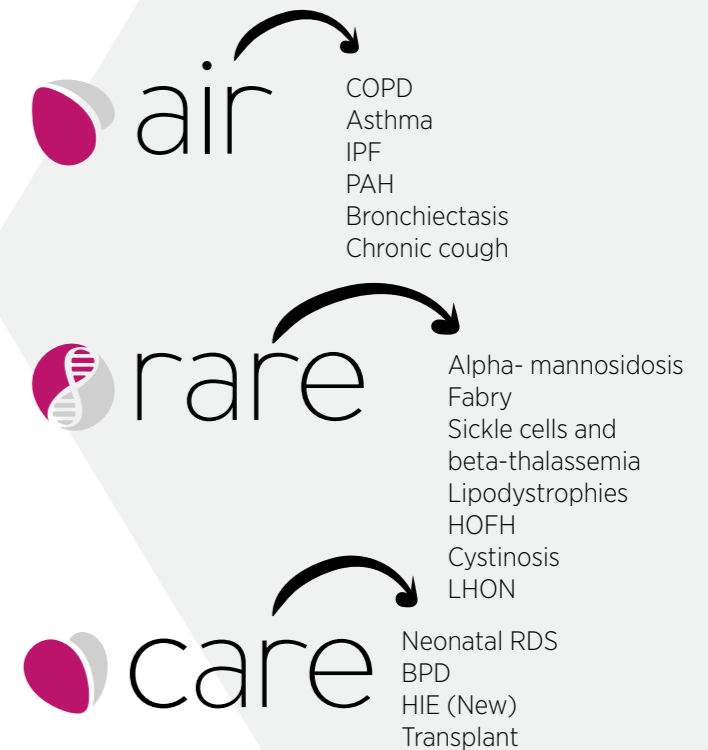
A "Patient Journey" encompasses the **sequence of events that a patient experiences throughout the course of a specific disease**. This journey includes risk assessment to diagnosis, access to treatment, and aftercare, among other stages. At Chiesi, starting from 2023, the patient journey framework has increasingly become an integral part of our main processes and projects across the organization to **ensure that patients' needs are at the forefront of decision making**.

Patient Journey Driven Innovation

Chiesi's systematic approach of **gathering insights and needs along the care process from patients, caregivers, providers, payers, key opinion leaders, and other stakeholders** enables us to **identify gaps and opportunities for the development of possible solutions**, both existing and new.

This approach requires consistency across therapeutic areas, functions, and affiliates. Without this, we may miss the opportunity to compare and address the diverse needs of patients effectively. It is a collaborative effort with input from various groups within our organization, with the goal of unifying our approach as One Chiesi.

Patient Journeys developed at global level



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

¹⁰ A solution is any product/initiative - e.g., pharmaceutical products, medical devices, non-pharma solutions, digital tools, services, medical, market access, health equity, commercial initiatives, etc. - developed/implemented by Chiesi, directly or in partnership, to meet the diverse needs of stakeholders.

Application and Impact Measurement

In practice, to capture the patient's experience, we organize focus groups, advocacy programs, patient forums, surveys, and we include patient reported outcome measures in our clinical trials. We also partner with international organization such as EUPATI and PFMD to bring collective patient engagement to the next level.

Chiesi is committed to deepening our understanding of the impact we have on patients' lives. In 2022, we established more than 25 metrics to predict our impact throughout their journey, including a focus on key indicators for our health equity priorities. We are continuously refining our metrics to strengthen their applicability across relevant company processes and increase the quality of the data we collect.



Our HOPE Project fosters patient engagement across teams using a recognized methodology (Human Factors science). By gathering patient feedback, analyzing results, and making documented design decisions, we enhance the development of solutions. This collaborative approach ensures insights are applied effectively and documented throughout the company's processes.



In 2023, Chiesi became a sustaining partner of the European Patients' Academy on Therapeutic Innovation (EUPATI), a non-profit organization that focuses on educating patients and their representatives about drug development process, access to healthcare and disease awareness. As part of the EUPATI Sustaining Partners Assembly, Chiesi is an active collaborator on patient education projects and engages with a network of patient advocates and experts.

Patient Focused Medicine Development

Since 2022, Chiesi is an associate member of Patient Focused Medicine Development (PFMD), a global collaborative and non-competitive coalition to improve global health by co-designing the future of healthcare for patients with patients. Its mission is to bring together initiatives and best practices that integrate the voice of the patient into drug development. Chiesi actively supports two work streams: Merging Patient Experience Data & Patient Engagement and Improving the Clinical Trials Ecosystem.

Adverse Reactions

Chiesi employs a proactive global pharmacovigilance approach to monitor the performance and safety of our therapies once they are on the market. This involves collecting adverse patient experiences, analyzing the data, and reporting to regulatory authorities as required. This ensures a continuous assessment of the risk-benefit profile of all our medicines and allows us to take prompt action if necessary.



Progress in 2023

In 2023, Chiesi joined forces with strategic partners in the patient community and key stakeholders to **implement initiatives that raise awareness and promote patient engagement** across our therapeutic areas.



- Through the [International Respiratory Coalition](#) (IRC), established in September 2021 with Chiesi as a founding industry partner, we advanced our efforts in 2023 to provide countries with vital resources to implement a **national respiratory strategy**. Our current focus is primarily on Europe, where we achieved significant milestones by establishing or strengthening local projects in 12 countries.
- At the **European Respiratory Society** (ERS) Congress in 2023, Chiesi held a symposium titled “**Improving respiratory care by listening to patients’ needs**”, which directly involved patients. This gave patients the opportunity to share their lived experience with an audience that is traditionally largely scientific and where patients’ voices are not necessarily included.
- Chiesi supported the “[About Asthma](#)” awareness campaign promoted by **the European Federation of Allergy and the Airways Diseases Patient Organisation**. Asthma control is still lacking worldwide, and many patients do not have access to reliable educational resources. People with asthma and COPD may feel excluded from treatment decisions and/or lack personalized self-management tools. About Asthma aims to empower these people by providing knowledge.



- Today, many people are still unaware of what rare diseases are. To raise awareness and advocate for healthcare equity, **Rare Disease Day** has been celebrated since 2008. In 2023, Chiesi Global Rare Diseases promoted the [#PlayTheRareGame](#) campaign in collaboration with Parma Zebre Rugby Club and Make-A-Wish International. People globally could join the campaign by virtually throwing a rugby ball to help fulfill the wishes of children with rare diseases.
- In 2023, Chiesi Global Rare Diseases published “**Rare Disease Burden of Care and the Economic Impact on Citizens**”, a report on the escalating care challenges and economic impact on Europeans living with rare diseases. The report aims to ensure that the socioeconomic impact on treated and untreated patients is given due attention. Covering 23 diseases in five therapeutic areas, it shows how treatments can ease the financial burden on families and the healthcare system, and highlights the need for greater access to therapies. [Access the full report here](#).
- To support the **mental health of people with Fabry disease and their caregivers**, Chiesi co-founded the “[Mindfully Rare](#)” project with the Fabry Support & Information Group, the National Fabry Disease Foundation, the National Alliance on Mental Illness, and key opinion leaders. Being diagnosed with Fabry disease and navigating life after diagnosis can be difficult and complicated, often leading to feelings of loneliness or stress for those living with this rare disease. At Chiesi, we recognize these challenges and strive to raise awareness.
- At the European Congress of Paediatric Neurologists (EPNS), Chiesi screened “[Rare Land](#)”, a **film about a child with alpha-mannosidosis**, offering a poignant look into his and his family’s emotional journey from symptoms to diagnosis. The film was also showcased at the Cannes Film Festival and the Greek Film Centre Pavillon.



- The [Patient Diary](#) project in the transplant field promoted by the European Society for Organ Transplantation and the European Transplant Patient Organizations (ESOT-ETPO) and realized together with Chiesi, aims to **empower the transplant community through an educational tool**. This diary, developed with input from healthcare professionals and transplant recipients, offers insights and reliable information to guide individuals and their families through their transplant journey.
- With [European Standards of Care for Newborn Health](#), Chiesi started a collaboration to support a **global information platform for parents of preterm babies**. The platform is promoted by the European Foundation for the Care of Newborn Infants (EFCNI) and was developed together with four European patient organizations and nine patient experts. After applying the patient journey framework, Chiesi discovered a support gap for these parents. The project was one of the solutions found to address this gap.

Ambitions for 2024 and beyond

Impacted by the Sustainability Strategic Plan and our achievements so far, Chiesi aims to increase the focus on the **patient journey**, ensuring its application as a standardized approach throughout the organization. 2024 will also be the year to apply the **patient's impact metrics** in practice and refine them to best fulfill our needs.

A focus will also be placed on the **social determinants of health**, which are the social and economic factors affecting well-being and health outcomes. Through these efforts Chiesi aims to address topics like promoting diversity, equity and inclusion in clinical trials and raising awareness about undeserved population disparities in the diagnosis and treatment of diseases of Chiesi's therapeutical areas.



*“Chiesi **allocated 23.8% of our revenues to R&D** to build innovative treatments that meet the most important needs of patients. The entire organization implemented the **Patient Journey framework** which requires greater engagement to embed the patient voice in our programs to ensure we are providing value in our holistic approach to supporting patients, their families, and caregivers. We implemented key projects such as **About Asthma, Mindfully Rare**, and other integrated initiatives that raised awareness and engaged patients across our therapeutic areas.”*

Stuart Siedman

Franchise RARE, Global Head, Patient Advocacy

CHIESI IMPACT COMMITTEE MEMBER



Health Equity

Chiesi's Health Equity strategy aims to eliminate healthcare barriers and reduce inequities, ensuring everyone can lead a healthy life. This aligns with Agenda 2030 and our mission to improve human life quality.

To identify inequities, we focus on understanding the patient journey within our patient-centric framework. Addressing health equity is complex due to the diverse and intricate global healthcare systems. Consequently, our strategy is continuously evolving, with a significant global review planned for 2024.

As defined by the World Health Organization (WHO): "Equity is the absence of unfair, avoidable or remediable differences among groups of people, whether those groups are defined socially, economically, demographically, or geographically or by other dimensions of inequality (e.g. sex, gender, ethnicity, disability, or sexual orientation). Health is a fundamental human right. Health equity is achieved when everyone can attain their full potential for health and well-being."

To date, the key elements of the strategy are as follows:

- **Determinants of Health** - Social determinants are non-medical factors affecting health outcomes, including the conditions in which people are born, grow, work, live, and age, and the broader forces shaping daily life. Environmental factors, such as living in polluted areas, also impact health and can create inequalities, leading to underserved vulnerable populations. Chiesi's goal is to establish a structured methodology to understand and map these determinants in our operational areas. We aim to enhance current prevention projects by integrating the concept of health determinants.
- **Access to Healthcare** - Access means individuals can receive appropriate health services and medicines promptly and sustainably, according to their needs. Our goal is to ensure global access to care and treatment, enhancing healthcare system capacity. We focus both on low- and middle-income countries and underserved populations in high-income countries. Our efforts include working with distributors through our International Markets Development Division and establishing a dedicated Global Health function to accelerate access to our solutions in these regions, particularly in Africa.
- **Measurement and Stakeholder Engagement** - Achieving significant impact in an interdependent environment is challenging for all actors trying to contribute to health equity. Key to this effort is stakeholder engagement and forming partnerships to develop projects. We aim to include a multi-stakeholder perspective in our strategy and have established mechanisms to incorporate their input into health equity projects. Measuring impact is another challenge. We developed impact metrics to measure our health equity commitment; however, being effective and avoiding proxies to calculate this impact is tough. We collaborate with the industry in the discussion around impact measurement for the pharmaceutical sector, as we believe a common effort may lead to a common measurement framework.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)



Global Health

Our dedicated **Global Health** team focuses on increasing access to **quality treatment** for small and sick newborns and their families in **Sub-Saharan African countries**.

Aware of the huge inequalities in access to appropriate care in resource-constrained settings, Chiesi wants to be part of the change in bridging gaps to reduce the burden of neonatal mortality.

We aim to achieve this by establishing a sustainable business model that ensures the long-term accessibility and availability of life-saving neonatal medications. This innovative model reinvests in capacity-building programs, including training and education, to strengthen the local healthcare system.

To ensure equitable access and generate a broader impact, multi-stakeholder partnerships are essential. We focus on collaborating with various stakeholders, including local governments, clinical communities, parent associations, multilateral organizations, non-governmental organizations, and international donors.

We strongly believe that every newborn counts, everywhere, and together we can make a difference.

Chiesi Foundation

The Chiesi Foundation, established in 2005 as the **independent philanthropic arm of the Chiesi Group**, is dedicated to advancing **healthcare in low- and middle-income countries** by supporting scientific research and international cooperation in neonatology and pneumology. Through initiatives like the NEST (Neonatal Essential Survival Technology) and GASP (Global Access to Spirometry Project) models, it focuses on **reducing neonatal mortality rates and improving respiratory disease diagnosis and management**.



Additionally, it funds the IMPULSE (IMProving qUaLity and uSE of newborn indicators) study to enhance newborn care indicators in African countries like Benin, Burkina Faso, Burundi, Togo, Central African Republic, Ethiopia, Tanzania, and Uganda.

[Find out more on the Chiesi Foundation website.](#)



	<i>Health Equity</i>	<i>Global Health</i>	<i>Chiesi Foundation</i>
Therapeutic Focus	All Chiesi therapeutic areas	Neonatal and maternal health	Respiratory and neonatal health
Global Reach	High, mid, or low-income countries with Chiesi's presence or partnership	Low-income countries without Chiesi's presence	Mid or low-income countries
Management	Chiesi Group Chiesi Affiliates	Chiesi Group	Independent foundation
Underlying Concept	Shared Value	Global accessibility to Chiesi products	Strategic Philanthropy



Progress in 2023

We are proud to report that in 2023, our products and therapies were registered in 130 countries, an increase of two countries from the previous year.

Health Equity Projects Globally

Beginning in 2023, we applied the patient journey framework to identify barriers to health equity, such as in specific geographic contexts. This approach provides valuable information about health equity needs that can then be addressed through specific initiatives.

All Chiesi affiliates have been involved in identifying barriers using the patient journey framework for at least one therapeutic area in which we are active. As a next step, we focused on designing local initiatives within our affiliates and with selected partners. As of now, there are 30 countries with active projects addressing the challenges of achieving health equity in neonatal health and respiratory care.

Ambitions for 2024 and beyond

Aligned with the highest ESG standards, Chiesi is committed to refining our **pricing methodology** to ensure transparency and adherence to best practices, especially concerning health equity and public health.

We are reviewing our **Health Equity strategy** to develop an ambitious and comprehensive plan encompassing initiatives such as education and training campaigns, payment assistance programs, inclusive evidence generation, compassionate use policies, donations, digital platforms and patient support services. Our goal is to align our health equity ambitions with current societal demand and trends, **integrating these principles into our organizational decision-making and corporate processes**.

In our commitment to global health, we are focused on securing approval and executing the **Global Health strategy**. This involves navigating regulatory processes for drug approval in target countries such as Ethiopia, Uganda, and Tanzania. Chiesi is also preparing for commercial launches in these regions to ensure our solutions reach those who need them most.

Advancing Global Health

In 2023, Chiesi began developing a comprehensive Global Healthcare strategy to guide our future initiatives and expand our impact worldwide.

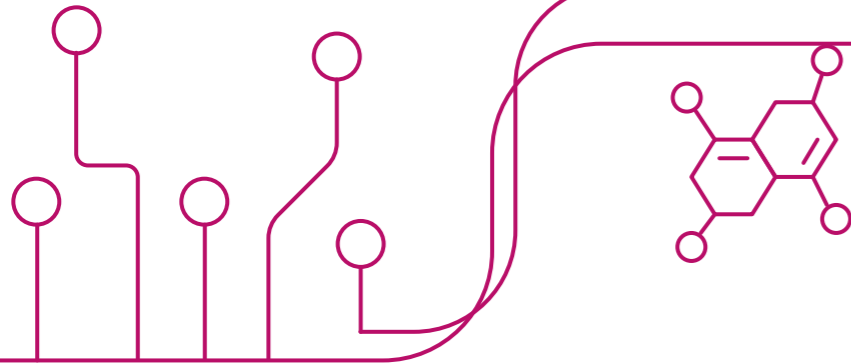
Already in 2020, Chiesi launched the MAISHA project with the **aim of bringing caffeine citrate to Ethiopia, Uganda and Tanzania** at a low price. Caffeine citrate has been highly recommended by the World Health Organization for the care of preterm and low-birth-weight infants. Last year, we completed the regulatory dossier for caffeine citrate, an important step in our journey.

At the joint European Neonatal Societies (jENS) 2023 congress in Rome, the neonatal community launched the EMBRACE project, backed by Chiesi Group. **EMBRACE, or Every Mother and Babies Right to Appropriate Care**, serves as a unifying force within the neonatal community. Together, healthcare professionals, families, governments, and various organizations collaborate to form effective partnerships aimed at reducing neonatal mortality rates globally.

***Caffeine citrate**, approved in Europe, China, and Mexico, is used in hospitals to treat apnea of prematurity in premature babies. It stimulates brain centers controlling breathing, reducing episodes and the need for assistance, and lowering lung issue risks.*

Innovation & Technology

Chiesi's history is rooted in drug discovery and development aimed at creating sustainable therapeutic solutions that are widely accepted by patients, caregivers and healthcare systems. We pursue this through collaborations with academia and partner companies, leveraging cutting-edge expertise and a global presence in innovation hubs. Our innovation approach integrates digital technologies to improve Research and Development efficiency and competitiveness. In addition, we focus on emerging technologies and digital innovations, including artificial intelligence, to transform business.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

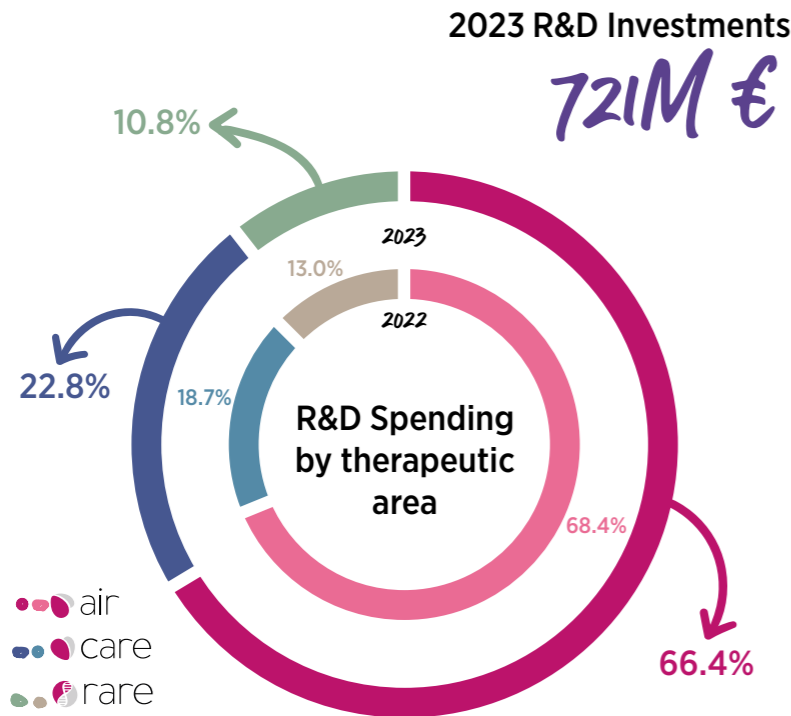


Research & Development

Our R&D headquarter is in Parma, Italy, with other major R&D centers in Paris (FRA), Chippenham (UK), Cary (USA), Lidingö (SWE), Shanghai (CIN), and Toronto (CAN). The R&D teams cover discovery and preclinical research, drug delivery, clinical development, regulatory affairs, pharmacovigilance, quality assurance, project management, and R&D portfolio management. R&D also supports post-market surveillance and life-cycle management programs.

Investments

In **2023**, we exceeded our original goal of allocating approximately 21% of our revenues to R&D by allocating **23.8% of our revenues to R&D**.



Patents

Chiesi Farmaceutici S.p.A. was confirmed as the **first Italian pharmaceutical company** and the **fifth among all Italian companies for patents applications**, with a consolidated number of 43 first filings at the European Patent Office (EPO), according to the [publication of the patenting trends for 2023](#). Globally, in 2023 the Chiesi Group portfolio achieved a milestone of 6,201 patents, including also those of the new affiliates.

Decentralized Clinical Trials

Traditionally, clinical trials require patients to travel to a central location for all trial-related services. The DANCE (Digital innovAtion for patieNt Centric hEalth) initiative was established to enhance the clinical trial journey for participants by merging the patient perspective with modern technology through direct collaboration with the patient community and the use of innovative digital health technologies (DHT) for **remote data collection**. Adoption of innovative DHTs creates novel endpoints that can objectively measure clinically meaningful aspects of health that are usually difficult or impossible to measure, for example, data can be collected in a continuous manner, as opposed to point-in-time assessments.

The implementation of decentralized elements has continued, with the approach being incorporated into the TANGO study targeting asthma patients. This aims to reach more participants through the use of digital tools. The study involves more than 170 clinical sites in 14 countries and started in 2023.

Carbon Minimal Inhaler

Chiesi has started a long-term phase III clinical safety trial for the new carbon minimal inhalers platform. These inhalers replace the hydrofluorocarbon propellant (HFC 134a) currently contained in

pressurized metered dose inhalers (pMDI) with a new, low global warming potential propellant (HFC 152a). Find out more in our chapter on [Climate Change](#).

Sustainable Patient Kit

In 2023, Chiesi R&D has started some improvements targeted to the reduction of the CO₂ footprint in clinical trials supplies activities and processes. For further details, please refer to the [Product Sustainability chapter](#).

