



SUSTAINABILITY
REPORT 2015

DiaSorin

The Diagnostic Specialist

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DRIVERS

We identified 3 main drivers, detailed below, that are transversal to all the document and that are highlighted by the following icons.

-  **1** Strengthen clinical laboratories by anticipating and sustaining their needs
-  **2** Attracting excellence and talent at an international level
-  **3** Sustainability of business in the long term

This report has been created following the Global Reporting Index (GRI) indications. Throughout all the text it's possible to identify the references to the GRI with the following indication (→GR-)



Message from the Chairman

(↳ G4-1)



" We are a sustainable business. "

We want people to lead happier and healthier lives and recognize that to do so we need to build a long-lasting sustainable business. For this reason, we place great importance on innovation, constantly improving the technologies we work with and investing in the best talent to continuously improve the products we offer.

We are committed to serving patients, our employees, our consumers, our shareholders and all our stakeholders in the best way we can. We want to play our part in advancing research and developing sustainable solutions and products in the immunodiagnostics field.

Our goal to launch 6-8 new diagnostic kits is a promise to our patients that we will continue finding ways to diagnose certain conditions, and to provide them with the certainty of results they need. Our foray into predictive diagnostics is a promise to better the world of the patient by helping them to prevent foreseeable health conditions.

Protecting the environment is also extremely important for us, and we place great importance in developing sustainable products and working with sustainable providers. We are proud to have significantly reduced our energy and emission consumption, as well as increased our waste reduction.

I am confident in our continued ability to better the world of the patient, and the environment we live in, and in so doing, build a long-term sustainable business.

GUSTAVO DENEGRÍ

Message from the CEO

(↳ G4-1)



" We are in the business of helping patients better their lives. "

We care about the community and our people. Guided by our particular sensitivity to the topics of health and wellbeing, we put health, learning and talent at the forefront of our commitment this year. We are proud of the initiatives we undertook in Italy and abroad, from the Francesca Rava Foundation in Haiti providing free tests to diagnose HIB, hepatitis and parvovirus, to supporting Paralympic athletes in Turin.

Our people are what makes our business tick. As an innovation business operating in the medical field, we are constantly looking to attract the best talent from all over the world. We have ramped up our recruitment initiatives globally. Our participation in key university job fairs, and partnerships with leading research institutions and hospitals, has enabled our business to expand quickly in the past few years.

Not only do we need the best people to continue strengthening clinical laboratories by anticipating and sustaining their needs, but we also need innovators to grasp the new frontier. Our foray into molecular and predictive diagnostics is part of our push to diversify our offering and enter new markets in the immunodiagnostics field. We believe this is crucial in creating a long-lasting and sustainable business.

CARLO ROSA

Highlights: our year in numbers (↪ G4-9)

KEY FACTS & FIGURES (↪ G4-9)