Green Design

Chiesi's internal Green Design tool for aligning products with circular economy principles from the earliest design phases has also been applied to the assessment of all projects in the R&D pipeline that require it. The tool is being further improved and integrated into R&D workflows. Read more in the [Product Sustainability chapter](#).



Innovation

At Chiesi, innovation includes the advancement of products and services through open innovation, crowdsourcing and new technologies. It also includes go-to-market strategies and measures to maintain competitive strength and increase market penetration.

Biotech Centre of Excellence

In 2021, Chiesi announced the creation of a Biotech Centre of Excellence in Parma, Italy, adjacent to our production plant. By the end of 2022, construction began on this new hub, representing a significant investment of 85 million euros.

The center will specialize in **developing and producing biologic drugs** like monoclonal antibodies, enzymes, and proteins. It will handle every step of the process, from cell cultivation to drug production and packaging for global markets, attracting talent critical for Italy's specialized expertise.

Chiesi's Biotech Centre responds to pandemic challenges, aiming to enhance healthcare system resilience and sustainability. Currently, only 22% of new global treatments originate from Europe¹¹, partly due to slower R&D growth. The first products from this plant are expected in 2025, marking a step toward addressing these challenges and advancing healthcare.

Center for Open Innovation & Competence

In 2023, Chiesi created a new company function, the Center for Open Innovation & Competence (COI&C). The purpose of COI&C is to promote innovation processes within Chiesi by leveraging and integrating the many initiatives already in place at global and country level.

Innovation is defined by COI&C as any process in the organization that supports and fully encourages the introduction of valuable, shareable, accessible and redistributable new ideas, new methods of workflow, new methods in technology, new processes, new business models, and/or new products or services that meet the needs of patients, the territory, the environment, society and the company in a distinctive, sustainable, inclusive, and effective way.

Activities will be particularly focused on creating an external innovative ecosystem as a source of ideas and opportunities and as a shared playground.

Lab Innovation State of the Art

While partnerships between pharmaceutical companies and research institutions are common globally, international researchers often lack awareness of Chiesi's extensive R&D history when seeking to introduce their innovations.

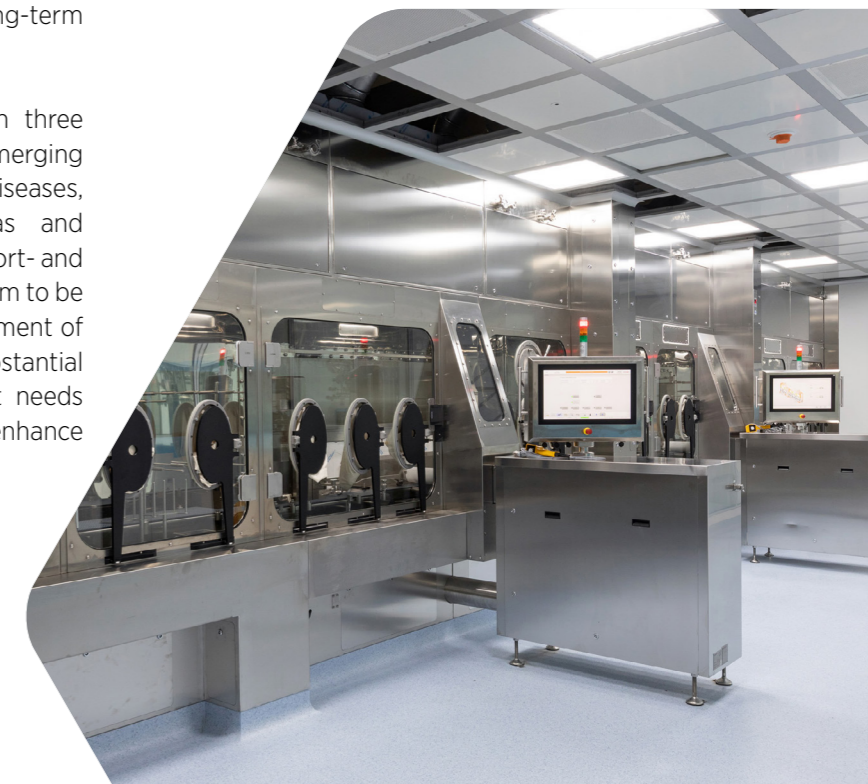
In 2023, we focused on bridging this gap through our Lab Innovation project. Through 24 desk research projects, a benchmark analysis, participation in the Lab of the Future congress and over a dozen interviews, the Lab Innovation project identified nine opportunities for Chiesi from seven different actors at various stages of development. This initiative provided a clear method for mapping and scouting open innovation opportunities.

Strategic Innovation Unit in Global Rare Diseases

In 2023, Chiesi Rare Diseases established a Strategic Innovation Unit to identify and evaluate emerging therapeutic modalities from academic and research institutions, as well as start-ups and early-stage biotech organizations. This initiative aims to discover long-term solutions for patients with rare diseases.

Our Strategic Innovation Unit concentrates on three key areas: identifying the most valuable emerging therapeutic platforms for severe genetic rare diseases, determining their optimal therapeutic areas and indications, and developing the most effective short- and mid-term strategies for their advancement. We aim to be the partner of choice for advancing the development of innovative therapeutic modalities. By making substantial investments, we are addressing unmet patient needs and planning to expand disease indications and enhance access for rare disease patients in new regions.

¹¹ [The Pharmaceutical Industry in Figures \(efpia.eu\)](https://www.efpia.eu)



Technological Transformation

Digitalization is crucial throughout our organization. The Global Information and Communication Technology (GICT) department drives ongoing process innovation not only in R&D but also across all internal departments. In 2023, GICT outlined its three-year strategy, emphasizing enhanced processes, prioritizing risk management and cybersecurity, investing in people's skills in a rapidly evolving digital landscape, and bolstering our global information and communication technology architecture.

Chiesi Tech Radar

Considering the technological advances in recent years and their potential, GICT launched the Chiesi Tech Radar. This initiative, conducted in collaboration with representatives from all business functions, aims to continuously monitor and assess technological development and progress. The Chiesi Tech Radar identifies technologies with sufficient maturity and potential for value creation, leading to further study or experimentation.

In the short term, notable technologies under focus include digital twins for decision-making, artificial and virtual reality for supporting medical treatments, IoMT (Internet of Medical Things) applied to digital therapeutics, and simulation technologies.

Kepler Lab

Kepler Lab is the place at Chiesi where business functions can address their unmet needs through advanced technologies. It is a collaborative and open environment with an agile structure for experimenting with new ideas. The approach is to run experiments that explore advanced technologies and models to test whether an insight can make a profound difference or whether it should be abandoned to focus on other horizons.

Kepler Lab, built in collaboration with the Global Technical Development R&D department, is currently working with multiple departments on a range of unique challenges. From R&D to finance and HR, diverse needs have

been identified, and innovative digital solutions are tested to address these challenges.

Artificial Intelligence (AI)

In 2023, Chiesi analyzed opportunities that could be enabled by AI technologies and identified which business processes should be explored as possible work streams from an open innovation perspective. Several business units were involved in this activity, with the aim of initially prioritizing their need at a qualitative, high-level and matching them with a suitable AI tool.

Ambitions for 2024 and beyond

In 2024, we aim to achieve **My Green Lab** certification a globally recognized gold standard for laboratory sustainability, for many Chiesi labs. This initiative aims in order to reduce resources consumption, enhance lab health, safety, and increase employee engagement to sustainability. We plan to have the first R&D labs certified in 2024. As of this report, our R&D Chippenham lab has already received the certification (Green level).



Through the People workstream of the sustainability strategy, Chiesi identified the need to focus stronger on creating an innovation culture within the organization, beyond traditional R&D focus. This refers to a culture that fosters innovation and creativity among employees by adopting different levers such as providing a psychologically safe environment, flexibility, D&I, and unconventional experiences. In 2024, this will be one of our objectives and in 2023 a first learning path has been launched.



*"In 2023, we began our journey towards **My Green Lab** certification to raise awareness of our laboratories' environmental impact. This initiative embodies our commitment to the principle of "Do no harm." Starting with a pilot at our Chippenham R&D Lab in September 2023, we are progressively involving each R&D lab and plan to extend this to manufacturing sites' labs in the near future. The certification will mark the cultural shift towards sustainability within the Chiesi scientific community, a milestone we are proud to achieve."*

Chiara Mazzoli

Research & Development, Head of Project Management & Process Department

CHIESI IMPACT COMMITTEE MEMBER



Planet

- Climate Change —
- Value Chain Management —
- Responsible Use of Resources —
- Product Sustainability —
- Animal Welfare —

Planet at a glance

Transition to *renewable energy*
99% of total global electricity consumption from renewable sources

Do no harm
by protecting our planet and minimizing any negative impact produced by our activities



Code of Interdependence



Supplier Code of Conduct co-created with our partners

Climate Advocacy
Linking planetary and human health

GUIDING PRINCIPLES



Carbon Disclosure Project 2023

Rating



EcoVadis
Platinum Medal
Score: 78/100

The Economist *Impact report*

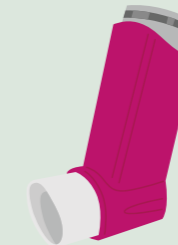
Cleaner Air, Clearer Lungs, Better Lives. Exploring the intersection of air quality, health inequalities and lung health



HIGHLIGHTS

Reach Net Zero GHG emissions across the value chain

NET Zero
by **2035**



€ 350 Million

5-year investment in 2019 for development of low global warming potential propellant for pMDIs reducing their carbon footprint by up to *90%*

ROADMAP

Climate Change

In response to the climate emergency, we are committed to taking actions against climate change, a global crisis with far-reaching implications for generations to come. As a business, we are crafting a robust decarbonization strategy aimed at contributing to limiting global warming to 1.5°C by 2100. Our approach involves **combating the root causes of climate change and reducing greenhouse gas (GHG) emissions, alongside implementing governance systems for climate change adaptation.**

In line with the goal of achieving **Net Zero GHG emissions by 2035**, the Group has consolidated the inventory of its greenhouse gas emissions following the ISO 14064 and **GHG Protocol**. Our GHG emission inventory is verified annually by external third parties. The last verification

process was completed by March 2024.

Chiesi's GHG emission reduction targets were approved by the **Science Based Targets initiative (SBTi)** in April 2021. When the new **SBTi Corporate NetZero Standard** was released, Chiesi made the decision to move from carbon neutrality to the more demanding and science-based Net Zero emissions standard. Recognizing the urgency of the climate crisis, we are deliberately pursuing a more ambitious and impactful goal.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Net Zero Pathway

Following a hierarchical approach of Avoid, Reduce, Substitute, and Remove, our plan to reduce greenhouse gas emissions focuses on **improving operational efficiency, transitioning to renewable electricity, electrifying our vehicle fleet, engaging suppliers and adopting carbon minimal inhalers.**

Avoid

In 2019, Chiesi announced an investment of €350 million to reduce the **carbon footprint of pressurized metered dose inhalers (pMDIs)**. This initiative involves developing new formulations of a platform of currently available pMDI products replacing the current hydrofluorocarbon (HFC) propellant (HFA 134a) with a low global warming potential (GWP) propellant (HFA 152a). Chiesi's investment aims to accelerate the development and market introduction of this innovative solution. By using the new propellant, Chiesi anticipates reducing the product's carbon footprint by up to 90% compared to the current ones, while still supporting Dry Powder Inhaler (DPI) technology to provide patients with a variety of treatment options tailored to their individual needs.

With the set of studies already completed and the Phase III long-term safety trial recently started, Chiesi is on track in the development of its carbon minimal inhaler platform.

Reduce

To reduce emissions from the production process of our pMDIs, we introduced a dedicated propellant cryogenic **abatement system** at our Italian and French manufacturing sites. The abatement system is designed to prevent emissions containing propellant from entering the atmosphere by liquefying it instead and collecting the liquid waste for recovery. We have optimized our HFA gas abatement systems throughout 2023.

Chiesi is actively working to reduce its **logistics**-related carbon footprint. The company has analyzed its logistics network at a Group level to test CO₂e calculation methods and identify inefficiencies. Procedures within the corporate supply chain department have been reviewed, resulting in measures such as favoring sea shipments over air whenever possible. Additionally, Chiesi is mapping the GHG emissions impact of our secondary distribution¹⁴, analyzing the distribution network to optimize distribution center locations for maximum efficiency.

Substitute

When it comes to indirect greenhouse gas emissions linked to **electricity, steam, heat, or cooling purchases** (Scope 2), we prioritize energy efficiency improvements and aim for consuming 100% renewable electricity.

In the area of **mobility**, Chiesi is committed to providing employees with more environmentally preferable commuting options. This involves supporting train subscriptions, urban bus passes, shuttles services and bike amenities. Through a dedicated policy, we also promote videoconferencing, optimizing travel, electrifying our car fleet, and prioritizing low-emission transportation for business events.

Remove

Chiesi's Net Zero strategy emphasizes minimizing carbon-intensive processes to reach our goals without relying heavily on emissions removal. Our approach derives from the SBTi Net Zero Standard, which requires deep emissions reduction (minimum -90% for absolute targets) and the **removal of only a residual share of emissions (maximum 10%)**.

However, given that removals will play a key role in the global decarbonization pathway and that beyond value chain mitigation¹⁵ is encouraged by SBTi and global scientists, we aim to work on pilot projects in the field of carbon removal, with a special focus on programs that create a positive impact beyond emissions reduction.

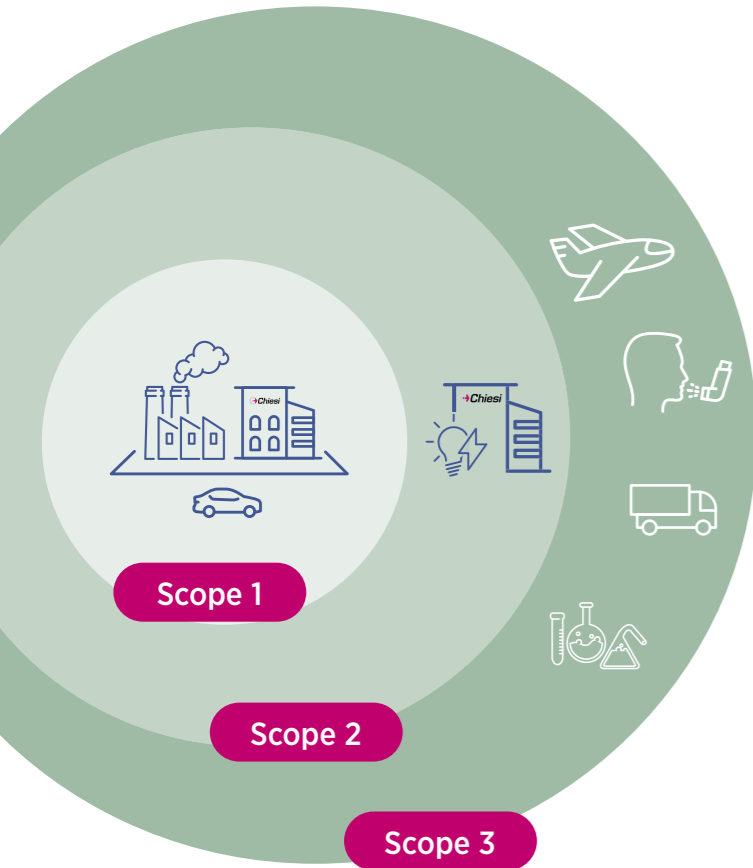


¹⁴ Primary logistics moves goods from our plants to distribution hubs, while secondary logistics distributes them to hospitals, pharmacies, and wholesalers.

¹⁵ "Companies should take action or make investments outside their own value chains to mitigate GHG emissions in addition to their near-term and long-term science-based targets. For example, a company could provide annual support to projects, programs and solutions providing quantifiable benefits to climate, especially those that generate additional co-benefits for people and nature. Companies should report annually on the nature and scale of those actions" SBTi Corporate Net Zero Standard <https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf>



Climate Impact in 2023



Scope 1 & Scope 2

Propellant losses, heating, car fleet, refrigerant losses, process emissions, purchased electricity, district heating and cooling

Compared to our 2019 baseline, Scope 1 emissions decreased by 12%, mainly due to reductions in car fleet and stationary emissions. The electricity for our Italian facilities and all of our manufacturing facilities comes from 100% low impact energy sources (wind and solar).

With the exception of a few Chiesi sites 99% of our electricity consumption comes from renewable sources, leading to a 96% reduction in our scope 2 market-based emissions compared to our baseline year 2019.

Despite a significant pMDIs production increase, GHG emissions coming from the manufacturing process remained stable since 2019.

Scope 1 emissions decreased by 12%
with respect to 2019



100%
Low-impact renewable energy
of total electricity consumption at production facilities and Italian sites

Scope 3

Use of sold products, purchased goods and services, business travel

In 2023, our Scope 3 emissions increased by 28% compared to 2019¹⁶, primarily due to a 28% increase in emissions from the use of sold products, which correlates with the increase in sales of pMDIs. Use of sold products is also the category with the most significant impact in 2023 for Scope 3. Here we have a 6% increase in emissions from 2022, again driven by higher pMDI sales.

However, emissions per unit of respiratory products are lower than in both 2019 and 2022.

Similarly, for purchased goods and services, we achieved a 3% decrease in emissions compared to 2022, despite a 21% increase in spending.

Business travel, which accounts for 2% of our total Scope 3 emissions, saw a 91% increase compared to 2022, reflecting increased air and land travel due to higher emission factors under the SBTi standard.

6% increase in Scope 3 emissions from 2022 driven by higher pMDI sales

¹⁶ For further information of the Chiesi Group baseline, its calculations and restatements, please, refer to the section "Methodological Note" and "Sustainability performances".

Climate Advocacy

As part of our commitment to emissions reduction, Chiesi recognizes the importance of taking a public stance to raise awareness about the climate crisis and drive positive social change and legislation.



A moment from the presentation of the Economist Impact Report in Milan

2023

Chiesi had already joined the [Carbon Disclosure Project](#) (CDP) and achieved an “A” rating in 2021 and 2022. In 2023, after the Climate Change questionnaire of the CDP had considerably been revised, Chiesi still proudly received an “A-” rating.

Chiesi was recognized among the [130 Most Climate-Conscious Companies](#), for its efforts in reducing the ratio between CO₂ emissions and turnover. Notably, Chiesi topped the list among pharmaceutical companies.

Chiesi Germany introduced [WeACT Con](#), a fresh congress format highlighting the **connections between health, environment, and sustainability**. WeACT Con brought together diverse healthcare figures, including doctors and policymakers, for a two-day event in Berlin. With a focus on understanding how healthcare impacts climate change and vice versa, the congress aimed to explore comprehensive solutions and perspectives through collaboration and open discussion.

Supported by Chiesi, an **Economist Impact report**, titled **Cleaner air, clearer lungs, better lives**, revealed the significant impact of climate-related factors on lung health. The report explores how air quality affects health disparities and lung health, drawing from the experiences of lung disease patients in the UK, Italy, Spain, Germany, and France. It underscores the broader impact on overall well-being and advocates for comprehensive health policy solutions. [Dive into the report here.](#)

Chiesi participated in **“The Climate and Us”** series by BBC StoryWorks and the Global Climate and Health Alliance. This series, launched during COP 28, examines the **severe impact of climate change on global human health**, particularly affecting those with respiratory conditions.

In our sponsored episode, **“How redesigning inhalers could reduce their environmental impact”**, we underscore the urgent need to minimize inhalers’ environmental footprint. Lara, an asthma patient, shares her firsthand experience of the health risks posed by air pollution. [Click here to watch Lara’s story.](#)

“We are proud of the **International Respiratory Coalition’s** progress in equipping every country with the tools needed to **implement a national respiratory strategy**. Amid rising social inequalities and the climate crisis, our collaborative efforts to prioritize respiratory health and enact national strategies are more urgent than ever.”

Paolo Saccò
Group Communication & External Relations,
Head of Global Public Affairs
CHIESI IMPACT COMMITTEE MEMBER



2022

TCFD

Chiesi completed a pilot project in 2022 aimed at analyzing climate-related risks and opportunities in accordance with the recommendations of the **Task Force on Climate-related Financial Disclosure (TCFD)** promoted by the Financial Stability Board. Our TCFD report is available under this link.



Chiesi became a member of **CO2alizione Italia**, joining forces with over 50 Italian enterprises to incorporate a climate neutrality objective into their bylaws¹⁷. This collaboration aims to create conditions for achieving the European Union emission reduction targets.

2021



The Group took a significant step by joining the **B Corp Climate Collective (BCCC)** and endorsing the Race to Zero initiative under the United Nations Framework Convention on Climate Change (UNFCCC).

2020



Chiesi is a founding member of **Italy for Climate**, an initiative of the Sustainable Development Foundation, that aims to promote the implementation of a climate road map for Italy, in line with the European Green Deal and the Paris Agreement.

2018



Chiesi is part of the **Sustainable Development Foundation**, a promoter of the green economy through civic and environmental engagement. The Foundation focuses on climate neutrality, energy transition, circular economy, green cities, sustainable mobility and natural capital.

Ambitions for 2024 and beyond

Climate Transition Plan

In 2024, a key focus will be the definition of a Climate Transition Plan. As extreme weather events and resource scarcity increase, and regulations evolve towards a low carbon economy, it is important to understand and manage our business' exposure to these climate-related issues. With the publication of this report, the plan has already been released and may be accessed here.