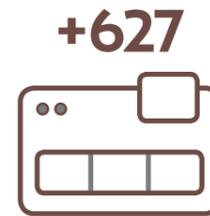
CONTINENTS



MANUFACTURING SITES



COUNTRIES



NEW LIAISON XL INSTALLED



LIAISON XL PERCENTAGE
OF TOTAL INSTALLED BASE



TOTAL INSTRUMENTS
IN THE WORLD



REVENUE GROWTH



EBITDA GROWTH



NET PROFIT GROWTH



NET PROFIT



FREE CASH FLOW



NET FINANCIAL POSITION

ENVIRONMENTAL PERFORMANCE NUMBERS



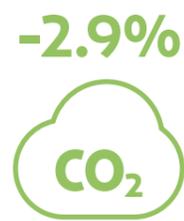
HEATING CONSUMPTION



WATER WITHDRAWALS



FUEL CONSUMPTION



CARBON EMISSIONS

PEOPLE RELATED NUMBERS



WORKFORCE INCREASE



EMPLOYEES WITH
PERMANENT CONTRACTS

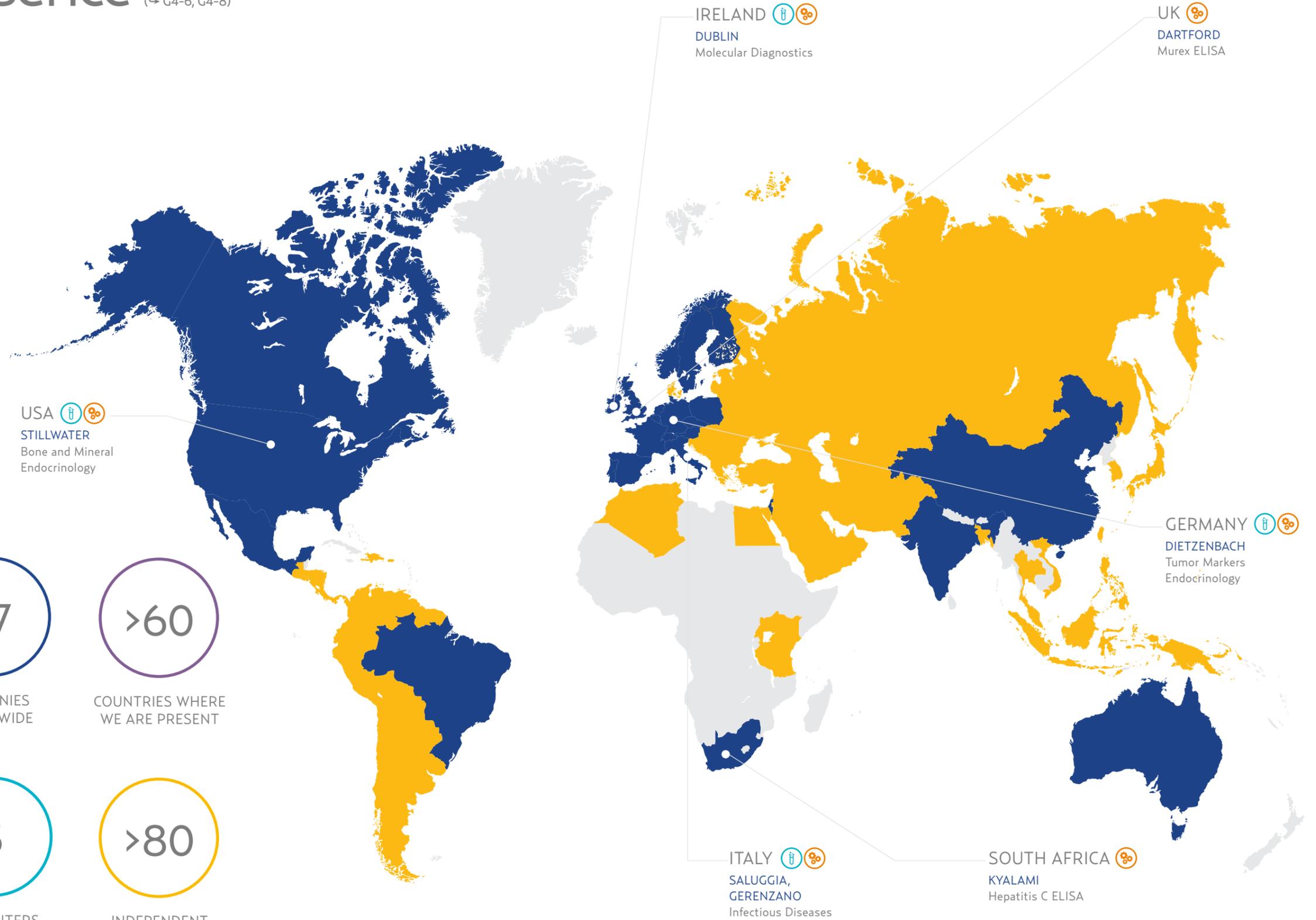


INCREASE IN TRAINING
HOURS FOR EMPLOYEES

Global presence (↳ G4-6, G4-8)

DIASORIN LOCATIONS IN WORLD MAP

- COMPANIES
- DISTRIBUTORS
- ⓘ R&D CENTERS
- ⊗ MANUFACTURING SITES



1,655

EMPLOYEES

27

COMPANIES
WORLDWIDE

>60

COUNTRIES WHERE
WE ARE PRESENT

6

MANUFACTURING
SITES

5

R&D CENTERS

>80

INDEPENDENT
DISTRIBUTORS



Stakeholders & materiality



Our stakeholders

Our stakeholders are important to us, and we take into account their needs and expectations across a number of areas including, but not limited to: business performance, our behavior towards our clients and suppliers, our policy towards our employees and our attention to the environment and health and safety procedures.