Net Zero Targets Submission to SBTi

Chiesi has updated its reduction targets to align fully with the standards set by SBTi. We anticipate SBTi's approval of these revised targets by 2024. Additionally, we are reaffirming our commitment to achieving Net Zero emissions through a formal commitment letter. This demonstrates our unwavering dedication to sustainability and environmental responsibility.

New Environmental Governance and Environmental Steering Committee

As emphasized in the chapter on **Transparency and Governance**, the establishment and implementation of the Environmental Steering Committee will be another key priority. This newly formed governance body will play a central role in overseeing and guiding our environmental initiatives and strategies.

¹⁷ To this end, in 2022 Chiesi Farmaceutici modified one of its common benefit purposes included in its bylaws. For details, please see our Impact Report in the appendix.

Value Chain Management

At Chiesi we believe that responsible companies must consider all aspects of their value chain's impact, which has led us to launch a long-term initiative called **Value Chain Evolution**.

This initiative aims to **reduce CO₂ emissions by collaborating with strategic vendors** to achieving our Net Zero emissions goal by 2035 and to enhance overall value chain sustainability.

Value Chain Evolution centers on our strategic vendors, thoroughly evaluating their performance, seeking improvements as necessary, and ensuring accountability for agreed-upon actions over time. This approach will ensure that our strategic vendors align with our

environmental and social objectives as we collectively work towards a shared goal of environmental stewardship and value creation for all stakeholders.

By setting ambitious sustainability standards and fostering collaboration, we aim to drive a more equitable and healthier future ecosystem, recognizing the **interconnectedness of our world and the importance of collective prosperity**.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Code of Interdependence – Supplier Code of Conduct

The **Code of Interdependence** (Col), Chiesi’s standard of conduct for suppliers, partners, and distributors, was **developed collaboratively with strategic partners** in 2019. It serves as a set of values guiding Chiesi’s collaboration with entities that share our dedication to sustainability.

Rooted in **11 selected UN Sustainable Development Goals (SDGs)**, this framework incorporates mandatory requirements as well as improvement actions to guide those aiming for deeper commitments. The Code aligns with the Pharmaceutical Supply Chain Initiative (PSCI), International Labor Organization (ILO), and B Corp principles. Approximately 76% of Chiesi Group’s annual strategic spending is with suppliers who have adopted the Code of Interdependence. To ensure compliance, Chiesi audits suppliers. In 2023, we **audited 11 suppliers** through PSCI standard audits or self-assessment questionnaires.

In 2021, after a thorough review involving all of Chiesi global functions and strategic vendors, the Col underwent the first revision, which was published in January 2022. As a dynamic document, the Code adapts to our evolving business landscape and drives sustainability efforts for both Chiesi and our suppliers.

EcoVadis

Chiesi utilizes EcoVadis, an advanced **third-party platform**, to evaluate the sustainability practices of our strategic suppliers. We leverage on the EcoVadis scoring system to track **progress toward a more sustainable value chain and our Scope 3 emissions target**, and to engage in constructive dialogues with partners. By collaborating closely with our suppliers, we aim to foster mutual learning and drive collective evolution across the ecosystem.

In 2023, approximately 47% of our Group spending was covered by suppliers assessed in EcoVadis.

Chiesi received in 2023 the EcoVadis Platinum Medal with a score of 78/100. EcoVadis Platinum Medals are given to companies that have not only completed the rigorous assessment process but have also demonstrated exceptional management systems that meet the organization’s sustainability criteria. Companies must excel in four key areas to receive this recognition: environment, ethics, labor & human rights, and sustainable procurement.



Vendor Qualification and Evaluation

Since 2019, our vendor qualification process has **integrated sustainability parameters** alongside other selection criteria, using EcoVadis as source for the ESG evaluations. In 2023 alone, only considering **new suppliers starting business with Chiesi**, we screened 117 new suppliers based on environmental criteria and 131 new suppliers on social criteria.

We also evaluate periodically the performance of our existing strategic suppliers, gathering information directly or through third-party providers like EcoVadis. These evaluations are shared with our partners, fostering collaborative dialogue to celebrate positive performance and discuss opportunities for enhancing our business relationship.

117 new suppliers
screened based on **environmental** criteria

131 new suppliers
screened based on **social** criteria

47% of Chiesi spending on **EcoVadis** rated suppliers



Supply Chain Risk Evaluation

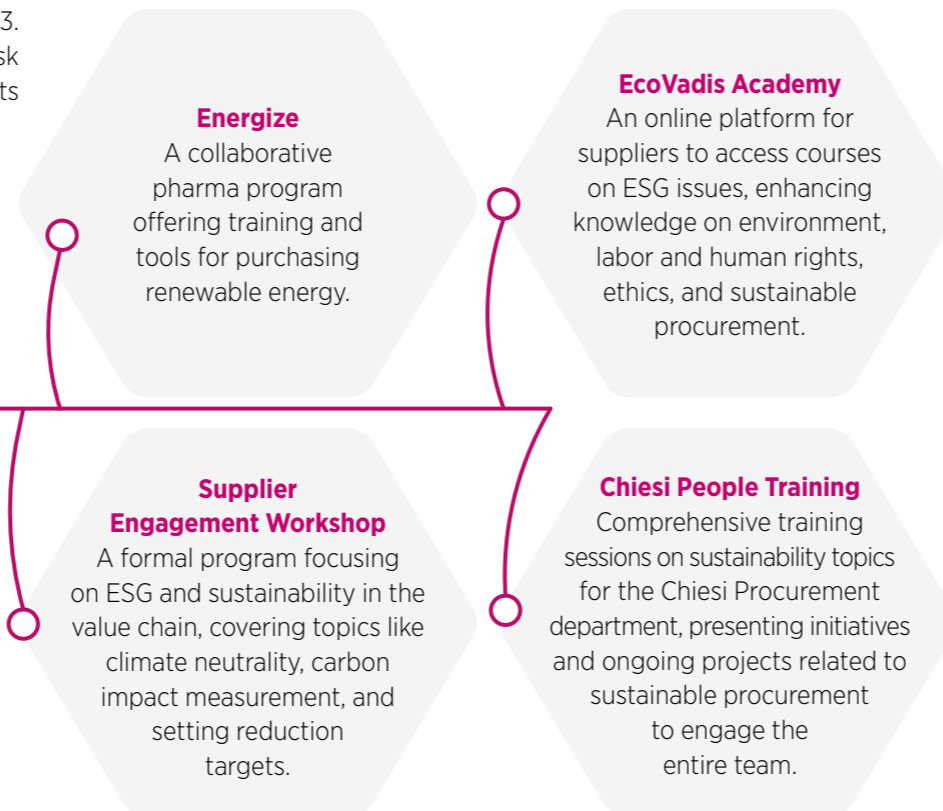
Since January 1, 2024, the German Supply Chain Due Diligence Act (LkSG¹⁸) requires German companies with at least 1,000 employees to meet detailed human rights and environmental obligations. Although Chiesi GmbH is not directly subject to LkSG due to its smaller workforce, we are committed to upholding these standards in line with our values and goals.

In addition to our vendor qualification process, [Human Rights Policy](#), [Code of Interdependence for Suppliers](#), and whistleblower system, we voluntarily met another LkSG requirement by the end of 2023. Using the IQ module on our EcoVadis platform, we conducted a risk assessment for 90% of our Chiesi Germany suppliers. The results were satisfactory, with no serious risks identified.

Value Chain Educational Program

The Value Chain Education initiative, a part of Chiesi's Value Chain Evolution program, strengthens engagement with trading partners. This comprehensive training program enhances Environmental, Social, and Governance (ESG) skills and competencies among partners. It provides resources and tools to raise awareness of social and ecological issues and encourages partners to set and achieve targets within the value chain.

Key components of the Value Chain Education program include:



Partnership Day & Partner Awards

On November 16th, Chiesi hosted Partnership Day 2023, an annual event to engage suppliers, share sustainability objectives and acknowledge outstanding contributions, reinforcing Chiesi's collaborative approach. This event allows us to **recognize, through partner' awards, our top-performing partners** who have shown exceptional commitment to sustainability and collaboration with Chiesi, and to **set medium- and long-term goals** for building a sustainable value chain.

Partnership Day underscores our interdependence, highlighting the crucial role of each partner in creating shared value and protecting our planet.

Ambitions for 2024 and beyond

In 2023, as part of the Sustainability Strategic Plan 2023-28, Chiesi approved strategic objectives for the value chain. Implementation of these actions will begin in 2024.

Four strategic objectives have been established:

1. Regularly update the Code of Interdependence to engage all Chiesi third parties.
2. Utilize the EcoVadis tool across the Group to measure the ESG performance of all third parties.
3. Monitor the value chain emissions baseline with specific reduction targets, aligned with Chiesi Group's 2035 Net Zero goal.
4. Implement due diligence measures and audits on ethics, human rights, and environmental protection for suppliers, partners, and distributors, in preparation for Sustainable Due Diligence regulations.

¹⁸ Lieferkettensorgfaltspflichtengesetz

Responsible Use of Resources

Chiesi is committed to responsibly managing resources, promoting alternatives, reducing waste, and recycling materials to protect current and future generations' health. Our approach is science-based, and our governance framework supports achieving these goals systematically.

Energy

Efficient energy use is crucial to mitigate the impact of human activity on the climate. To achieve our decarbonization goals, we strive to meet our energy needs by relying on renewable energy and minimizing the use of fossil fuels. This includes **reducing energy demand through innovation, improving equipment efficiency, and enforcing strict energy standards for new equipment and buildings.**

Energy Management System

We have adopted the **ISO 50001 standard** for energy efficiency at our main energy-intensive sites, ensuring continuous improvement in energy performance. This system operates on a Plan-Do-Check-Act cycle, requiring meticulous monitoring throughout asset lifecycles, from design to operation. Our **Research Center in Parma (Italy) and manufacturing sites in Parma, Blois (France), Santana de Parnaiba (Brazil), and logistic site in Parma** are all certified according to ISO 50001:2018 standard.

Renewable Energy

We recognize the pivotal role of renewable energy in mitigating the threat of climate change, and it is a cornerstone of our Net Zero strategy. To achieve this, we are increasing our **on-site renewable electrical energy production** and integrating low-impact, off-site renewable energy sources.

A key milestone in 2023 on our decarbonization path and contribution to the energy transition is the **signing of a 10-year Power Purchase Agreement (PPA)** for off-site renewable electricity production. This agreement involves a newly built photovoltaic plant in Montalto di Castro, Italy, which will supply over 30 gigawatt-hours of clean, **renewable electricity annually to all Italian sites** starting in 2024.

The approach of using green energy is also being pursued across **manufacturing sites** outside Italy, and the electricity used by the French and Brazilian plants is currently produced from renewable sources.

We are also taking active steps to increase the use of **renewable electricity in our affiliates.** To achieve this, we have defined specific requirements, outlined in our **Corporate Green Energy Procurement Guideline** and **Green Energy White Paper**, which align with international sustainability standards adopted by Chiesi (GHG Protocol, LEED, Science-Based Targets initiative). These requirements ensure that energy suppliers meet parameters for high-quality green energy, sourced possibly from low-impact renewable

sources such as wind and solar, and from new plants to smooth the transition away from older, more impactful power plants.

Chiesi has actively invested in installing **photovoltaic panels** within its facilities and we are exploring further opportunities to expand **on-site renewable energy generation** capacity. Recent installations, such as the new photovoltaic unit at the Blois production site and the expansion of the Parma unit, enable us to prevent nearly 312 tons of GHG emissions annually, covering 3% of our 2023 site electricity needs.

In 2023, Chiesi's total energy consumption came from fuel consumption, energy purchased and energy self-produced.

In terms of energy consumption within our organization, 2023 shows a better performance compared to 2022 (-3.96%), despite the new acquisitions of Amryt, the start-up of the new biotech plant in Italy and the increase in production at the Parma and Santana sites.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Fuel Consumption

Chiesi groups non-renewable fuel consumption into two main uses: Car fleet (diesel and gasoline) and sites & technological uses (LPG and natural gas). Overall, 2023 recorded a better performance with respect to 2022 by -8%, mainly driven by the reduction of natural gas and diesel consumption.

Natural gas consumption decreased by 9% in 2023 compared to 2022. This has been achieved thanks to the implementation of new electrifications measures and smart heat recovery.

Due to the Chiesi Group's ongoing efforts to convert its fleet from fossil fuels to electric vehicles, in 2023, we were able to more than double our electric and hybrid vehicles to 28% (12% in 2022). This shift resulted in increased consumption of electricity and gasoline, the main non-renewable fuel for hybrids.

Finally, the use of renewable fuels increased, particularly in Brazil, where bioethanol consumption grew significantly.

Electricity

The percentage of **renewable electricity** consumed increased slightly from 98.71% in 2022 to 98.80% in 2023. All electricity consumed in 2023 was renewable, with the exception of a few affiliates and off-site fleet charging.

Our Italian sites are 100% powered by low-impact (wind and solar) renewable electricity and our manufacturing sites are 100% powered by renewable electricity.

Self-produced electricity consumption increased by 54% compared to 2022, thanks to the new photovoltaic unit at Chiesi's Blois site and the expansion of the Parma units.

Stationary Emissions and Electricity Decarbonization Study

In 2023, Chiesi took a significant step towards achieving net zero greenhouse gas (GHG) emissions with the Decarbonization Study. This study targets the most impactful sites—production plants in Italy, France, and Brazil—focusing on the following key areas:

- Energy efficiency
- Reduction of stationary CO₂ scope 1 emissions
- Increased self-generation from renewable sources

The study evaluated the maximum performance achievable in each area and identified the measures and resources needed to reach these goals. This assessment enabled the creation of a global roadmap and the setting of targets for the coming years, refining our long-term Net Zero planning. Implementing this global roadmap is a key aspiration for 2024 and beyond and has informed the update of our Manufacturing Strategic Plan.

28% Transitioning car fleet from fossil fuels to electric and hybrid vehicles (12% in 2022)



Water

With only 3% of Earth's water being freshwater and much of it trapped in glaciers, water conservation is fundamental. Although our manufacturing processes do not heavily rely on water, Chiesi has a targeted project assessing the water impact of our products as part of our Sustainability Strategic Plan. Our primary **water usage stems from production processes and associated cleaning needs**, with our Italian manufacturing plant being the largest consumer.

Water usage is strictly analyzed and treated throughout our processes and at our sites. Various measures are taken to **minimize water consumption**, such as the implementation of wastewater treatment systems that significantly reduce the generation of liquid waste. Wastewater is treated to meet local regulations before discharge, and waste disposal is in accordance with local laws.

As part of our TCFD assessment, we have **evaluated risks and opportunities linked to water**, including scarcity, droughts, and floods.

Since 2020, we use a Risk Assessment System to evaluate the **potential impact of the release of active pharmaceutical ingredients (APIs)** into industrial wastewater and effluent from production sites, in accordance with the guidelines of the European Federation of Pharmaceutical Industries and Associations (EFPIA).

2023 Impact

The water used by Chiesi consisted mostly of fresh water (99.9%) and was primarily withdrawn from areas with no water stress (92%). The majority of the water (298.7 ML) was supplied by third parties, with a small portion sourced from groundwater (28.66 ML) and surface water (0.55 ML).

Water Withdrawal

In 2023, water withdrawal **decreased by 8.5%** compared to 2022, largely due to the implementation of a **Water Recovery System** at our Italian manufacturing plant. Introduced in 2022 by our site engineering team, this system allows us to **reuse a significant portion of wastewater** generated during production, reducing overall water withdrawal.

The project was initiated to cut industrial waste from pharmaceutical processes and lower management costs. Utilizing vacuum evaporation, which boils solutions at low temperatures, the technology is energy efficient. This new system was integrated downstream of existing wastewater treatment plants.

Discharged Water

Discharges mainly originate from manufacturing sites, as offices primarily use water for civil purposes. Thanks to efficient measures, discharges from production activities decreased from 2022 to 2023. The majority of discharged water (90.2%) was directed into municipal sewers, with some discharged into surface water sources.

Water Consumption

Water consumption is measured as the difference between water withdrawal and water discharge. In 2023, water consumption accounted for 33% of overall water withdrawal, **with 96.4% occurring in non-water stress areas**, where most Chiesi affiliates are located.



Chiesi employees at
volunteering initiatives in
Italy

Waste

Waste management is a critical issue that is often overlooked despite its substantial greenhouse gas emissions. Landfill waste generates methane, while transportation and incineration produce CO₂, dioxins, and pollutants.

Chiesi is committed to reducing waste across our sites, focusing on both hazardous and non-hazardous materials. To achieve this, we prioritize efficient production processes and waste control systems, along with implementing **waste reduction measures**. Our production plants, headquarters, research center, and logistic site adhere to **ISO 14001:2015** standards, each with an environmental management system aimed at promoting best practices in waste management and recycling.

We have implemented innovative technologies, like the Water Recovery System, which also serves as advanced **water discharge treatment** at our Parma plant. The system concentrates liquid residues (sludge) from wastewater operations, leading to notable reductions in waste and costs.

2023 Impact

In 2023, Chiesi Group's waste increased due to higher production levels by 17% compared to 2022. Manufacturing sites accounted for 90% of the total waste, with the Blois plant in France making a significant contribution due to the implementation and testing of new production lines.

Hazardous Waste

Chiesi Group's hazardous waste primarily stems from the production process, **involving solvents and active pharmaceutical ingredients**. Following local regulations, these wastes are collected and disposed of properly, with **72% undergoing recovery operations**.

Non-hazardous Waste

Non-hazardous Waste from production processes consists of paper, dashboards, and plastic. These materials are similar to those from offices and are largely recycled.

Approximately 20% of the total waste was disposed of, mainly through incineration with energy recovery, while **80% was recovered through recycling and other operations**.

All waste from Chiesi was appropriately treated by external authorized suppliers.



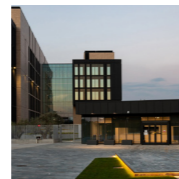
Chiesi employees at volunteering initiatives in France

Better Building

Launched in 2020, our Better Building program aims to **elevate our global sites to high sustainable building standards**, such as LEED and Green Building. This initiative enhances **occupant well-being and reduces environmental impacts on local communities**. It adopts a holistic approach to energy reduction, water conservation, waste management, and human experience, addressing the entire building lifecycle from design to operation.

The program follows a twofold strategy: upgrading existing facilities and designing new buildings or renovating older ones with sustainability in mind. It emphasizes **responsible site management** and living by monitoring, ranking, planning improvement actions, and tracking progress, fostering continuous improvement.

Best practices are shared across sites to encourage ongoing enhancement. To date, the Better Building program has been implemented at 43 Chiesi sites worldwide.



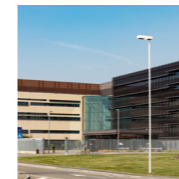
Parma HQ:
LEED Platinum
ISO 14001
ISO 45001



Blois (production site):
LEED Gold
ISO 14001
ISO 45001
ISO 50001
BREEAM In-Use



Santana de Parnaiba (production site):
ISO 14001
ISO 45001
ISO 50001



Parma R&D Centre:
LEED Gold
ISO 14001
ISO 45001
ISO 50001



Parma (production site):
ISO 14001
ISO 45001
ISO 50001



Fontevivo (Logistic site):
LEED Gold
ISO 14001
ISO 45001
ISO 50001



*“In 2023, we transitioned from a standard Vendor Day to an integrated **Partnership Day**, awarding top partners in the categories “People & Planet” and “Innovation & Collaboration.” Additionally, we launched the **WeReduce** project, **inviting every employee to suggest actions for reducing Chiesi’s energy consumption.**”*

Guido D’Agostino
Global Finance, Head of Global Procurement
CHIESI IMPACT COMMITTEE MEMBER

Ambitions for 2024 and beyond

Chiesi's future focus will be on key areas of resource management. Circular management and electronic equipment recycling are crucial to demonstrating our commitment to superior waste management. Additionally, water management is becoming increasingly important due to concerns about water scarcity and upcoming regulations from the TCFD.

Better Building

Chiesi has several key objectives for the Better Building project in the coming years. They include achieving LEED EB:OM v4.1 certifications, specifically for the Santana de Parnaiba and San Leonardo sites and obtaining LEED NC v4.1 certification for the Biotech facility. The certification of San Leonardo will enable us to reach the milestone of certifying 80% of Chiesi's building portfolio.

In addition, our Global Procurement team is actively working on renewable energy initiatives to address the challenges Chiesi affiliates face in sourcing green electricity.

My Green Lab

Focusing on our research facilities, one of our goals is to embark in the journey towards "My Green Lab" certification for Chiesi labs. The certification is recognized globally as a gold standard for laboratories sustainability and offers actionable measures for cost savings, resource conservation, and a safer, healthier scientific environment. By pursuing this certification, we aim to contribute to a global standard of excellence in laboratory sustainability. In 2024, we aim to have at least two labs certified.

Biodiversity

Biodiversity and nature loss have become an emerging priority in recent years, prompting the development of methodologies to assess an organization's impact, prepare for disclosure requirements, and meet investor expectations. While still in the early stages of development, this is an area of increasing focus for Chiesi. Our aim is to build the necessary expertise to assess Chiesi's impact on biodiversity, disclose our performance and establish a strategic approach with clear targets and improvement plans.



Product Sustainability

As a biopharmaceutical company, we operate in a highly regulated industry where ensuring the safety and quality of our products are paramount. At Chiesi, we extend this responsibility by embedding sustainability into every facet of our product development process, alongside our unwavering focus on safety, efficacy and quality.

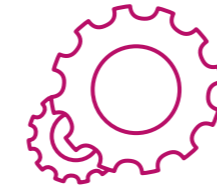
Our commitment to quality is exemplified by:



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)



Quality and safety standards:
Chiesi's products adhere to European and international regulations such as EU Good Manufacturing Practices, EMA, US FDA, Sino FDA, and Brazilian ANVISA.



Compliance inspection:
Production sites in France, Italy, and Brazil undergo regular inspections to ensure compliance with regulations.



Internal quality control:
Chiesi conducts self-inspections to uphold high-quality standards.



Transparent reporting
Safety and quality information is transparently tracked and analyzed in compliance with laws and best practices.



Pharmacovigilance
A proactive approach is taken to monitor therapy performance and safety globally.



Adverse event reporting
Chiesi collects and analyzes adverse patient experiences, submitting relevant information to regulatory authorities for appropriate action.

All of Chiesi's product categories are assessed for **health and safety impact** improvements. Furthermore, in 2023, no incidents of non-compliance concerning the health and safety impacts of our products were registered. The very limited cases of product recalls that occurred were on a voluntary basis, promptly managed by the company, and did not lead to penalties or impacts on health.

Circularity and Responsibility

In 2021, we launched the Eco-Friendly Products program to critically evaluate the environmental footprint of our products. This includes how manufacturers take responsibility for their products, using industry-specific methods to reduce our ecological impact, embracing circular design and models, minimizing waste, and using materials wisely. We are attentive to evolving regulations on materials, chemicals, and packaging, both at the EU and global level. Additionally, as circular economy solutions and metrics become increasingly available and scalable, we are committed to adopting and integrating them into our sustainability framework.

Chiesi developed an internal **green design tool**, called Life Cycle Perspective (LCP) tool to align products from the initial design phases with circular economy principles. The tool takes into account external trends and best practices, with version 3 released in 2023. It integrates input from various development stages and analyzes four macro-areas: chemistry, device and packaging, natural resources, and ethics. The green design tool has already been applied to products in our R&D pipeline and the assessment was extended to a group of commercial products representing 56% of units sold in 2023 (based on total Chiesi products).

As a pharmaceutical company, we are dedicated to responsibly managing chemicals, aiming to minimize their usage and prioritize less hazardous options to mitigate their impact on human health and the environment. Since 2019, we have implemented an internal **Sustainable Chemistry Policy** outlining principles and measures to ensure our chemicals and materials uphold these standards.

Since 2020, we have been implementing a risk assessment system to evaluate the potential impact of releasing active pharmaceutical ingredients (APIs) in wastewater from our production sites, aligning with EFPIA commitment (**Pharmaceuticals in the Environment (PIE)** (efpia.eu)). This project, known as **Pharmaceutics in the Environment (PiE)**, identifies environmental risks using a methodology called the Risk Quotient (RQ)¹⁹ to gauge risk levels. The ratio between Predicted Environmental Concentration (PEC)²⁰ and Predicted No Effect Concentration (PNEC)²¹ determine the RQ. Our goal is to keep the risk controlled (RQ < 1), intervening where needed if risks are identified (RQ ≥ 1).

At our affiliates, **managing products at their end-of-life** is crucial. We prioritize plastic management and the extraction and reuse of propellant gas due to its high greenhouse gas emissions potential. Additionally, we are analyzing pharmaceutical waste management options and end-of-life treatments across major EU countries. Environmental regulations, recycling infrastructures, awareness levels, and other factors vary significantly among countries, impacting the development of **take-back schemes for pharmaceutical waste**.

¹⁹ The Risk Quotient (RQ) helps predict the probability of reaching a concentration of a pharmaceutical ingredient in the environment that could cause adverse effects to identified compartment(s).

²⁰ The Predicted Environmental Concentration (PEC) is initially estimated using mathematical models based on the production site, followed by analysis of wastewater samples from the site.

²¹ The Predicted No Effect Concentration (PNEC) is determined through ecotoxicity tests, establishing a toxicity threshold using assessment factors per guidelines (e.g., ECHA, EFPIA).



Progress in 2023

- Chiesi introduced an updated **packaging solution** for a key neonatology product, replacing the polystyrene anti-crush box with a cardboard anti-crush packaging system made with FSC certified paper. This change aligns with our dedication to environmentally conscious and recyclable packaging solutions.
- In 2022, Chiesi R&D initiated the **Sustainable Patient Kit** project to minimize the GHG footprint of clinical trial kits. The project focuses on optimizing kit design, packaging materials, documentation, and labeling. The first activities implemented in 2023 include transitioning from polyester ancillary labels to unique study labels applied directly to each clinical kit. These actions are expected to reduce the annual GHG emissions of the labels by approximately 40%, based on 2022 data. Additionally, new materials for shipping boxes have been introduced, such as paper bubble replacing plastic filling material.
- For our consumer healthcare brand **NHCO Nutrition**, Chiesi was able to reduce the size of the packaging for more than 20 product references. This initiative resulted in a significant reduction in the use of both cardboard and plastic.

NHCO Nutrition
packaging reduction of

6.1 tons of cardboard **14.7** tons of plastic

- Back in 2022, Chiesi introduced the **Recupera e Respira** (Take Back and Breathe) project as a 2-year pilot in the Friuli Venezia Giulia region. The goal is to **recover and dispose of inhalers in an eco-friendly and safe manner**. Through local pharmacies, people can return used inhalers, which are then collected by specialized operators and taken to certified waste-to-energy facilities for incineration, with energy recovery.

Developed with Federfarma, Recupera e Respira aims to change patient habits regarding inhaler use and disposal by involving pharmacists and patients across the healthcare ecosystem. Recognized by the Italian Ministry of the Environment, the project partners with Assinde for proper waste disposal through incineration, minimizing environmental impact while generating electricity.

Looking ahead, Chiesi plans to continue Recupera e Respira in 2024, expanding nationwide to emphasize collective action in addressing environmental challenges and inspiring similar initiatives.

403 pharmacies in Friuli-Venezia Giulia took part in Recupera e Respira.

30,225 inhalers collected not only manufactured by Chiesi but also by other companies.

Ambitions for 2024 and beyond

Chiesi has ambitious goals for the coming years to improve the impact of its products. Together with suppliers and partners, we plan to **explore new and alternative materials** and technologies. Further **expanding the product carbon footprint** assessment and applying the Life Cycle Perspective tool to key products will be a key objective for Chiesi. Finally, **building a sustainability mindset** and awareness is a priority. We want to raise internal awareness of end-of-life issues and formulate a **company take-back strategy**.



*“Achieving the **platinum medal by EcoVadis in 2023** marked a significant milestone in our sustainability journey. Through continued collaboration with our partners and suppliers, we will keep supporting a journey of mutual learning and co-evolution of our whole ecosystem in the **pathway towards Net Zero GHG emissions.**”*

Davide Borrini
Shared Value and Sustainability,
Environmental Strategy Leader
CHIESI IMPACT COMMITTEE MEMBER

Animal Welfare

Chiesi Group prioritizes **global health for people, animals, and the planet**, emphasizing animal welfare as a core principle while promoting advanced care practices.

Biomedical research on laboratory animals is crucial for our understanding disease prevention and treatment, developing safe therapies, and ultimately improving our overall quality of life. Animals have contributed significantly to scientific advances that have led to longer life expectancy and improved access to health care. They have played a critical role in almost every major medical breakthrough.

Chiesi is **required by law to conduct animal testing of all new drug candidates** on live animals per the requirements of international regulatory authorities such as the US FDA (Food and Drug Administration) and EMA (European Medicines Agency).

To guarantee the **highest level of safety and protection for patients** and consumers, the national and international regulations governing discovery, development, and manufacture of medical products mandate pharmaceutical companies to submit data on safety in animals. This data is required before authorities approve the use of a compound for human clinical trials, throughout clinical development or license a new medicine for use in patients.

Chiesi's animal studies follow strict criteria, including adherence to the 3Rs (Refinement, Reduction, Replacement) and approval by the Animal Welfare Body.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)



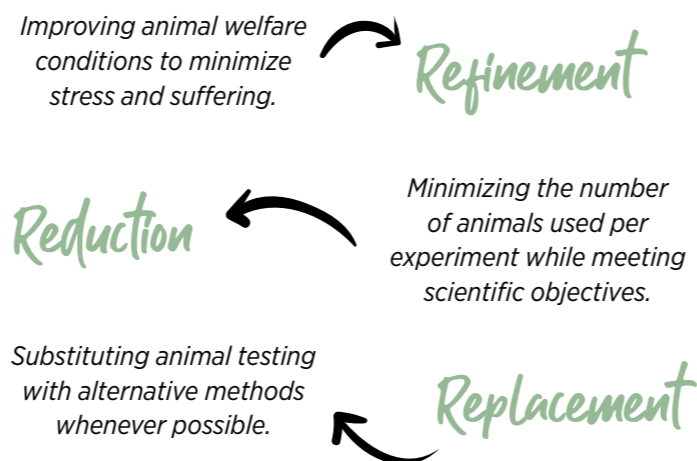
Animal Welfare Body (Institutional Animal Care and Use Committee)

The Animal Welfare Committee, required by law, oversees animal care programs to ensure humane treatment in research, testing, and education. It functions much like an ethics committee in human medicine, providing ethical oversight. The committee reviews protocols, assures compliance, and inspects facilities. It ensures that each research protocol states the purpose, justifies the use of animals, assesses the welfare implications, and implements appropriate care protocols.



3Rs – Refinement, Reduction, Replacement

Research involving laboratory animals has to adhere to the 3R principle, mandated by the European Directive 2010/63/EU on the protection of animals used for scientific purposes, which guides national laws across the European Union.



Refinement includes methods to improve the understanding of the impact of welfare on scientific outcomes and **ensure that each animal in the experiment is experiencing minimum pain, suffering, distress or lasting harm**. Examples of refinement are the use of appropriate anesthetics and analgesics.

Reduction involves techniques to **maximize data collection** per animal **and sharing resources** between research groups to minimize the overall number of animals used.

Replacement refers to the development and use of new methods and tools based on the latest science and technologies, like human

volunteers, tissues, cells or computer models, that entirely replace animal use or use animals incapable of suffering, like certain invertebrates.

While complementary methods to animal research are advancing, animals remain crucial for developing innovative treatments and drugs for human health.

AAALAC Accreditation

The Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) international accreditation program evaluates organizations that use animals in research, teaching, or testing. AAALAC International is a private, non-profit organization that **promotes the humane treatment of animals in science** through voluntary accreditation and assessment programs.

Through AAALAC's voluntary accreditation process, research programs demonstrate not only that they meet the minimum standards required by national laws and regulations, but also that they are **continuously striving to achieve excellence in animal care and use**.

Chiesi facilities achieved full accreditation in June 2021. A new document was submitted to AAALAC for re-accreditation in December 2023. The AAALAC re-accreditation inspection is expected in 2024.

In 2023 in preparation of the AAALAC site visit, two mock inspections were made by an external consultant (former AAALAC inspector) to identify potential issues related to documentation deficiencies, record keeping, training gaps. In both cases, the outcome was positive, confirming that we are meeting the AAALAC standards.



People

- Workforce Management —
- Human Rights —
- Diversity & Inclusion —
- Community Support & Development —

People at a glance



Human Leadership Model

-  **DRIVE**
-  **INNOVATE**
-  **SHARE**
-  **CARE**

GUIDING PRINCIPLES

Corporate *Volunteering*

More than
16,000
 hours
 of volunteering
+77.5% compared to 2022

30.5%
 Employee
 volunteer rate



Professional *Growth*

More than
300,000
 hours
 of training
+4% compared to 2022

HIGHLIGHTS



ROADMAP

Workforce Management

At Chiesi, we consider our employees to be among our most valuable stakeholders, and therefore ensuring a healthy and positive workplace culture is a top priority. Our Human Resources organization encompasses several key workstreams to cover the entire employee journey: functional and regional, data analytics and labor law, rewards, talent, diversity & inclusion and well-being, and cultural change.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Well-being and Safety

As a family-owned company, many of our employees have been with us for 10, 15, 20 years or more, finding alignment with our values and mission. We believe everyone has the **right to meaningful work**, the freedom to define what that means, and the agency to create a fulfilling career path. At Chiesi, we strive to foster a culture that values the person behind the work and empowers them to make a lasting positive impact, whether on patients, the planet, or their colleagues.

Creating the right physical and psychological work environment is essential for Chiesi to enable our people to develop their full potential. We have implemented numerous programs and tools to support everyone in the best possible way, taking into account individual needs and life realities.

Sabbatical

Employees at Chiesi have the opportunity to take a sabbatical, allowing them to temporarily step away from work to pursue personal interests and goals.

Working Remotely

We currently have a flexible work policy that provides a minimum of two days per week for all employees worldwide to work from home, with the flexibility for teams to tailor this to their specific needs.

People Care

The Global Well-being Guidelines aim to improve both personal and professional life at Chiesi. People care activities include healthcare services, childcare assistance, personal development opportunities such as psychological support and coaching, and financial assistance.

Parents and Caregivers

In 2023, we introduced a Parental Guideline to raise awareness of the challenges faced by employees with caregiving responsibilities and ensure equal opportunities. We provide support at various stages of family life, including prenatal, adoption, maternity or paternity leave, and everyday challenges.

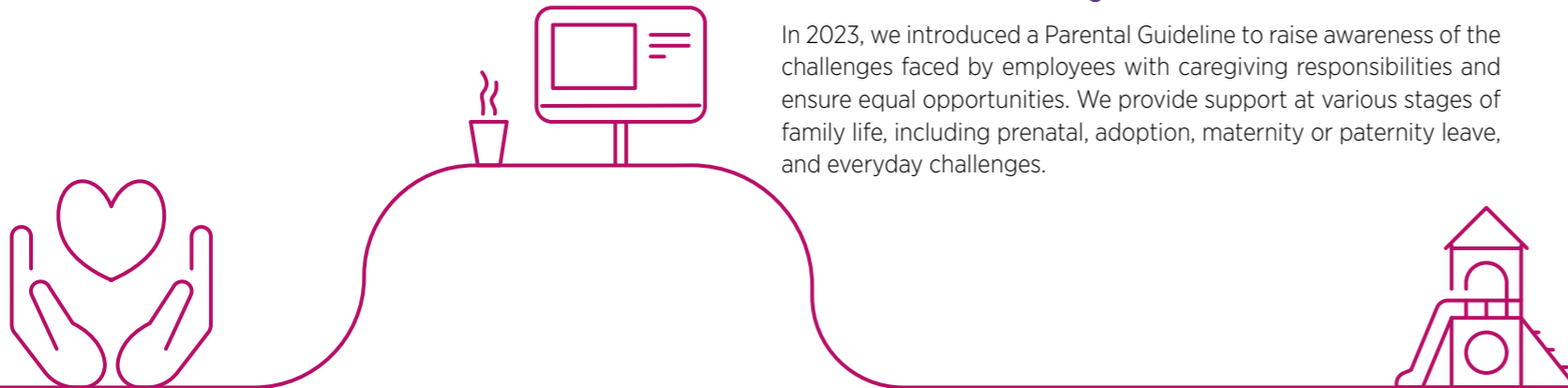
Chiesi is dedicated to maintaining top **health and safety standards** for employees and partners through continuous improvement and thorough training. We closely monitor safety at all sites, with a strong focus on physical safety and all relevant risks for employees' health and safety at work, especially in hazardous environments.

Through our People Care program, Chiesi **provides employees** with preventive healthcare opportunities tailored to local needs. These include health check-ups, exercise options, vaccination services, health-related presentations, and activities that promote both mental and physical well-being, such as meditation and yoga.

Chiesi follows Occupational Health and Safety legislation and complies with **ISO 45001:2018 and ISO 14001:2015** standards to identify, assess, and mitigate risks and to adequately manage health, safety and environment (HSE). All our production sites are **ISO 45001:2018 and ISO 14001:2015** certified. We have a global **HSE and Energy Policy**, along with comprehensive HSE Guidelines for the entire group.

The global **HSE Guidelines** describe the minimum requirements to be considered in order to assess health and safety risks, provide workers with related information and training (in addition to local HSE requirements), and implement necessary mitigation actions at all our sites.

In 2023, at the Group level, we recorded 32 **workplace accidents** resulting in absences from work. Additionally, there were 11 reported incidents involving agency workers. These incidents primarily occurred in four main areas of risk: manufacturing areas, office spaces, business trips, and while driving. The types of accidents in the manufacturing area included falls, slips or trips. A few slips and trips occurred in the offices areas as well. The accidents did not have serious consequences and they all have been deeply investigated and assessed, as well as the near misses, in order to prevent their reoccurrence.



Talent & Development

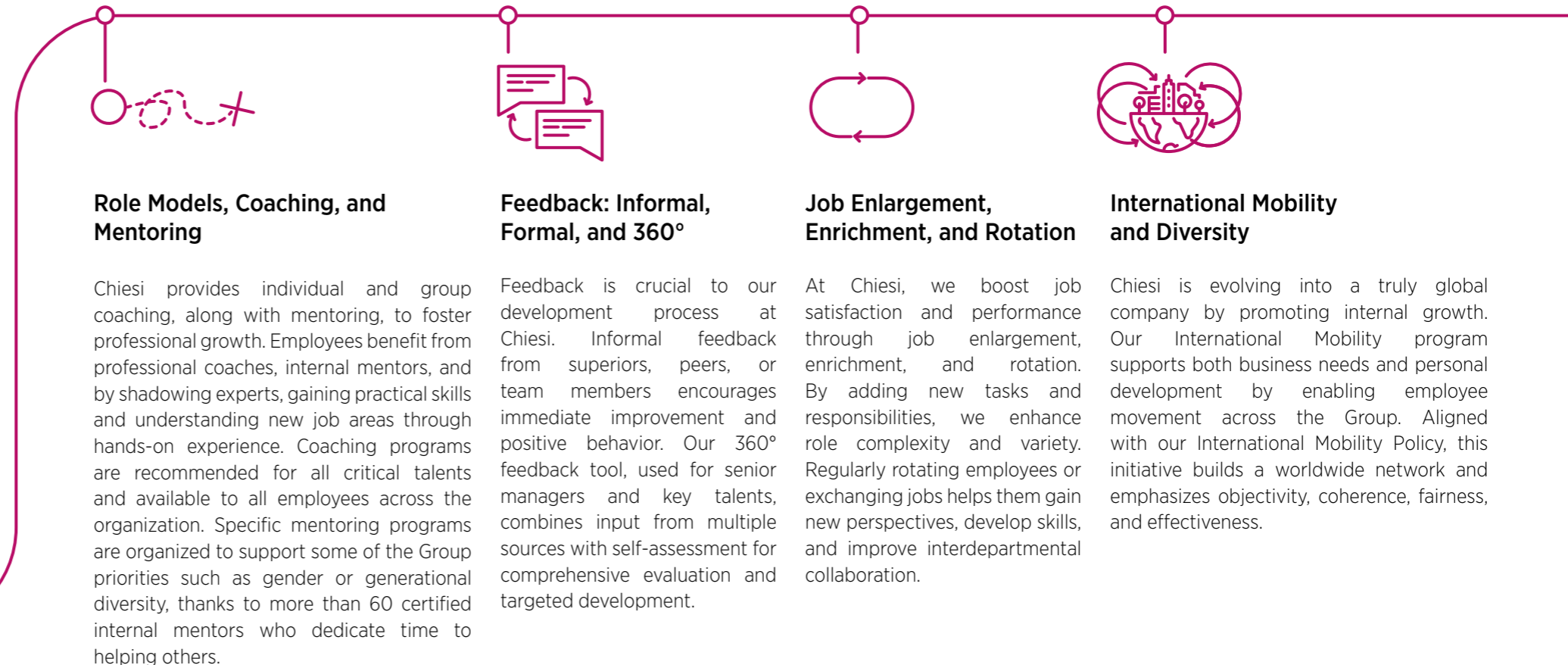
Our **People Development** process is designed to empower both individuals and the organization as a whole, unlocking their full potential and driving business growth and success. This process involves identifying, nurturing, and acknowledging the unique potential and contributions of each individual. Moreover, it aligns personal aspirations with business objectives, fostering personal growth in harmony with our organizational values.

At Chiesi, our **Talent Management** process is proactive, aiming to identify and cultivate promising employees to maintain a competitive edge. We provide targeted development opportunities to enhance career prospects. **Succession planning**, often overlooked but crucial for the longevity of an organization, acts as a safeguard against critical skills and personnel gaps. It shapes talent development plans and ensures seamless business operations. We focus on critical talents, individuals who demonstrate potential for growth, aptitude in managing increasing complexity, and aspirations for leadership roles. This focus ensures a robust pipeline of future leaders for the organization.

Tools for People Development

One of the key tools Chiesi provides is the Individual Development Plan (IDP). The IDP evaluates professional aspirations and identifies the resources needed to develop competencies. It helps determine whether new skills need to be acquired, existing ones enhanced, or other development opportunities explored. The IDP translates these insights into tangible actions and learning plans, serving as a personalized roadmap for growth.

Continuing our commitment to comprehensive evaluations, all eligible employees received performance reviews and career development discussions in 2023, in line with 2021 and 2022. Eligibility is based on employment status as of September 30th of the performance cycle year to ensure a full review period.



Role Models, Coaching, and Mentoring

Chiesi provides individual and group coaching, along with mentoring, to foster professional growth. Employees benefit from professional coaches, internal mentors, and by shadowing experts, gaining practical skills and understanding new job areas through hands-on experience. Coaching programs are recommended for all critical talents and available to all employees across the organization. Specific mentoring programs are organized to support some of the Group priorities such as gender or generational diversity, thanks to more than 60 certified internal mentors who dedicate time to helping others.

Feedback: Informal, Formal, and 360°

Feedback is crucial to our development process at Chiesi. Informal feedback from superiors, peers, or team members encourages immediate improvement and positive behavior. Our 360° feedback tool, used for senior managers and key talents, combines input from multiple sources with self-assessment for comprehensive evaluation and targeted development.