Our relationship with stakeholders is based on and inspired by the principles of impartiality, cooperation, loyalty and mutual respect.

(↪ G4-7) As a company listed on the Stock Exchange, we listen to what our current and potential shareholders have to say. They are heavily involved in our activities, and are the first to demand

more transparency, better information and closer contact with our stakeholders.

(↪ G4-16) We also have a close relationship with Trade Associations, which play an important role in our business. Our membership with these associations allows us to develop our partnerships on a National, European and International market scale. The aim is to create and strengthen ties between professionals of the diagnostic world and our researchers, as well as our sales and marketing professionals. This allows for information to flow easily both in and outside our company, and allows our people to be part of a specialized and inspiring professional network.



Our material issues (→ G4-19)

We place great importance on meeting our stakeholders needs and in growing a sustainable business. Our material issues identify the stakeholders affected by each issue, and how we drive the business forward by responding to their needs.

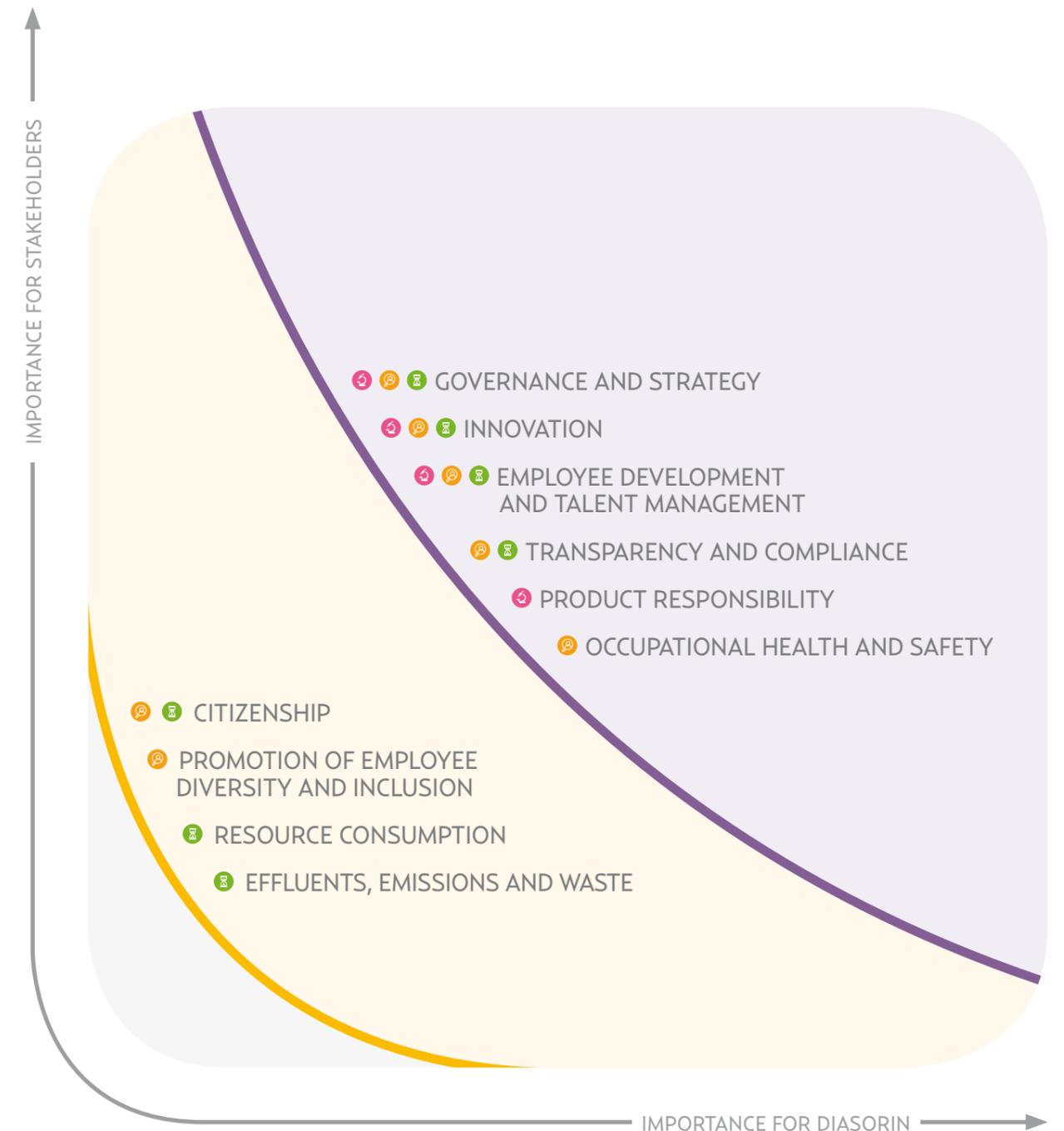
TOPIC	PILLAR	STAKEHOLDER	DRIVER
GOVERNANCE AND STRATEGY	Business Social Environmental	Laboratories Shareholders Suppliers Partners Patients Medical Community Employees Local communities Regulators Environment	  
INNOVATION	Business Social	Laboratories Shareholders Employees Suppliers Patients Medical Community	  
EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT	Social	Employees	  
TRANSPARENCY AND COMPLIANCE	Business Social	Laboratories Shareholders Suppliers Partners Employees	 
PRODUCT RESPONSIBILITY	Business Social	Laboratories Patients Medical Community	
OCCUPATIONAL HEALTH AND SAFETY	Social	Employees	
CITIZENSHIP	Social	Local communities	 
PROMOTION OF EMPLOYEE DIVERSITY AND INCLUSION	Social	Employees	
RESOURCE CONSUMPTION	Environmental	Environment	
EFFLUENTS, EMISSIONS AND WASTE (→ G4-19)	Environmental	Environment	