Job Enlargement, Enrichment, and Rotation

At Chiesi, we boost job satisfaction and performance through job enlargement, enrichment, and rotation. By adding new tasks and responsibilities, we enhance role complexity and variety. Regularly rotating employees or exchanging jobs helps them gain new perspectives, develop skills, and improve interdepartmental collaboration.

International Mobility and Diversity

Chiesi is evolving into a truly global company by promoting internal growth. Our International Mobility program supports both business needs and personal development by enabling employee movement across the Group. Aligned with our International Mobility Policy, this initiative builds a worldwide network and emphasizes objectivity, coherence, fairness, and effectiveness.

Human Leadership

Between 2021 and 2022, Chiesi introduced the concept of Human Leadership engaging stakeholders and employees to analyze the human-centric and empathy-based nature of leadership. The resulting model is a global frame for all Chiesi leaders. Human Leadership surpasses traditional purely results-driven leadership, prioritizing an approach based on systemic thinking, meaningful relationships and positive organizational culture to enable individuals to excel. With the launch of the Human Leadership Learning Journey in 2023, we ensure its widespread recognition and implementation across the organization through dedicated live sessions, online self-paced content, and collaborative forms of interaction. All Chiesi employees can develop their leadership skills through the learning journey and resources are made available to affiliates to ensure a consistent message and cascading.

Learning and Training

Chiesi provides diverse channels and settings for training and learning opportunities for all Chiesi people. Our global Learning Management System is “C-Learning”, which acts as a hub for most of our training courses, regardless of whether the training is mandatory or voluntary and regardless of the subject matter.

We value the diversity of learning environments that cater to a **variety of learning styles**. For learners who prefer to set their own pace, we offer a range of digital content, including videos, podcasts, bite-sized learning modules, and comprehensive readings. In the realm of **interpersonal and instructor-led workshops**, we

encourage group work and discussion. Finally, it is important to us to integrate **action learning** and project work into our learning journeys. This involves assigning tasks to individuals or groups that enable learners to apply their new knowledge to tangible, high-impact projects at the business level.

Our purpose is to **provide personalized**, transformational, and collaborative learning experiences for Chiesi employees, so that every single person can create their own Individual Development Plan (IDP) and make it part of an ongoing conversations with direct manager and HR about future ambitions and possible career paths.

In **2023, training activities** increased slightly across the Group (4% compared to 2022), with a total of **302,849 hours of training**, averaging 45.3 hours per employee, led by Chiesi Brazil, Mexico and Germany. There were minimal differences between men and women, except in People Care trainings (three men for every ten women).

Among other projects, we launched two key global training initiatives in 2023: the **Human Leadership Learning Journey** and the **Group Anti-Bribery Training**. The Human Leadership Learning Journey was made available to all Chiesi employees and recommended to Chiesi Leaders. The Group Anti-Bribery Training was assigned to Chiesi employees, and it was the most attended course in 2023, deployed in C-Learning, with a completion rate of 61.5% as of December 2023.

Beyond this, Chiesi offers specialized development paths for critical talents through the **Chiesi Academy**, which currently consists of three programs: **Developing Executives and Leaders** (DEAL), **You LEAD**, and the

Chiesi Corporate Master (CCM). The DEAL program aims at developing leaders who understand global scenarios and will shape the future of Chiesi. YouLead focuses on developing leadership excellence in managing oneself, people, and organizations. CCM program, is targeted early talents and it aims at deepening understanding of the pharma business. New academy cohorts are launched every year.

Human Leadership Model



DRIVE
DRIVEN BY FUTURE AND TRANSFORMATION



INNOVATE
DRIVEN BY MULTI-SYSTEMIC THINKING



SHARE
DRIVEN BY INCLUSION AND SHARING



CARE
DRIVEN BY LEARNING AND SUSTAINABILITY

Performance & Reward

In 2021, Chiesi introduced a new Performance Management System emphasizing our mission and people-centric approach. The process is designed to lead, manage, develop, and reward employees, ensuring fairness, transparency, and meritocracy. It universally incorporates quantitative objectives and qualitative behaviors, providing opportunities for performance enhancement, influencing bonuses, salary reviews, and personal development.

Chiesi's **Total Rewards philosophy** aims to provide fair recognition for individual contributions (pay for performance) while ensuring consistent remuneration based on job accountabilities (pay for job).

The primary reward element for all employees is the base salary, determined annually considering factors such as role, national and industry standards, company contracts, and individual agreements. At Chiesi, base salaries are reviewed through the **Global Salary Review** process.

The second key element is variable compensation, tied to performance outcomes at individual, team, and company levels, with eligibility determined by role and local contractual agreements. Beyond that, benefits are defined at the local level based on Group guidelines.

Since 2022, our Performs and Rewards program has placed a high priority on annual **objectives aligned with Shared Value and Sustainability (SV&S) principles** for leadership positions. We understand shared value as achieved when objectives directly benefit patients, employees, local communities, suppliers, partners, or the planet. This shift from outcome to impact emphasizes our commitment to creating positive change for stakeholders, moving beyond generic business metrics.

Progress in 2023

Open Day

In October 2023, Chiesi opened its doors to over 2,000 guests, including family, friends, and community members, at our Parma headquarters for the first “Open Day” event. It was an opportunity to showcase the Chiesi way of working and living, while deepening the understanding of the pharmaceutical industry.

Throughout the day, various initiatives were organized to allow participants to gain insight into the experiences of patients living with diseases. By offering a more intimate perspective, these activities aimed to raise awareness of the daily challenges faced by patients.



Great Place to Work

We recognize that continuous improvement is a journey, and we regularly check in with our employees to ensure we are on the right track. For this, we utilize Great Place to Work (GPTW), which certifies that a company is an employer of choice and helps enhance its workplace through detailed reporting, analysis, and actionable insights.

From 2019 to 2023, Chiesi has been GPTW certified in Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czech Republic, China, Finland, France, Germany, Greece, Hungary, Italy, Mexico, Netherlands, Pakistan, Poland, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Turkey, the UK and the US.

The GPTW certification evaluates employees’ trust in the organization and engagement with company culture and purpose through the “Trust Index,” which ranges from 0% to 100%. In 2023, our Trust Index was 77%, up from 67% in 2019.



Top Employer

The Top Employers Institute program certifies organizations based on the participation and results of their HR Best Practices Survey. This survey covers six HR domains with 20 topics, including People Strategy, Work Environment, Talent Acquisition, Learning, Diversity, Equity & Inclusion, Well-being, and more.

Our long-standing collaboration with the Top Employers Institute allows us to continually assess and improve life at Chiesi. We are proud to have obtained certification in Italy, Germany, the UK, Greece, and Poland—confirming us as a Top Employer in Europe for the 11th consecutive year—as well as in Brazil, the USA, and Pakistan.



Ambitions for 2024 and beyond

As our organization continues to grow in numbers and geographical reach, maintaining effectiveness and impact is paramount. We are committed to embracing a **lean, agile, and aligned structure** to navigate this growth successfully. Our organizational transformation will be guided by the principles of our Human Leadership Model, ensuring that our people remain at the heart of our success.

We aspire to be recognized as an **employer of choice**, with a defined employer value proposition that resonates both internally and externally. Strengthening our presence in external markets, forging partnerships with key universities and hubs, and enhancing our reputation as a desirable place to work are central to this goal.

Innovation is at the forefront of our agenda, and we are committed to fostering a **culture that prioritizes creativity and ingenuity in the workplace**. Embracing an expansive view of innovation, we aim to empower our employees to contribute their ideas and drive positive change within the organization.

Human Rights

Human rights are essential for **ensuring all individuals live with dignity**. As outlined in the UN Guiding Principles on Business and Human Rights, companies must respect these rights by avoiding infringements and addressing any negative impacts. Upholding human rights helps companies better manage operational and regulatory risks, positioning them to comply with future legal requirements.

Our **Group Human Rights Policy**, published in 2023 and available on the Chiesi website, reaffirms our commitment to prohibiting child labor, forced labor, harassment, abuse, and discrimination. It also emphasizes freedom of association, health and safety, psychological safety, and work-life balance. Approved by the Group CEO and Chief HR Officer, the policy provides Chiesi employees with clear principles to guide their actions and decisions.

Human rights are also a key focus of Chiesi's **Code of Interdependence**, our supplier code of conduct. We promote decent work through fair conditions, child labor

prevention, workers' rights, and social dialogue. Respect for human rights is a crucial criterion in evaluating and selecting our suppliers and business partners.

Chiesi is dedicated to identifying, preventing, and mitigating human rights risks throughout its operations and value chain. If adverse impacts are identified, Chiesi supports legitimate processes to remedy any harm it has caused, contributed to, or been associated with. We encourage all associates to **report real, perceived, or potential human rights abuses**. Reports should be made through internal channels, such as Human Resources or Legal & Compliance, in accordance with local rules and procedures, and relevant line managers should be informed. If employees are uncomfortable using these channels, they may use the Chiesi Group whistleblowing system, "SpeakUp&BeHeard."

Ambitions for 2024 and beyond

The EU Corporate Sustainability Due Diligence Directive (CSDDD) will impose strict requirements on companies with regard to human rights. Chiesi will continue to invest resources to improve our approach to human rights. This includes implementing enhanced due diligence measures, strengthening oversight throughout the organization, and working closely with suppliers, partners, and stakeholders to ensure compliance throughout our value chain.



Looking for detailed ESG data? [Explore our Sustainability Performance.](#)



Diversity & Inclusion

At Chiesi, Diversity and Inclusion (D&I) are central to our core value of “Collaborating as an Inclusive Team.” Our D&I initiatives aim to create an environment where individuals feel empowered to express their authentic selves. We believe this commitment enhances well-being, drives innovation, attracts top talent, and strengthens our business.

Chiesi embraces **diversity in all its visible and invisible forms**—ethnicity, gender, sexual orientation, gender identity, socioeconomic status, age, physical ability, religious beliefs, and more.

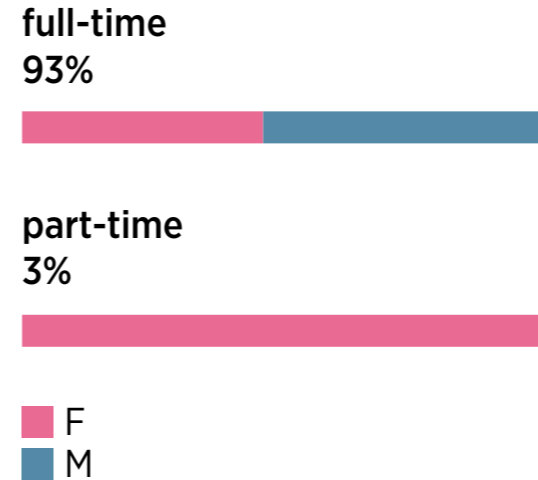
As a key driver in advancing these issues, Chiesi has established a global **D&I Policy** and a dynamic Global D&I Committee. This committee promotes a comprehensive D&I program and ensures that D&I principles are integrated into local action plans through dedicated governance structures, including a local D&I reference person and local D&I committees.

In 2023, we established a **D&I Review** governance mechanism, which implies members of the Executive Team, the D&I Committee, and HR to monitor the implementation of Chiesi’s annual D&I challenges and strategic actions stemming from the HR Strategic Plan, SSP 23-28 and the B Impact Assessment.

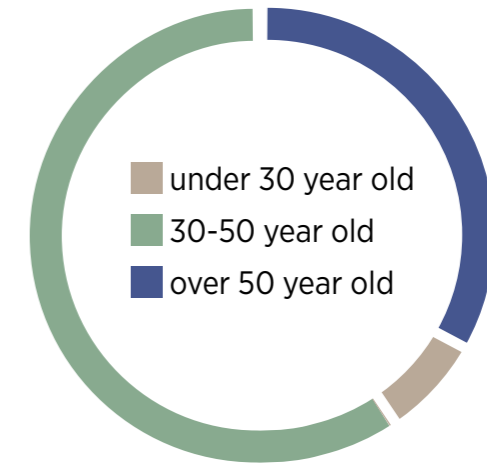


Looking for detailed ESG data? [Explore our Sustainability Performance.](#)

Diversity by gender



Diversity by age class



24%
of new hires
under age 30



Chiesi People at Parma pride in 2023

Global Diversity & Inclusion Committee

Established in 2019 and structurally elevated in 2022, our dedicated D&I Committee fosters a culture of inclusion and diversity across Chiesi. This diverse group, representing various backgrounds, functions, and geographies, guides our **D&I strategy** by creating global plans, ensuring implementation, and championing initiatives to cultivate a truly inclusive workplace. Sponsored by Chiesi’s Executive Team, the committee includes 16 members from our affiliates, regions, and functions, with regular rotation to ensure a broad range of perspectives.

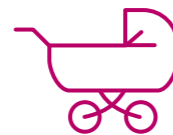
Gender Equality

We are actively combating gender inequalities within our organization, and one of our significant accomplishments has been eliminating the **unexplained gender pay gap** across the Chiesi Group. Our efforts began in 2020, including two merit pay cycles, pay equity adjustments, a comprehensive HR process review, and targeted recruitment of women for senior roles.

From a global unexplained gender pay gap of -1.48% in 2021, we have meaningfully reduced it to a statistically insignificant -0.77% in 2022. While this gap varies by country, it is statistically non-significant for most of Chiesi’s affiliates. This progress outperforms the average pay gap in the healthcare sector.

In February 2023, Chiesi was the first Italian pharmaceutical company to receive the **Gender Equality Certification from Bureau Veritas²³** for its efforts in closing the gender pay gap. This three-year certification, with annual monitoring, is based on the rigorous UNI/PdR 125:2022 standard, which assesses our commitment to gender equality through KPIs and policy evaluations.

Acknowledging that salary is just one aspect of equality, Chiesi initiated various programs in 2023 to ensure equal career advancement for all genders by 2030. These initiatives focus on fostering work-life balance with targeted programs such as:



Group Parenthood Guidelines: read more in the [Workforce Management](#) chapter.



Women’s Progression Leadership Development: Virtual sessions featuring renowned speaker Selena Rezvani provided insights on empowering women in both personal and professional spheres.



Mentors for her Growth: 14 Chiesi mentors were trained to support women’s career development by addressing unconscious bias, confidence building, and effective networking.



*“In 2023, numerous Chiesi’s Affinity Networks made significant strides, expanding their reach across different countries. One example is the **Chiesi Women’s Initiative Network**, a coalition of women and their allies committed to creating positive cultural change for women at Chiesi. It also contributed to raising awareness about the **gender gap in clinical medicine and clinical trials.**”*

Carmen Dell’Anna

Franchises AIR and CARE,
Head of Global Medical Affairs

CHIESI IMPACT COMMITTEE MEMBER

²² WHO (World Health Organization): gender pay gap in the health and care sector

²³ Bureau Veritas <https://group.bureauveritas.com/> is a global leader in providing conformity assessment and certification services across various sectors, including quality, health, safety, environment, and social responsibility (QHSE-SA).

Disability & Caregivers

In 2023, Chiesi conducted the Global **Disability Equality Assessment** to evaluate our organization's inclusivity and accessibility for people with disabilities across ten key areas. Insights from the assessment revealed the need for a standardized global approach in collecting and disclosing information to foster a cultural shift towards acceptance and inclusion. Additionally, we are focusing on mapping caregivers' needs for better work-life harmony and addressing communication inconsistencies.

Armed with this knowledge, in 2024 Chiesi introduced the Global **Disability and Caregiver Challenge** for the period 2024-2030. This initiative aims to **turn challenges faced by individuals with disabilities into opportunities for growth and collaboration**. By recognizing and leveraging the unique potential of each individual, we strive to create an environment where expressing needs is encouraged and the representation of people with disabilities in our workforce is increased.

Chiesi Affinity Networks

Chiesi Affinity Networks (CANs) are **employee-led groups** dedicated to fostering diversity and inclusion in the workplace. These voluntary groups unite individuals with shared identities, interests, or experiences, providing a platform for open discussions that **promote a sense of belonging and safety**.

CANs play a crucial role in advancing Chiesi's D&I goals in multiple ways:

- **Community:** Providing a safe space for employees to connect and express their authentic selves.
- **Networking:** Members share experiences and offer support, building a strong network.
- **Innovation:** CANs spark new ideas and drive creative solutions for Chiesi.
- **Education:** Sharing diverse perspectives enhances cultural competency across the company.
- **Advocacy:** CANs raise awareness of employee needs and drive discussions on important topics.

Chiesi actively supports CANs by having leadership members sponsor selected groups, facilitating meetings during work hours in company facilities, and emphasizing their importance alongside other business priorities.

Currently, six Chiesi affiliates have CANs covering a range of topics, including LGBTQIA+ rights, work-life harmony, women's networks, supporting people with disabilities and caregivers, bridging generational gaps, and supporting veterans.

The CANs Arcobaleno Plaza ("Rainbow Plaza" in Italian) was established in Italy to enhance the representation of the LGBTQIA+ community. In 2022, Chiesi joined the Parma Pride parade through this initiative. By 2023, Arcobaleno Plaza succeeded in having the rainbow flag displayed prominently at Chiesi headquarters. For 2024, they have successfully set the goal of becoming one of the first official partners of Parma Pride.

CANs per Country*



* as of July 2024

Ambitions for 2024 and beyond

Diversity in Clinical Trials

In 2024, our goal is to improve our approach to clinical trials by integrating D&I principles into the trial design process to promote a more inclusive approach to medical research.

Gender Diversity in Clinical Trials in 2023



Women in Healthcare

In 2024, we are prioritizing collaborative projects with scientific associations to advance women within the healthcare sector, creating a positive impact on both the community and patients. By partnering with scientific associations, we seek to implement targeted programs and initiatives that empower women professionals in healthcare.

Gender Pay Gap

In 2024, we will continue our effort to promote gender equality, while also actively working to address the persistent gender local pay gap in Italy, Mexico, and Spain. While the unexplained gender pay gap varies by country, it is statistically non-significant in most regions. Our global pay gap stands at just -0.77%. Although the gap has been eliminated at the Group consolidated level, our goal is to close it in these specific countries by the end of the year.



*“The passion, competence, and accountability of our team drive the success of Chiesi’s D&I program. While there’s always more to do, we’ve made significant achievements, such as **closing the gender pay gap, creating Chiesi Affinity Networks, and focusing on disability, caregivers, sexual orientation, gender identity, cultures, and unique styles. Our goal is to create a thriving workplace driven by diverse perspectives and human experiences, fostering employee well-being, innovation, and excellence.**”*

Arianna Conca

Global HR, Global Head of D&I and Well-being



Community Support & Development

Chiesi truly believes that a healthy and prosperous community is essential to a company's success. Strong relationships with our stakeholders—employees, neighbors, and partners—foster trust and well-being, which ultimately benefits everyone.

Recognizing our interdependence with local communities, Chiesi established the Committee for Social and Community Development Activities (CASSC) in 2015. This committee ensures that all community activities are carefully considered and that our initiatives address specific community needs.

Chiesi's community engagement efforts and economic contributions in the countries we are present, according to local community needs, focus on:



Looking for detailed ESG data?
[Explore our Sustainability Performance.](#)



Committee for Social and Community Development Activities

This committee brings together members of the Board of Directors, top management (Global HR, Global Communication & External Relations, Chiesi Italia), and members of the Shared Value & Sustainability team. The CASSC defines Chiesi's approach to community engagement, ensuring an impactful presence, particularly in the Parma area, by managing and approving social contributions, solidarity activities and co-projecting with our local partners. Globally, the CASSC provides guidelines to Chiesi affiliates, establishing a standardized framework for local strategic community engagement coherent with the impact we want to have, while promoting each local community peculiarities.

Donations and Community Investments

In 2023, Chiesi has dedicated a total of **26.4 million euros to donations and contributions for social purposes, including community investments**²⁴.

During 2023, we donated over 38,000 units of Chiesi drugs, with a total value of €4.4 million. Even if the total value is similar to the previous year, the number of donated drugs decreased about 70%. This can be explained by a change in the mix of drug donations²⁵.

Patients: Iro-nemia Camps

*Chiesi Pakistan visited remote areas of Pakistan to raise awareness about iron deficiency among women, including expectant mothers who are at risk of premature birth due to anemia. In 2023, the camps **provided free hemoglobin testing and supplements, reaching more than 1,500 women.***

Education and New Generations: My Dream Now

*Chiesi Sweden partnered with My Dream Now to support schools with high numbers of students from immigrant families who may lack resources and career guidance. The team volunteered as coaches and hosted small groups of students at the Chiesi office. They helped students **explore career** aspirations and plan concrete steps to achieve them, demonstrating that rewarding employment opportunities exist.*

Social Innovation and Inclusion: Think Big, Do Small

Chiesi China volunteered at a local charity store that promotes inclusivity by employing 51% of its staff who are disabled or facing difficulties. As part of this initiative, Chiesi China also organized a Christmas Charity Market in their offices to further support the store's mission.

Environmental Protection: San Leo Green

The volunteering project maintains the cleanliness of San Leonardo's green areas (a neighborhood in Parma where Chiesi sites are located) with volunteers from Chiesi, IBO Italia, local associations, and schools. This initiative creates a network dedicated to environmental awareness and active citizenship through regular cleaning days. The project aims to raise environmental consciousness, strengthen social cohesion, and enhance the community's well-being.

Emergency Response: Floodings in Emilia-Romagna

*In response to the devastating floods in Emilia-Romagna, Chiesi mobilized to support affected communities. We committed **€500,000 to the Emilia-Romagna Flood Emergency Fund** and launched a corporate crowdfunding campaign for our employees.*

Culture and Attractiveness of the Area: IMPRONTE

*Created by the University of Parma in collaboration with the Municipality of Parma and supported by Chiesi Group, Fondazione Cariparma, and Davines Group, the "Impronte" exhibition explores the cultural evolution of the human-plant relationship over six centuries. Featuring over 200 works, from ancient herbaria to high-tech photography and botanical illustrations, the exhibition showcases this journey through scientific imagery. Developed in 2023, the exhibition opened to the public in January 2024, **attracting over 21,000 visitors.***

²⁴ For the identification of social purpose donations and contributions, such as sponsorships and external clinical trials and studies, we refer to the [Business for Societal Impact Guidance Manual](#).

²⁵ The amount donated is based on the average annual market price of the donated product. This amount represents the closest approximation of the actual cost that the customer would have had to contribute to purchase the product in the marketplace, and therefore differs from the standard cost of the product reported in the Group's financial statements.

Corporate Volunteering

In 2023, Chiesi's corporate volunteer program prioritized expanding employee participation and facilitating mutually beneficial experiences, where employees gain valuable skills, increase the sense of belonging and communities receive support.

Since volunteering regulations differ by country, Chiesi has established Global Volunteering Guidelines, embedded within the Well-being Guidelines, to provide a consistent framework. These guidelines outline the program's goals, benefits, and different volunteering modalities.

There are several ways employees can participate in the program:

- **Volunteering during work hours:** With company support, employees can dedicate paid time to approved local projects.
- **Skill-based volunteering:** Employees can share their professional expertise to assist non-profit organizations.
- **Personal volunteering:** Chiesi offers paid time off to support employees who volunteer outside of work hours. We also provide resources to help them find opportunities that match their interests.

Chiesi affiliates have the flexibility to tailor the program to their specific needs and communities. This allows for continuous improvement, as demonstrated by a significant **77.5% increase in volunteer hours** in 2023 compared to 2022.

Via Palermo Project

The **former Chiesi headquarters**, situated in the northern part of Parma on Via Palermo, was built in 1955 and once housed all of the company's activities. Covering almost 10,000 square meters, it has been the heart of the Chiesi Group for many years.

In the future, this site will become Chiesi's Center for Open Innovation & Competence and Chiesi Italia's new headquarters. Our long-term perspective for the area goes beyond restoration. Through a collaborative approach to **urban regeneration**, Chiesi envisions the **area as a vibrant hub** that fosters economic growth by attracting businesses and start-ups, generating employment, and boosting the local economy. Moreover, the project seeks to **strengthen the social fabric** by potentially transforming the space into a community gathering spot.

Restore to Impact

To breathe new life into this historic Via Palermo site, Chiesi initiated the **Restore to Impact international call for ideas** in 2023. Designers from around the world were invited to share their concepts, with an emphasis on **innovative and sustainable ideas**. Nearly 40 proposals were submitted by young professionals and established agencies that will shape the project's future.

"Past, Present, Future" Exhibition

To involve the local community in this new project, Chiesi decided to create an exhibition within the premises of the Via Palermo site. Titled **Past, Present, Future: A Trajectory of Innovation, Sustainability and Commitment**, this exhibition was opened on the occasion of the Open Day on October 14, 2023 for the company's employees, their families, and friends. For the public the exhibition is open in 2024. It is designed to showcase Chiesi's history and provide a glimpse of the company's future development, emphasizing the role of the local community.



Via Palermo is located in the San Leonardo district, in the northern quadrant of Parma. Developed in the late 19th century, San Leonardo became a strong industrial center, strategically located near the Piacenza-Bologna railroad. Today, the district boasts a high population density and a vibrant multicultural character.

Social Responsibility

Over the years, Chiesi has played a pivotal role as a founding member of various associations, advocating for a new regenerative socio-economic business model and promoting environmental and social sustainability.

- **Parma, io ci sto!**: Founded in 2016, this association aims to enhance the local community by fostering collaboration on projects that attract talent and resources to promote the city's development.

Parma, io ci sto!

- **KilometroVerdeParma**: This social enterprise consortium is dedicated to establishing permanent forests and woodland areas in Parma and its surrounding province. To date, the consortium has planted over 69,000 trees.

KILOMETROVERDEPARMA

- **Regenerative Society Foundation**: Chiesi is also a founding member of this Italian non-profit foundation established in 2020. The foundation focuses on leveraging business and science to advance the transition towards a fully regenerative society.



REGENERATIVE
SOCIETY
FOUNDATION

Ambitions for 2024 and beyond

Based on the Sustainability Strategic Plan three main actions have been recognized as strategic objectives for our community impact area.

- **Contribute positively to the development of local communities**: Chiesi aims to increase local investments in high-impact areas, leveraging on our expertise to support initiatives with lasting benefits. A key focus is urban regeneration, where we will contribute to projects aiming to revitalize green and urban spaces.
- **Engage Chiesi employees in initiatives that directly connect with local communities**: In 2024, Chiesi will prioritize employee engagement through an enhanced corporate volunteering program, including more flexible opportunities to participate during work hours. Additionally, we are developing a global volunteering and fundraising platform, exploring partnerships with patient advocacy groups, and encouraging volunteering during breaks and sabbaticals.
- **Listen and engage with local stakeholders**: We aim to continuously improve our approach and strategy.



*“The group’s 2023 achievement includes a 77% increase in hours dedicated to **volunteering activities**, showcasing Chiesi tangible commitment to local communities. Volunteering not only fosters **valuable partnerships** but also strengthens relationships among employees. By engaging with local stakeholders, we gain a deeper understanding of community needs, fostering meaningful connections.”*

Simona Pironti

Shared Value and Sustainability,
Community Senior Specialist

CHIESI IMPACT COMMITTEE MEMBER





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About this Report

Methodological Note

This is Chiesi Group's seventh Sustainability Report. The report provides an overview of our annual activities and their impact on sustainability, demonstrating the value Chiesi creates for patients, employees, communities, the planet, and our shareholders, today and in the future.

The report includes input from the Impact Committee and is formally approved by the Head of Shared Value & Sustainability and the Board of Directors. The frequency of publication is annual. The previous version was published in July 2023. The report is also available on the Chiesi website in the [Annual and Sustainability Reporting](#) section.

Reporting Standards

The reporting standard used for this Sustainability Report is the "GRI Sustainability Reporting Standards", updated by the Global Reporting Initiative in 2021 (hereinafter, in short, also "GRI") according to the option "In accordance with GRI". These standards are currently the most widely used and recognized internationally for non-financial reporting.

To facilitate the reader's search for information within the document, pages 111-118 contain the [GRI Content Index](#). For drafting this report, the process of collecting data

and information was managed in collaboration with the various company departments. The information is reported in accordance with the principles of balance, comparability, accuracy, timeliness, clarity, completeness, and verifiability, as well as in the context of sustainability, as recommended by the GRI guidelines.

Reference Period

In line with the Chiesi Group Financial Statement, the reporting period of the document extends from 1 January 2023 to 31 December 2023.

Unless otherwise indicated, data and information contained in this report refer to the year 2023. However, 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 purposes. Restatements of data and figures published in the previous Sustainability Report are indicated in this document.

To provide the most accurate representation of performance and to ensure that the data is 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.

External Assurance

This document has been subjected to a limited assurance engagement performed by the independent auditing firm Deloitte & Touche S.p.A., according to the criteria set out by the International Standard on Assurance Engagements - ISAE 3000 (Revised).

The data for the years ended December 31, 2022, December 31, 2021 and December 31, 2019 are presented in this sustainability report for comparative purposes and was not subject to limited or reasonable assurance.

Materiality

Materiality analysis serves as a vital tool for companies, allowing them to pinpoint key issues that matter most to stakeholders and have a significant impact on both the business and society.

At Chiesi, this process is overseen by the Shared Value & Sustainability department and vetted by the Impact Committee, before being shared with the executive leadership and receiving final approval from our Board of Directors.

In accordance with the Global Reporting Initiative (GRI), our 2023 report reflects the outcomes of our Impact Materiality Assessment. Building upon the previous year's analysis, we focused not only on stakeholder interests but

also on the actual and potential impact - both positive and negative - stemming from our operations.

Our approach involved identifying and evaluating the impacts arising from Chiesi's activities, both internally and through our network of suppliers, subcontractors, distributors, and customers. This comprehensive assessment ensured that our impacts accurately reflect the issues most critical to our stakeholders and align with our commitment to sustainable business practices.

2022

In 2022 the analysis was conducted using a four-step approach:

1. *Understand the organization context*
2. *Identify actual and potential impacts*
3. *Assess the significance of the impact*
4. *Prioritize the most significant impacts for reporting*

(1-2) Understand the organization context and identify actual and potential impacts

This step considered a variety of inputs, both internal (e.g., policies, procedures, insights from committees during the year) and external (e.g., analysis of macro sustainability trends at the national and international level, analysis of sustainability trends specific to the

pharmaceutical sector, and benchmarking analysis of key peers and competitors). This led to the identification of a list of potential material topics and associated impacts. Throughout the process, we also considered how the external factors impact our business. For 2023, this approach has been further strengthened through the Sustainability Strategic Plan and by continuing to leverage on impact measurement via the B Impact Assessment and Datamaran - more information below.

(3-4) Assess the significance of the impacts and prioritize the most significant impacts for reporting. After the impact mapping, the assessment activity was carried out. In order to achieve a prioritization of material topics that also considers the relevance of the topics for the organization and its stakeholders, Chiesi carried out an engagement activity in 2022 (through a survey) involving members of the Impact Committee and stakeholders. For each potentially material topic, they were asked to rate the relevance of the topic to the organization on a numerical scale.

This was repeated in 2023 to gain new insights into stakeholder perspectives - read more below.

2023

For the 2023 Sustainability Report, we have taken into account these additional factors and adjusted the language used in the report to reflect these influences:

- a. From 2022 to 2023, Chiesi finalized its **Sustainability Strategic Plan** for the next five years. This important exercise involved more than 90 people, 6 work streams (Governance, Patients, Employees, Community, Environment and Value Chain) led by

Chiesi's Impact Committee members and numerous sub-teams. It is based on past experience, an analysis of existing practices, and a review of relevant emerging trends.

- b. Chiesi's journey to become a certified B Corp includes a rigorous assessment of our social and environmental impact. This assessment, conducted through the **B Impact Assessment** by B Lab, a non-profit organization, serves as a comprehensive evaluation of our sustainability practices. The assessment consists of 200-300 questions covering five key areas: Governance, Workers, Environment, Community, and Customers (referred to as Patients at Chiesi). Every three years, most recently in 2022, Chiesi undergoes a recertification audit to ensure compliance with B Corp standards.
- c. For external context analysis, Chiesi also relies on **Datamaran**, a data-driven platform that enables companies to identify and monitor positive and negative, actual and potential impacts, ESG risks and opportunities, thanks to the use of multiple variables. Datamaran's tools consider inputs from companies' sustainability reports, media reports, regulatory environment, SASB disclosure requirements, financial documents and more. In evaluating Datamaran's input, we reviewed the results from Chiesi's perspective, focusing only on what was relevant and applicable to our organization, while filtering out the Datamaran results.

We are committed to incorporating stakeholder perspectives into our analysis. In 2023, we updated our approach to stakeholder engagement by conducting

surveys to gain new insights into their perspectives. We engaged various groups, including suppliers, employees (representing individuals not directly involved in SV&S on a day-to-day basis), two environmental NGOs representing the interests of the planet, three patient organizations, and students from Parma representing the local community and the younger generation. This allowed us to build on the work of previous years and refine our materiality assessment to understand the significance of the impacts better.

From an internal perspective, the Chiesi Group Impact Committee (including representatives from the SV&S Corporate Team, Head of Global Procurement, Head of Global Medical Affairs Air and Care, Head of Public Affairs, Head of Patients Advocacy GRD, Sustainability Finance, SV&S Legal and Compliance, Cultural Change and HR Strategic Project Manager, Environmental Strategy Leadership) and the SV&S Business Partners of the affiliates (reference colleagues in charge of sustainability projects and local impact assessments at affiliate level) were consulted for their involvement and expertise in this area.

Stakeholder views were added to the final assessment of each topic by incorporating them into the significance of each material topic.

The analysis of the activities described above confirmed most of the considerations and findings from previous years. However, some clustering and rephrasing of the material topics was done to better represent their implications and to allow for a more concise and effective reading of the analysis results.

Chiesi Materiality 2023									
Impact Area	Material Topic	Impact	Description	Impact Perimeter			Actual / Potential	Chiesi Group's Involvement	Correlated KPIs
				Upstream	Own operation	Downstream			
Governance	Transparency & Governance	Environmental and social impacts due to an inadequate and ineffective corporate commitment and ESG governance structure.	Inadequate or ineffective corporate engagement and ESG governance structures result in failure to address environmental and social issues, leading to reputational damage, legal liability, reduced stakeholder value, and harm to the environment and people				Potential	Cause Contribution Direct link	KPI: No. of times the Board met - formal meetings
	Business Resilience	Effects on public health due to lack in product offering	Impacts on people's health due to failures to respond and adequately manage the operations and value chain during crises, disruptions, and unforeseen circumstances (e.g. natural disasters, economic downturns)				Potential	Cause Contribution Direct link	KPI (2022): No. of days of production stop due to climate extreme events and other crises.
	Business Ethics	Unethical or unfair business conduct	Non-compliance with applicable laws, regulations, and codes of conducts and unethical business conduct (e.g. corruption and anti competitive behaviour) with indirect environmental, economic, and social impacts on employees, customers, and suppliers.				Potential	Cause Contribution Direct link	GRI disclosure 205-3 Confirmed incidents of corruption and actions taken GRI disclosure 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
	Data Security	Loss of customers data	Violation of legislation and failure to apply procedures for optimal data security management that result in unauthorized access, modification, or disclosure of protected data compromising the security and privacy of the customers information.				Potential	Cause Contribution Direct link	GRI disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
	Innovation & Technology	Product innovation through R&D and technological advancement	Promotion of innovation, R&D and IT though cutting-edge therapies and technological advancements, such as AI, that are attentive to market trends and expectations with impacts on stakeholders' medical needs.				Actual	Cause Contribution Direct link	KPI: No. of first filings at the European Patent Office (EPO) KPI: Investment in R&D

Chiesi Materiality 2023									
Impact Area	Material Topic	Impact	Description	Impact Perimeter			Actual / Potential	Chiesi Group's Involvement	Correlated KPIs
				Upstream	Own operation	Downstream			
Patients	Patient-centric approach	Compliance with products safety and quality regulation	Violation of laws and regulations on products safety and quality with impacts on patients' health.				Potential	Cause Contribution Direct link	GRI disclosure 416-1 Assessment of the health and safety impacts of product and service categories GRI disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services
		Compliance with product labelling regulation	Impacts on consumers caused by misleading communications, incorrect labelling claims and low transparency on relevant product information.				Potential	Cause Contribution Direct link	GRI disclosure 417-1 Requirements for product and service information and labeling
	Health Equity	Access to healthcare	Promotion of health initiatives to increase public health literacy and break down healthcare barriers, with economic and social impacts on the access to services, particularly for underserved groups.				Actual	Cause Contribution Direct link	KPI: No. of countries that count at least one registration for Chiesi's products and therapies
Community	Community Support & Development	Direct and indirect economic impacts on the local communities	Direct and indirect economic impacts through contributions and donations in support of the areas where the Group is located and the creation of beneficial relationships and collaborations with local suppliers and other stakeholders.				Actual	Cause Contribution Direct link	GRI disclosure 201-1 Direct economic value generated and distributed GRI disclosure 204-1 Proportion of spending on local suppliers

Chiesi Materiality 2023										
Impact Area	Material Topic	Impact	Description	Impact Perimeter			Actual / Potential	Chiesi Group's Involvement	Correlated KPIs	
				Upstream	Own operation	Downstream				
Environment	Climate Change	Energy consumption	Energy consumption from renewable and non-renewable sources with negative impacts on the environment and the reduction of the energy stock.					Cause Contribution Direct link	GRI disclosure 302-1 Energy consumption within the organization GRI disclosure 302-3 Energy intensity	
		Direct and indirect GHG emission related to energy consumption (Scope 1 and 2)	Direct and indirect greenhouse gas (GHG) emissions (Scope 1 and 2) related to the activities of the Group.					Cause Contribution Direct link	GRI disclosure 305-1 Direct (Scope 1) GHG emissions GRI disclosure 305-2 Energy indirect (Scope 2) GHG emissions GRI disclosure 305-4 GHG emissions intensity	
		Indirect GHG emissions in the value chain (Scope 3)	Indirect greenhouse gas (GHG) emissions (Scope 3) across the Group value chain.						Cause Contribution Direct link	GRI disclosure 305-3 Other indirect (Scope 3) GHG emissions
	Responsible Use of Resources	Use of water resources	Water usage in the Group's own operations with repercussion on the availability of the water resources and environmental impacts in terms of release of polluting substances into underground or surface water.						Cause Contribution Direct link	GRI disclosure 303-1 Interactions with water as a shared resource GRI disclosure 303-2 Management of water discharge-related impacts Topic disclosures GRI disclosure 303-3 Water withdrawal GRI disclosure 303-4 Water discharge GRI disclosure 303-5 Water consumption
	Product Sustainability	Generation of hazardous and non hazardous waste	Failure to properly manage the waste generated with impacts on the environment and human health, within the Company perimeter where the waste is generated and disposed.						Cause Contribution Direct link	KPI: % of products assessed with the Life Cycle Perspective tool GRI disclosure 306-1 Waste generation and significant waste-related impacts GRI disclosure 306-2 Management of significant waste-related impacts GRI disclosure 306-3 Waste generated GRI disclosure 306-4 Waste diverted from disposal GRI disclosure 306-5 Waste directed to disposal
	Animal Welfare	Use of animals in the R&D process	Unethical and inappropriate use of animals for R&D purpose with impacts on their welfare and health.						Cause Contribution Direct link	KPI: Obtaining specific certifications (AAALAC)

Chiesi Materiality 2023									
Impact Area	Material Topic	Impact	Description	Impact Perimeter			Actual / Potential	Chiesi Group's Involvement	Correlated KPIs
				Upstream	Own operation	Downstream			
Value Chain	Value Chain Management	Environmental impacts in the supply chain	Environmental impacts in the supply chain.				Potential	Cause Contribution Direct link	GRI disclosure 308-1 New suppliers that were screened using environmental criteria
		Violations of human rights in the supply chain	Violations of human rights in the supply chain				Potential	Cause Contribution Direct link	GRI disclosure 414-1 New suppliers that were screened using social criteria
People	Workforce Management	Injuries in the workplace	Accidents or other injuries in the workplace with negative consequences on the health and safety and well-being of employees and external workers.				Actual	Cause Contribution Direct link	GRI disclosure 403-1 Occupational health and safety management system GRI disclosure 403-2 Hazard identification, risk assessment, and incident investigation GRI disclosure 403-3 Occupational health services GRI disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety GRI disclosure 403-5 Worker training on occupational health and safety GRI disclosure 403-6 Promotion of worker health GRI disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships Topic disclosures GRI disclosure 403-9 Work-related injuries
		Employees well-being and professional development	Enhancement of employees' well-being and career development with impacts on professional growth and societal prosperity.				Actual	Cause Contribution Direct link	GRI disclosure 401-1 New employee hires and employee turnover GRI disclosure 404-1 Average hours of training per year per employee GRI disclosure 404-3 Percentage of employees receiving regular performance and career development reviews
	Diversity & Inclusion	Non-inclusive practices in the workplace	Diversity, inclusion and equal opportunities in government bodies and among employees with direct and indirect impacts on the affirmation of employee individual merit and motivation.				Potential	Cause Contribution Direct link	GRI disclosure 405-1 Diversity of governance bodies and employees
	Human Rights	Discrimination in the workplace	Violation of human rights (e.g. discrimination related to gender, age, ethnicity, etc.) in the Group with impacts on employee well-being, satisfaction and motivation.				Actual	Cause Contribution Direct link	GRI disclosure 406-1 Incidents of discrimination and corrective actions taken

Scope and Calculation Methodologies

The perimeter of the data and information included in the Sustainability Report corresponds to that of Chiesi's consolidated financial statement, except for what is reported here below.

In 2023, Chiesi extended its Group with the establishment of Chiesi Pharma Japan K.K (January 2023) and the acquisition of Amryt Pharma Plc and its subsidiaries (April 2023; also hereinafter the "Amryt Group"). With specific reference to the Amryt Group companies, only the financial, workforce and health and safety of products related data have been included in this report, except for Chiesi Amryt Pharmaceuticals DAC Ireland and Chiesi Amryt GmbH which have been included in the environmental performance indicators as well.

In addition, 2023 data regarding the new affiliates Chiesi Amryt Pharmaceuticals DAC Ireland and Chiesi Amryt GmbH refers only to the second semester of the reporting period, subsequent to the finalization of the acquisition by Chiesi Group.

Any further perimeter limitation, regarding the scope of 2023 data, is clearly indicated below. Chiesi is committed to extending and aligning the perimeter of quantitative disclosure in the next reporting years to better represent the Group's sustainability impacts and performance.

Financial Data

Regarding financial data, the scope of reporting corresponds to that of Chiesi's consolidated financial statement and corresponds to Chiesi Farmaceutici S.p.A, and its subsidiaries consolidated on a line-by-line basis.

Personnel-related Data

Workforce

- The personnel (e.g., workforce) data relates to headcount persons at 31/12 in the reporting period. Workers who are not employees include only leased employees and external contractors employed in sales activities.

All other external categories are excluded from the total workforce. These persons are all considered as full-time workers.