DRIVERS

-  1 Strengthen clinical laboratories by anticipating and sustaining their needs
-  2 Attracting excellence and talent at an international level
-  3 Sustainability of business in the long term

Being part of the global health community means that we work hard to improve life standards across the world. Our work in R&D and innovation allows us to provide new and better tests, giving doctors and patients more reliable and secure information. Our hiring strategy ensures that we hire the most competent people to do the job.

We are a solid business that always looks to better itself. People know they can grow with us. The medical community knows they can rely on us. Our stakeholders know they can count on us.





Business Strategy

(↪ G4-DMA Economic performance)

DiaSorin today

VALUE GENERATION

Economic value obtained (€ mln)	2013	2014	2015
Economic value generated directly (↪ G4-EC1)			
Revenues	434.9	443.8	499.2
Economic value distributed			
Operating costs	(192.7)	(199.5)	(222.8)
Personnel and benefit cost	(105.6)	(112.6)	(122.4)
Payment to lenders of capital	(7.0)	(4.4)	(0.6)
Payments to governments	(46.0)	(47.9)	(53.9)
Community investments	(0.1)	(0.1)	(0.1)
Economic value obtained	83.6	79.3	99.4

Financial assistance received from governments (€ mln)	2013	2014	2015
Tax relief and tax credits	0.4	0.5	0.5
Research and development grants	0.5	0.0	0.5
Total (↪ G4-EC4)	0.9	0.5	0.9

FINANCIAL PERFORMANCE

Profit & loss statement (€ mln)	2013	2014	2015
Net Revenues	434.8	443.8	499.2
Gross profit	299.7	298.7	341.9
EBITDA	163.1	160.3	185.0
Operating result (EBIT)	134.7	129.9	152.0
Net profit for the period	83.1	84.1	100.5

Statement of financial position (€ mln)	12/31/2013	12/31/2014	12/31/2015
Capital invested in non-current assets	208.9	214.7	213.6
Net capital invested	316.2	317.2	319.2
Net financial position	98.0	166.3	267.9
Shareholders' equity	414.1	483.6	587.2