- 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 6,566 at 31st December 2023) in which long-term employee absences are excluded, and it differs from the total workforce (equal to 7,003 at 31st December 2023) in which external collaborators (field force contractors and ad interim employees) of the Group are included and long-term employee absences are excluded.
- Please, note that it is necessary to add an employee during the reporting year 2022 and 2023 who has requested to be classified "Other" in terms of gender. Since this is a unique case for this year, we considered appropriate to not report this headcount in all tables reporting people data in line with data privacy protection, avoiding any possibility of identification. At the same time, we decided to not assign a default gender in order to respect the explicit request. Consequently, data related to worked hours, training hours, and other information referring to the employee are not included in tables reported. However, note that this exclusion does not affect the trends of the data reported.
- Geographic areas: the category "Rest of Europe" refers to data on 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, Ireland. The category "Rest of the World" refers to the following countries: Brazil, China, Mexico, Pakistan, Russia, Turkey, Australia. The category "North America" refers to the following countries: Canada, USA.
- The eligibility for receiving a performance and career development review is based on employment status as of September 30th of the performance cycle year to ensure a full review period.
- The inbound turnover is calculated as total number of employees hired during the reporting year divided by the total number of employees in

force as of the 31st December of the current year. For those companies acquired by Chiesi Group during the reporting year, are included all the hirings performed after the completion of the acquisition (after closing). The outbound turnover is calculated as total number of employees hired during the reporting year divided by the total number of employees in force as of the 31st December of the previous year. Are included in the calculation also all the terminations performed on the employee introduced in the company through an acquisition performed by Chiesi Group during the reporting year and terminated after the completion of the acquisition. In line with the previous years, inbound and outbound turnover includes intercompany movements only if occurred between different geographic areas.

Health & Safety

- The injury rate is the ratio of the number of injuries reported to the number of hours worked (including overtime), multiplied by 1,000,000. 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 1,000,000. 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.
- All worked hours, both for internal and external workers, have been estimated and no exclusion has been applied in terms of workers considered for this reporting. The estimation has been calculated by multiplying the number of headcounts with the theoretical pro capita hours by countries labor regulation. This calculation does not consider the absence from workers due to illness, or holidays.

Value Chain

- 2023 data concerning the screening of new suppliers using social and environmental criteria do not include Chiesi Amryt GmbH and Amryt Pharmaceuticals DAC Ireland.

- The figures concerning “Local Suppliers” are calculated based on the orders value issued during the accounting period from all Chiesi organizations in SAP (Systems Applications and Products in Data Processing), excluding internal orders and intercompany values. For Chiesi organizations 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.

Legal & Compliance

In line with the previous year, the organization considered as “significant sanctions” those sanctions worth more than € 50,000.

Environment

In 2021, 2022 and 2023 data, Chiesi Switzerland is not included in the energy, emissions, water and waste disclosures as its employees work primarily in hospitals.

Water

- In 2023, Chiesi Group extended the perimeter of water consumption by including both manufacturing sites and commercial sites, whose water discharge was estimated to be equal to the withdrawals. For 2021 and 2022 data reported for water discharges only refers to manufacturing sites of Parma (Italy), Blois (France) and Santana de Parnaiba (Brazil).
- Water withdrawal: The source to identify water stress areas was the Aqueduct [Water Risk Atlas](#) by World Resources Institute and the [Water Risk Filter](#) by WWF. An area is considered water stress if the level is at least medium - high (20-40%). The list of Chiesi sites located in water

stress areas in 2023 includes: Australia, Belgium, Brazil, Bulgaria, China Beijing, China Hangzhou, France NHCO, Greece, Hungary, Mexico, Pakistan, Romania, Russia, Spain, Turkey, United Kingdom Manchester, United States Cary, United States Boston.

- All manufacturing sites and a major part of commercial sites provide punctual data. If data are not available, values have been estimated. In case of affiliate in shared building, the actual water withdrawal is estimated on the SQM occupied. All estimated values for water were assumed to be third-party water.

Waste

By producing waste that can be assimilated to urban, the affiliate Chiesi Italia S.p.A. is not included in the three-year waste disclosures.

Manufacturing sites and a major part of commercial sites provided punctual data. In case some commercial site has not available data, Chiesi Group has introduced different methodologies of estimation:

in case of offices, it has been estimated the number of bins filled and their volume/weight. Where possible, the weighting of the waste has been measured for a representative week, one for each quarter.

if the Chiesi affiliate is in a shared building, the actual waste consumption is calculated on the portion of SQM occupied.

All estimated waste were considered as disposed offsites.

Energy

- Energy consumption data is collected by site and energy type. All consumption is converted into a standard unit for footprinting purposes (e.g. kWh for electricity consumption) as well as converted to GJ to report on total energy consumption. The data is converted using factors published by BEIS, the Department for Energy Security and Net Zero and Department for Business, Energy & Industrial strategy, and UK Government GHG Conversion Factors for Company Reporting.
- To better reflect the organization’s impact, Chiesi Group reviewed the

calculation methodology of diesel and gasoline by considering the gross calorific conversion factor instead of the net conversion factor. The calculation methodology has been revised for the reporting year and the previous ones.

- Car fleet data come from oil or rental company reports, or from invoices proving consumption (this is the case of the smaller branches). In case information are not available, car fleet data are estimated on km traveled (i.e. Pakistan affiliate). The calculation is performed by dividing km traveled by average car efficiency. Regarding electrified cars, the electricity used for recharging is calculated by using:
 - I. actual data if the affiliate has an internal system connected to the charging stations or from recharge cards regarding public/home recharging.
 - I. estimation (e.g. Nordics) in case data are not available. In this case, the calculation is performed by considering the average km travelled per kWh.

Energy Intensity

The calculation methodology of the energy intensity has been improved by including energy consumption for both manufacturing sites and commercial sites. Furthermore, the energy intensity for the three-year period is calculated on the Group’s revenues and on the number of equivalent pieces produced.

Emissions

Scope 1 emissions include:

- Stationary emissions: Fuel consumptions were used to calculate the emission along with DEFRA (2023) factors. Consumption data was converted to the standard unit before the emission calculation if necessary.
- Mobile emissions: Car Fleet emissions were estimated using fuel consumption in liters along with DEFRA (2023) emission factors.

- Propellant losses emissions deriving from the production processes. These include propellant losses from filling, and spray testing phases of manufacturing as well as losses during lab testing. From this figure, we subtract the propellant losses captured from our abatement system. The IPCC 5th Assessment Report GWP for HFA 134a was used to convert the amount of propellant loss to tCO₂e. Furthermore, from the calculated losses is subtracted the amount of refrigerant captured within the sites because it avoided emissions.
- Refrigerant Losses: Refrigerant top up data (kg) by refrigerant was provided by manufacturing sites and Italian sites. For all other sites, the loss of refrigerant was estimated. GWPs from the IPCC 5th Assessment Report were used to convert the amount of propellant loss to tCO₂e.
- Process emissions: These emissions come from the use of heptane in Chiesi Amryt GmbH.

Scope 2 emissions:

- For the location based method country-specific emission factors from IEA (2023), USEPA (2023) for the US, ADCEE (2023) for Australia and EC (2023) for Canada were used.
- For the market based method, when available AIB (2023) emissions factors were used instead of the above.
- To improve the Scope 2 emission calculation, in 2023 Chiesi applied country specific emission factors for energy emissions from district hot water, steam and cooling. For 2022 and previous year, Chiesi used the DEFRA 2022 factors for heat and steam for all sites.

Scope 3 emissions – Information regarding the main categories:

- To align with the SBTi requirements, DEFRA WTT factors were added to the following Scope 3 categories: Business Travel, Employee Commuting, Upstream Transportation and Distribution, Downstream Transportation and Distribution. When air transport occurred, the DEFRA emission factor without the radiative force was applied.

- To improve the Scope 3 emission calculations, emission factors of fuel and energy-related activities were updated for 2019-2022.
- Where available, we integrate this method with supplier specific emission factors or category averages based on reporting suppliers. In 2023, 39% of purchased goods and services emissions were calculated using supplier specific emission factors.
- Purchased Goods and Services and Capital Goods: The emissions were calculated using (EEIO) assessment based on spend invoiced in the reporting year. Emissions are then calculated using environmentally extended input-output LCA database based on the 2018 trade data of the USA published by the US EPA (USEPA, 2018).
- Use of sold products: Propellant losses for sold products are calculated based on the number of units sold by type and propellant quantity by type. These were combined to calculate the total amount of propellant content in products sold in 2023. The IPCC 5th Assessment Report GWP for HFA 134a was used to calculate emissions. Note that this includes propellant in overfilling doses that may be released during waste disposal. These are all included under this category for simplicity.
- Business Travel: Business units collect data for business travel from their partner travel agencies. Distance is provided by mode of transport, and where relevant, by class of travel. Relevant DEFRA 2023 emission factors per km or per passenger.km are used to calculate emissions. For all the reporting years, WTT emission factors were added as required by the SBTi, as well as the use of factors without radiative forces for air travel.

Other emissions

- Biogenic emissions for the use of biofuels (biomethane, biomass, bioethanol) are reported separately and, from 2023, also diesel and gasoline consumption for car fleet were included in the calculation.

Emission intensity

- The calculation methodology of the GHG emission intensity has been updated to include emissions from both manufacturing and commercial

site. Furthermore, the numerator has been extended to Scope 1, Scope 2 and Scope 3. The GHG emission intensity for the three-year period is calculated on the Group's revenues and on the number of equivalent pieces produced.



Annex

Annex

Sustainability Performance

GRI 2-27 Compliance with laws and regulations

COMPLIANCE WITH LAWS AND REGULATIONS	2023	2022	2021
Total number of significant instances of non-compliance with laws and regulations during the reporting period, breakdown by:	0	0	0
- Instances for which non-monetary sanctions were incurred	0	0	0
- Instances for which fines were incurred	0	0	0
Total number of instances of non-compliance with laws and regulations that were paid during the reporting period, breakdown by:	6	0	0
- Instances which occurred in the current reporting period	3	0	0
- Instances which occurred in previous reporting periods	3	0	0

VALUE IN €	2023	2022	2021
Total monetary value of fines for instances of -noncompliance with laws and regulations that were paid during the reporting period, breakdown by:	55,861	0	0
- Instances occurred in the current reporting period	24,665	0	0
- Instances occurred in previous reporting periods	31,196	0	0

In 2023, there were no significant instances or fines for non-compliance with laws and regulations. The increase in reported instances was attributed to a heightened awareness of reporting protocols.

GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

	2023	2022	2021
Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:	2	3	6
- Complaints from regulatory bodies	0	0	0
- Complaints received from outside parties and substantiated by the organization	8	3	6
Total number of identified leaks, thefts, or losses of customer data	10	5	6

GRI 302-3 Energy intensity

ENERGY INTENSITY	UoM	2023	2022	2021
Energy intensity on Group revenues	GJ / M€	164.9	189.0	211.9
Energy intensity on production volume	GJ / mln eq. units	4,656.8	5,848.2	6,496.8

Due to positive trends in revenues and products, energy intensities have progressively improved over the past three years. Energy intensity based on revenues decreased by 12.8% from 2022, while energy intensity per million equivalent units produced dropped from 5.848 GJ to 4.657 GJ, a 20.4% improvement.

GRI 302-1 Energy consumption within the organization

ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GJ)	2023	2022	2021
Total Fuel Consumption non-renewable	278,349	302,872	301,682
<i>Diesel</i>	82,654	100,439	102,533
<i>Gasoline</i>	54,719	47,415	37,168
<i>LPG</i>	247	240	179
<i>Natural gas</i>	140,729	154,777	161,802
Total Fuel Consumption renewable	19,195	18,127	9,611
<i>Bioethanol</i>	9,509	8,807	5,408
<i>Biogas</i>	9,686	9,320	4,203
Total Energy Purchased	195,488	194,680	199,288
<i>District cooling</i>	32	31	27
<i>District heating</i>	7,544	11,872	12,763
<i>Non-renewable sources</i>	2,260	2,366	13,368
<i>Renewable sources</i>	185,652	180,412	173,130
Electric Energy Self-produced (renewable)	5,877	3,825	2,232
Total Energy Consumption within the organization	498,908	519,504	512,813

GRI 303-3 Water withdrawal

TOTAL QUANTITY OF WATER WITHDRAWAL (megaliters)	2023		2022		2021	
	All areas	of which water stress areas	All areas	of which water stress areas	All areas	of which water stress areas
Surface water (total)	0.5	0	0.6	-	2.0	1.3
Freshwater	0.5	-	-	-	2.0	1.3
Other water	-	-	0.6	-	-	-
Groundwater (total)	25.8	-	28.7	-	24.2	0.6
Freshwater	25.8	-	28.7	-	24.2	0.6
Other water	-	-	-	-	-	-
Third-party water (total)	273.5	24.2	298.7	24.3	280.0	16.4
Freshwater	273.1	23.8	298.1	23.7	279.2	16.0
Other water	0.4	0.4	0.6	0.6	0.8	0.4
Total water withdrawal	299.8	24.2	327.9	24.3	306.2	18.3

THIRD-PARTY WATER WITHDRAWAL FOR WATER STRESS AREAS BY SOURCE (megaliters)	2023	2022	2021
Third party water withdrawal by source	24.2	24.3	16.4
Groundwater	2.6	4.4	5.9
Produced water	-	-	-
Seawater	0.3	-	-
Surface water	21.3	19.9	10.5

GRI 303-4 Water discharge

TOTAL WATER DISCHARGE TO ALL AREAS (megaliters)	2023	2022	2021
Water Discharge	201.1	149.4	133.2
Groundwater	-	-	-
Seawater	-	-	-
Surface water	19.6	16.5	14.5
Third party water	181.5	132.9	118.7

BREAKDOWN OF TOTAL WATER DISCHARGE TO ALL NOT WATER STRESS AREAS BY THE FOLLOWING CATEGORIES (megaliters)	2023	2022	2021
Total Water Discharge	180.5	142.2	126.5
Total fresh water	180.5	142.2	126.5
Total other water	-	-	-

TOTAL WATER DISCHARGE TO ALL AREAS WITH WATER STRESS (megaliters), AND A BREAKDOWN OF THIS TOTAL BY THE FOLLOWING CATEGORIES	2023	2022	2021
Total Water Discharge	20.6	7.3	6.7
Total fresh water to areas with water stress	19.8	7.3	6.7
Total other water to areas with water stress	0.8	-	-

GRI 303-5 Water consumption

TOTAL QUANTITY OF WATER CONSUMPTION (megaliters)	2023			2022			2021		
	no water stress areas	water stress areas	All areas	no water stress areas	water stress areas	All areas	no water stress areas	water stress areas	All areas
Total water withdrawal	275.7	24.2	299.9	303.6	24.3	327.9	287.9	18.3	306.2
Total water discharge	180.5	20.6	201.1	142.2	7.3	149.4	126.5	6.7	133.2
Total Water Consumption	95.2	3.6	98.8	161.5	17.0	178.5	161.3	11.6	173.0

GHG Inventory

GHG EMISSIONS INVENTORY	2023		2022		2021		2019	
	TONNES CO ₂ e	%	TONNES CO ₂ e	%	TONNES CO ₂ e	%	TONNES CO ₂ e	%
Scope 1	29,906	3%	29,715	3%	27,507	3%	33,911	4%
Scope 2 (market-based)	591	0%	822	0%	1,771	0%	15,835	2%
Scope 3	949,619	97%	897,564	97%	815,059	97%	742,267	94%
Total Emissions	980,116	100%	928,102	100%	844,336	100%	792,013	100%

GRI 305-1 Direct (Scope 1) GHG emissions

DIRECT (SCOPE 1) GHG EMISSIONS (TONNES CO ₂ e)	2023	2022	2021	2019
Biogenic carbon emissions	1,658	1,508	2,504	940
Direct Emissions	29,906	29,715	27,507	33,911

Emissions related to the filling phase have been revised thanks to recent studies conducted on the volume of the chamber filling of Chiesi pMDIs. According to the new information, manufacturing losses from can filling were updated and related emissions have been restated for all the reporting years and the baseline. Additionally, the gross calorific value was used instead of net for 2023 and previous years, resulting in minor impacts on fuel emissions.

GRI 305-3 Other indirect (Scope 3) GHG emissions

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS (TONNES CO ₂ e)	2023	2022	2021	2019
Other indirect emissions	949,619	897,564	815,059	742,267

Emissions data for the emissions categories Purchased Goods and Services and Capital Goods for 2019-2022 have been restated due to a refined supplier engagement analysis. The procurement team has implemented a supplier engagement program to collect actual emissions data as well as reduction targets for its suppliers. When available, the emissions were calculated based on suppliers' data.

GRI 305-2 Energy indirect (Scope 2) GHG emissions

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS (TONNES CO ₂ e)	2023	2022	2021	2019
Location-based method	12,254	11,262	12,367	13,193
Market-based method	591	822	1,771	15,835

GRI 305-4 GHG emissions intensity

EMISSION INTENSITY					2019
EMISSION INTENSITY ON GROUP REVENUES	UoM	2023	2022	2021	
Emission intensity (Scope 1 + Scope 2 LB + Scope 3)	Ton CO ₂ eq/M€	327.7	341.5	353.4	396.1
Emission intensity (Scope 1 + Scope 2 MB + Scope 3)	Ton CO ₂ eq/M€	323.9	337.7	349,0	397.4
EMISSION INTENSITY ON EQUIVALENT PIECES PRODUCED	UoM	2023	2022	2021	2019
Emission intensity (Scope 1 + Scope 2 LB + Scope 3)	Ton CO ₂ eq/Mln eq.units	9,257.3	10,565.4	10,831.1	9,699.3
Emission intensity (Scope 1 + Scope 2 MB + Scope 3)	Ton CO ₂ eq/Mln eq.units	9,148.5	10,447.9	10,696.8	9,731.7

GRI 306-3 Waste generated
GRI 306-4 Waste diverted from disposal
GRI 306-5 Waste directed to disposal

WASTE DIVERTED FROM DISPOSAL AND WASTE DIRECTED TO DISPOSAL, BY RECOVERY OPERATION (tonnes)	2023			2022			2021		
	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total	Hazardous	Non-hazardous	Total
Waste diverted from disposal	537.6	1,656.5	2,194.1	388.4	1,399.1	1,787.6	499.5	1,241.7	1,741.2
Other recovery operations	0.0	3.1	3.1	0.1	3.7	3.8	0.1	5.3	5.3
Preparation for reuse	0.1	2.8	2.9	0.3	0.5	0.7	0.9	4.5	5.4
Recycling	537.5	1,650.6	2,188.1	388.1	1,394.9	1,783.1	498.5	1,231.9	1,730.4
Waste directed to disposal	209.2	323.1	532.4	190.4	357.6	547.9	227.4	833.8	1,061.2
Incineration (with energy recovery)	95.2	121.4	216.7	79.9	100.3	180.2	81.4	101.9	183.3
Incineration (without energy recovery)	35.2	1.8	37.0	26.8	12.5	39.3	21.7	9.2	30.9
Landfilling	0.2	40.1	40.2	-	33.3	33.3	22.1	15.3	37.4
Other disposal operations	78.6	159.8	238.5	83.7	211.4	295.1	102.2	707.4	809.6
Total weight of waste generated	746.8	1,979.6	2,726.4	578.8	1,756.7	2,335.5	726.9	2,075.5	2,802.3

GRI 308-1 New suppliers that were screened using environmental criteria
GRI 414-1 New suppliers that were screened using social criteria

Chiesi Group	UoM	2023	2022	2021
Total number of new suppliers	Number	2,489	3,748	4,290
New suppliers screened using environmental criteria	Number	117	181	153
	%	4.7%	4.8%	3.6%
New suppliers screened using social criteria	Number	131	195	227
	%	5.3%	5.2%	5.3%

“New suppliers” are those who establish a business relationship with a Chiesi affiliate for the first time during the reporting period. The screening process is managed individually by each affiliate, evaluating their respective suppliers. A supplier may be considered “new” to one affiliate but “old” to another that has previously engaged with them. This approach accommodates instances where a vendor undergoes evaluation by multiple affiliates, each conducting different types of screening, such as social or environmental.

GRI 204-1 Proportion of spending on local suppliers - %

Country	2023	2022	2021
AUSTRALIA (CHIESI AUSTRALIA PTY LIMITED)	56	66	62
AUSTRIA (CHIESI PHARMACEUTICALS GMBH)	48	42	41
BELGIUM (CHIESI S.A.)	84	92	91
Brazil (CHIESI FARMACÉUTICA LTDA)	64	69	71
BULGARIA (CHIESI BULGARIA LTD.)	81	84	93
CANADA (CHIESI CANADA CORPORATION)	77	17	76
CHINA (CHIESI PHARMACEUTICAL CONSULTING (SHANGHAI) CO., LTD)	98	100	100
CHINA (CHIESI PHARMACEUTICAL SHANGAI CO. LTD)	100	100	N/A*
CZECH REPUBLIC (CHIESI CZ S.R.O.)	83	86	86
FRANCE (CHIESI S.A.S)	56	44	33
FRANCE (NHCO NUTRITION® S.A.S)	85	88	91
GERMANY (CHIESI AMRYT GMBH)	76		
GERMANY (CHIESI GMBH)	76	84	84
GREECE (CHIESI HELLAS PHARMACEUTICALS A.E.B.E)	90	90	89
HUNGARY (CHIESI HUNGARY KFT.)	81	87	99
IRELAND (CHIESI DUBLIN)	6		
ITALY (CHIESI FARMACEUTICI S.P.A)	41	43	47
ITALY (CHIESI ITALIA S.P.A)	89	89	90
ITALY (MARCO ANTONETTO FARMACEUTICI)		96	96
JAPAN (CHIESI PHARMA JAPAN K.K.)	100		
MEXICO (CHIESI MEXICO S.A. DE C.V.)	94	96	94
NETHERLAND (CHIESI PHARMACEUTICALS BV)	84	87	88
NEW ZEALAND (CHIESI NEW ZEALAND LIMITED)	14	N/A	N/A
PAKISTAN (CHIESI PHARMACEUTICALS PVT. LIMITED)	100	97	96
POLAND (CHIESI POLAND SP. Z.O.O)	96	95	96
ROMANIA (CHIESI ROMÂNIA S.R.L)	86	91	75

*N/A indicates affiliates included in the reporting scope for which data were not available. The diagonal bar in this table highlights affiliates that are not included in the scope of the year of reporting.

RUSSIA (LLC CHIESI PHARMACEUTICALS)	100	99	99
SLOVAKIA (CHIESI SLOVAKIA S.R.O.)	70	79	81
SLOVENIA (CHIESI SLOVENIJA D.O.O.)	80	90	90
SPAIN (CHIESI ESPAÑA S.A.U.)	92	86	85
SWEDEN (CHIESI PHARMA AB)	56	55	56
SWITZERLAND (CHIESI S.A.)	98	99	100
TURKEY (CHIESI ILAC TICARET A.S)	86	84	90
UK (CHIESI HEALTHCARE LIMITED)	95	95	94
UK (UNIKERIS LIMITED)	20	16	2
USA (CHIESI USA INC.)	84	80	85
Total	56	58	61

GRI 2-7 Employees

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY), BY GENDER (HEADCOUNT)	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	2,889	3,666	6,555	2,748	3,280	6,028	2,767	3,213	5,980
Temporary	43	87	130	40	95	135	54	112	166
Total	2,932	3,753	6,685	2,788	3,375	6,163	2,821	3,325	6,146

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY) BY REGION (HEADCOUNT)

at 31st December 2023

	Italy	Rest of Europe	Rest of the World	North America	Total
Permanent	2,036	2,403	1,616	500	6,555
Temporary	47	73	10	-	130
Total	2,083	2,476	1,626	500	6,685

at 31st December 2022

	Italy	Rest of Europe	Rest of the World	North America	Total
Permanent	1,969	2,104	1,543	412	6,028
Temporary	69	58	6	2	135
Total	2,038	2,162	1,549	414	6,163

at 31st December 2021

	Italy	Rest of Europe	Rest of the World	North America	Total
Permanent	1,929	2,056	1,568	427	5,980
Temporary	65	86	13	2	166
Total	1,994	2,142	1,581	429	6,146

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE (FULL-TIME AND PART-TIME), BY GENDER (HEADCOUNT)	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time	2,909	3,550	6,459	2,764	3,188	5,952	2,802	3,157	5,959
Part-time	23	203	226	24	187	211	19	168	187
Total	2,932	3,753	6,685	2,788	3,375	6,163	2,821	3,325	6,146

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE (FULL-TIME AND PART-TIME) BY REGION (HEADCOUNT)					
at 31st December 2023					
	Italy	Rest of Europe	Rest of the World	North America	Total
Full-time	2,008	2,332	1,620	499	6,459
Part-time	75	144	6	1	226
Total	2,083	2,476	1,626	500	6,685
at 31st December 2022					
	Italy	Rest of Europe	Rest of the World	North America	Total
Full-time	1,969	2,024	1,546	413	5,952
Part-time	69	138	3	1	211
Total	2,038	2,162	1,549	414	6,163
at 31st December 2021					
	Italy	Rest of Europe	Rest of the World	North America	Total
Full-time	1,934	2,021	1,575	429	5,959
Part-time	60	121	6	-	187
Total	1,994	2,142	1,581	429	6,146

NON-GUARANTEED HOURS EMPLOYEES

Chiesi Group does not have non-guaranteed hours employees.

GRI 2-8 Workers who are not employees

TOTAL NUMBER OF EXTERNAL WORKERS (HEADCOUNT)	2023	2022	2021
Total	437	485	406

GRI 2-30 Collective bargaining agreements

PERCENTAGE OF TOTAL EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS (HEADCOUNT)	2023	2022	2021
Total	63%	65%	64%

Chiesi adheres to national collective bargaining agreements where applicable, benefiting 63% of our global workforce. This reflects a shift in our employee distribution. In countries without such agreements, we align employee contracts with local market practices and follow global guidelines.

GRI 401-1 New employee hires and employee turnover

NEW HIRES BY AGE CLASS (FULL-TIME AND PART-TIME), BY GENDER AND BY REGION												
NEW HIRES (headcount)	2023				2022				2021			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
Male	122	235	66	423	111	208	25	344	101	215	36	352
Female	153	376	58	587	106	311	47	464	132	324	40	496
Total	275	611	124	1,010	217	519	72	808	233	539	76	848
Italy	69	123	11	203	69	136	13	218	50	78	2	130
Rest of Europe	113	313	75	501	49	192	39	280	67	199	47	313
Rest of the World	77	136	22	235	94	142	10	246	105	217	7	329
North America	16	39	16	71	5	49	10	64	11	45	20	76
Total	275	611	124	1,010	217	519	72	808	233	539	76	848
NEW HIRES (%)	2023				2022				2021			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
Male	42.4%	12.9%	8.1%	14.4%	39.9%	11.8%	3.3%	12.3%	35.1%	12.2%	4.7%	12.5%
Female	45.5%	14.6%	6.9%	15.6%	35.9%	13.4%	6.2%	13.7%	40.0%	14.2%	5.6%	14.9%
Total	44.1%	13.9%	7.5%	15.1%	37.9%	12.7%	4.7%	13.1%	37.7%	13.3%	5.1%	13.8%
Italy	44.8%	9.2%	1.9%	9.7%	44.5%	10.5%	2.2%	10.7%	32.9%	6.2%	0.3%	6.5%
Rest of Europe	52.3%	16.9%	9.4%	17.5%	30.2%	11.6%	5.4%	11.0%	34.9%	12.1%	6.9%	12.5%
Rest of the World	34.5%	14.8%	23.4%	19.0%	40.3%	16.4%	14.3%	21.0%	42.3%	24.2%	10.0%	27.1%
North America	51.6%	13.6%	8.7%	14.2%	21.7%	19.8%	6.9%	15.5%	42.3%	17.7%	13.4%	17.7%
Total	44.1%	13.9%	7.5%	15.1%	37.9%	12.7%	4.7%	13.1%	37.7%	13.3%	5.1%	13.8%

GRI 401-1 New employee hires and employee turnover

TERMINATIONS BY AGE CLASS (FULL-TIME AND PART-TIME), BY GENDER AND BY REGION												
TERMINATIONS (headcount)	2023				2022				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Male	57	218	126	401	55	208	114	377	62	183	92	337
Female	57	213	123	393	58	264	92	414	67	194	71	332
Total	114	431	249	794	113	472	206	791	129	377	163	669
Italy	28	50	84	162	27	63	84	174	21	52	67	140
Rest of Europe	28	229	119	376	34	157	69	260	31	114	76	221
Rest of the World	50	120	21	191	49	206	23	278	70	181	11	262
North America	8	32	25	65	3	46	30	79	7	30	9	46
Total	114	431	249	794	113	472	206	791	129	377	163	669
TERMINATIONS (%)	2023				2022				2021			
	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total	< 30	30-50	> 50	Total
Male	20.5%	12.4%	16.7%	14.4%	19.1%	11.8%	14.7%	13.4%	20.9%	10.4%	12.3%	12.0%
Female	19.3%	9.2%	16.1%	11.6%	17.6%	11.6%	12.8%	12.5%	21.0%	8.9%	10.7%	10.5%
Total	19.9%	10.6%	16.4%	12.9%	18.3%	11.7%	13.8%	12.9%	20.9%	9.6%	11.5%	11.2%
Italy	18.1%	3.8%	14.4%	7.9%	17.8%	5.0%	14.2%	8.7%	13.4%	4.1%	11.5%	7.0%
Rest of Europe	17.3%	13.8%	16.6%	14.8%	17.7%	9.6%	10.2%	10.4%	16.1%	7.1%	11.8%	9.1%
Rest of the World	21.5%	13.9%	30.0%	16.3%	19.8%	23.0%	32.9%	22.9%	29.2%	22.0%	17.5%	23.2%
North America	34.8%	13.0%	17.4%	15.7%	11.5%	18.1%	20.1%	18.4%	25.9%	12.0%	7.4%	11.5%
Total	19.9%	10.6%	16.4%	12.9%	18.3%	11.7%	13.8%	12.9%	20.9%	9.6%	11.5%	11.2%

GRI 403-9 Work - related injuries

EMPLOYEES INJURIES (TOTAL NUMBER AND RATE)	2023	2022	2021
Work-related injuries	32	33	19
Of which fatalities	-	1	-
Of which with high consequences (excluding fatalities)	-	-	-
Hours worked	11,337,729	10,675,174	10,652,075
Injury Rate	2.82	3.09	1.78
High-consequence injury rate	-	-	-

EXTERNAL WORKERS INJURIES (TOTAL NUMBER AND RATE)	2023	2022	2021
Work-related injuries	11	9	4
Of which fatalities	-	-	-
Of which with high consequences (excluding fatalities)	-	-	-
Hours worked	718,796	797,794	661,519
Injury Rate	15.30	11.28	6.05
High-consequence injury rate	-	-	-

GRI 404-1 Average hours of training per year per employee

2023						
HOURS PER EMPLOYMENT CATEGORY AND GENDER (HEADCOUNT)	Total hours for men	Average hours per men	Total hours for women	Average hours per women	Total hours	Average hours per employees
Senior & Top Executives	1,449	18.8	1,419	50.7	2,868	27.3
Executives	11,057	44.6	9,472	47.4	20,529	45.8
Managers	35,654	45.5	33,461	35.4	69,115	40.0
Professionals & Administrators	84,631	48.6	116,139	46.9	200,770	47.6
Operators	6,019	71.6	3,549	34.1	9,568	50.9
Total	138,809	47.3	164,040	43.7	302,849	45.3
2022						
	Total hours for men	Average hours per men	Total hours for women	Average hours per women	Total hours	Average hours per employees
Senior & Top Executives	1,501	20.8	591	26.9	2,092	22.3
Executives	7,188	32.2	6,719	38.8	13,907	35.1
Managers	35,967	51.7	33,095	45.2	69,062	48.3
Professionals & Administrators	74,901	43.6	129,128	54.8	204,029	50.1
Operators	1,893	23.4	3,098	34.0	4,991	29.0
Total	121,45	43.6	172,631	51.2	294,081	47.7
2021						
	Total hours for men	Average hours per men	Total hours for women	Average hours per women	Total hours	Average hours per employees
Senior & Top Executives	503	6.5	44	2.0	547	5.5
Executives	6,541	31.1	4,911	31.1	11,452	31.1
Managers	38,369	57.4	35,810	56.0	74,179	56.7
Professionals & Administrators	90,224	50.6	116,001	47.8	206,225	49.0
Operators	3,775	44.9	3,980	49.8	7,755	47.3
Total	139,412	49.4	160,745	48.3	300,157	48.8

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

404-3 Percentage of employees receiving regular performance and career development reviews	2023	2022	2021
Employees evaluated	100%	100%	100%

GRI 405-1 Diversity of governance bodies and employees

% OF INTERNAL EMPLOYEES BY GENDER AND EMPLOYEE CATEGORY	2023			2022			2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior & Top Executives	1.2%	0.4%	1.6%	1.2%	0.3%	1.5%	1.3%	0,40%	1,60%
Executives	3.7%	3.0%	6.7%	3.6%	2.8%	6.4%	3.4%	2.6%	6,00%
Managers	11.7%	14.2%	25.9%	11.3%	11.9%	23.2%	10.9%	10.4%	21,30%
Professionals & Administrators	26.0%	37.0%	63.1%	27.8%	38.2%	66.1%	28.9%	39.5%	68,50%
Operators	1.3%	1.6%	2.8%	1.3%	1.5%	2.8%	1.4%	1.4%	2,70%
Total	43.9%	56.1%	100%	45.2%	54.8%	100%	45.9%	54.1%	100%

% OF INTERNAL EMPLOYEES BY AGE GROUP AND EMPLOYEE CATEGORY	2023				2022				2021			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
Senior & Top Executives	-	0.5%	1.1%	1.6%	-	0.5%	1.0%	1.5%	-	0.6%	1.0%	1.6%
Executives	-	4.1%	2.6%	6.7%	-	3.9%	2.5%	6.4%	-	3.8%	2.2%	6.0%
Managers	0.5%	18.9%	6.5%	25.9%	0.3%	17.3%	5.6%	23.2%	0.4%	15.5%	5.4%	21.3%
Professionals & Administrators	8.6%	40.7%	13.8%	63.1%	8.7%	42.7%	14.6%	66.1%	9.4%	44.3%	14.8%	68.5%
Operators	0.3%	1.7%	0.9%	2.8%	0.3%	1.7%	0.8%	2.8%	0.3%	1.6%	0.8%	2.7%
Total	9.3%	65.8%	24.8%	100%	9.3%	66.1%	24.6%	100%	10.1%	65.7%	24.2%	100%

The 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.

GRI Content Index

Statement of use	Chiesi Group has reported in accordance with the GRI Standards for the period 1st January 2023 to 31st December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Currently there are no GRI industry standards relevant to the activities of the Chiesi Group.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GENERAL DISCLOSURES					
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction			
	2-2 Entities included in the organization's sustainability reporting	Introduction Methodological Note			
	2-3 Reporting period, frequency and contact point	Methodological Note			
	2-4 Restatements of information	Annex: Sustainability Performance Sustainability Performance			
	2-5 External assurance	Methodological Note			
	2-6 Activities, value chain and other business relationships	Climate Change Value Chain Management			
	2-7 Employees	Annex: Sustainability Performance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	Annex: Sustainability Performance			
	2-9 Governance structure and composition	Introduction Transparency & Governance			
	2-10 Nomination and selection of the highest governance body	Transparency & Governance			
	2-11 Chair of the highest governance body	Introduction			
	2-12 Role of the highest governance body in overseeing the management of impacts	Transparency & Governance			
	2-13 Delegation of responsibility for managing impacts	Transparency & Governance			
	2-14 Role of the highest governance body in sustainability reporting	Transparency & Governance			
	2-15 Conflicts of interest	Business Ethics			
	2-16 Communication of critical concerns	Business Ethics			
	2-17 Collective knowledge of the highest governance body	Transparency & Governance			
	2-18 Evaluation of the performance of the highest governance body	Transparency & Governance			
	2-19 Remuneration policies		2-19 a. 2-19 b.	Confidentiality constraints	Chiesi considers the remuneration policies of the highest governing body to be sensitive information in a transformational phase of global and structural reorganization, the disclosure of which may impact the company's strategy.
	2-20 Process to determine remuneration	Workforce Management			
	2-21 Annual total compensation ratio		2-21 a. 2-21 b. 2-21 c.	Confidentiality constraints	Chiesi considers the remuneration policies of the highest governing body to be sensitive information in a transformational phase of global and structural reorganization, the disclosure of which may impact the company's strategy.
	2-22 Statement on sustainable development strategy	CEO's Letter to Stakeholders			
2-23 Policy commitments	Transparency & Governance Human Rights Value Chain Management				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
	2-24 Embedding policy commitments	Transparency & Governance Human Rights Value Chain Management			
	2-25 Processes to remediate negative impacts	Business Ethics Human Rights			
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics			
	2-27 Compliance with laws and regulations	Annex: Sustainability Performance			
	2-28 Membership associations	Patient-centric Approach Climate Change Community Support & Development			
	2-29 Approach to stakeholder engagement	Materiality			
	2-30 Collective bargaining agreements	Annex: Sustainability Performance			
MATERIAL TOPICS					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality			
	3-2 List of material topics	Materiality			
Transparency & Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Transparency & Governance			
Business resilience					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Resilience			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Business Ethics					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Transparency & Governance			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Transparency and Governance			
Data Security					
GRI 3: Material Topics 2021	3-3 Management of material topics	Data Security			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security			
Innovation & Technology					
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation & Technology			
Patient-centric approach					
GRI 3: Material Topics 2021	3-3 Management of material topics	Transparency & Governance Product Sustainability Business Ethics			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Sustainability			
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Product Sustainability			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Transparency & Governance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Health Equity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Health Equity			
Community Support & Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Resilience Value Chain Management			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	2023 at a glance			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Annex: Sustainability Performance			
Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate Change Responsible Use of Resources			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Annex: Sustainability Performance			
	302-3 Energy intensity	Annex: Sustainability Performance			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Annex: Sustainability Performance			
	305-2 Energy indirect (Scope 2) GHG emissions	Annex: Sustainability Performance			
	305-3 Other indirect (Scope 3) GHG emissions	Annex: Sustainability Performance			
	305-4 GHG emissions intensity	Annex: Sustainability Performance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Responsible Use of Resources					
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Use of Resources			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Responsible Use of Resources			
	303-2 Management of water discharge-related impacts	Responsible Use of Resources			
	303-3 Water withdrawal	Annex: Sustainability Performance			
	303-4 Water discharge	Annex: Sustainability Performance			
	303-5 Water consumption	Annex: Sustainability Performance			
Product Sustainability					
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Use of Resources			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Responsible Use of Resources			
	306-2 Management of significant waste-related impacts	Responsible Use of Resources			
	306-3 Waste generated	Annex: Sustainability Performance			
	306-4 Waste diverted from disposal	Annex: Sustainability Performance			
	306-5 Waste directed to disposal	Annex: Sustainability Performance			
Animal Welfare					
GRI 3: Material Topics 2021	3-3 Management of material topics	Animal Welfare			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
Value Chain Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Value Chain Management			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Value Chain Management			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Value Chain Management			
Workforce Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	Workforce Management			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Annex: Sustainability Performance			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Workforce Management			
	403-2 Hazard identification, risk assessment, and incident investigation	Responsible Use of Resources Business Resilience			
	403-3 Occupational health services	Workforce Management			
	403-4 Worker participation, consultation, and communication on occupational health and safety	Workforce Management			
	403-5 Worker training on occupational health and safety	Workforce Management			
	403-6 Promotion of worker health	Workforce Management			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Workforce Management			
	403-8 Workers covered by an occupational health and safety management system	Workforce Management			
	403-9 Work-related injuries	Annex: Sustainability Performance			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S)	REASON	EXPLANATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Annex: Sustainability Performance			
	404-3 Percentage of employees receiving regular performance and career development reviews	Annex: Sustainability Performance			
Diversity & Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity & Inclusion			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Annex: Sustainability Performance			
Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity & Inclusion			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics			

For any questions about this Sustainability Report or Chiesi's sustainability initiatives, please contact us at: csr@chiesi.com.

Past,
Present,
Future,

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“We thank all Chiesi people globally for their integral role in creating this Sustainability Report. From collecting and analyzing data, to providing valuable insights from their area of expertise, to actively championing our sustainability initiatives within the organization – their contributions have been instrumental and underscore our collective dedication to drive positive change.”

INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Board of Directors of
Chiesi Farmaceutici S.p.A.

We have carried out a limited assurance engagement on the Sustainability Report of Chiesi Group (hereinafter also "Group") as of December 31, 2023.

Responsibility of the Directors for the Sustainability Report

The Directors of Chiesi Farmaceutici S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - *Global Reporting Initiative* (hereinafter "GRI Standards"), as stated in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the definition of the Chiesi Group objectives in relation to the sustainability performance, for the identification of the stakeholders and the significant aspects to report.

Auditor's Independence and quality management

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies *International Standard on Quality Management 1*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards.

We conducted our work in accordance with the criteria established in the *“International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information”* (hereinafter *“ISAE 3000 Revised”*), issued by the *International Auditing and Assurance Standards Board (IAASB)* for limited assurance engagements.

The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with Company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

- 1) analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods of analysis and understanding of the context, identification, evaluation and prioritization of actual and potential impacts and to the internal validation of the process results;
- 2) comparison between the economic and financial data and information included in the paragraph *“Economic value generated and distributed”* of the Sustainability Report with those included in the Group’s consolidated financial statements;
- 3) understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of Chiesi Farmaceutici S.p.A. and with the employees of Chiesi Italia S.p.A., Chiesi Farmaceutica Ltda and Chiesi Healthcare Ltd. and we carried out limited documentary verifications, in order to gather information about the processes and procedures, which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the Sustainability Report.

In addition, for material information, taking into consideration the Group’s activities and characteristics:

- at the parent company’s and subsidiaries’ level:
 - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;

- for the following companies and sites, Parma headquarters, research and development center and production site for Chiesi Farmaceutici S.p.A., Parma headquarters for Chiesi Italia S.p.A., Sao Paulo (Brasil) headquarters and Santana de Parnaiba (Brasil) production site for Chiesi Farmacêutica Ltda and Manchester (UK) headquarters and Chippenham (UK) research and development center for Chiesi Healthcare Ltd., which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits or remote meetings, during which we have met the management and have gathered supporting documentation on a sample basis with reference to the correct application of procedures and calculation methods used for the indicators.


Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Chiesi Group as of December 31, 2023 is not prepared, in all material respects, in accordance with the GRI Standards as stated in the paragraph "Methodological note" of the Sustainability Report.

Other matters

The data for the years ended December 31, 2019, 2021 and 2022, presented for comparative purposes in the Sustainability Report have not been subject to a limited or to a reasonable assurance engagement.

DELOITTE & TOUCHE S.p.A.



Silvia Dallai
Partner

Bologna, Italy
July 22, 2024