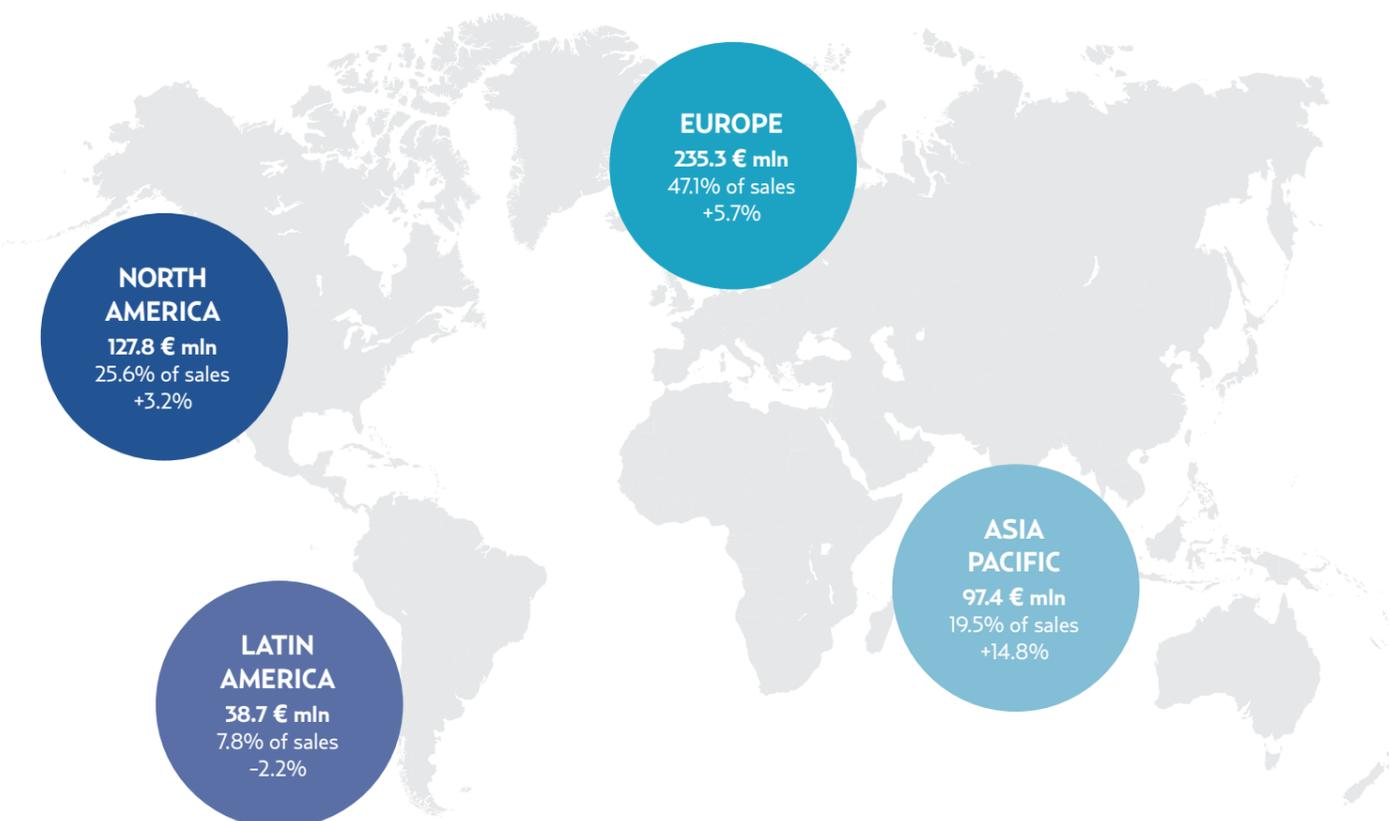
Cash flow statement (€ mln)	2013	2014	2015
Net cash flow for the period	0.5	39.7	67.3
Free cash flow	79.5	91.3	108.2
Capital expenditures	32.1	30.7	32.0

Employees (n.)	1,606	1,620	1,655

BREAKDOWN BY TECHNOLOGY

% of revenues	2013	2014	2015
CLIA tests	68.3%	70.6%	74.4%
ELISA tests	15.4%	14.3%	12.0%
RIA tests	3.1%	2.4%	1.3%
Instruments sales	12.5%	12.0%	11.5%
Molecular Diagnostics	0.7%	0.7%	0.8%
Total	100.0%	100.0%	100.0%

GEOGRAPHIC BREAKDOWN



Managerial outlook on data reported; Change YoY @ CER

OUR MARKET



(→ G4-4) We are a leader in the biotechnology field, developing, producing and commercializing reagent kits for clinical diagnostics. We offer a broad array of high quality products on fully automated systems and operate in infectious and viral diseases, management of bone- and calcium-related diseases, thyroid pathologies, oncology and fertility testing.



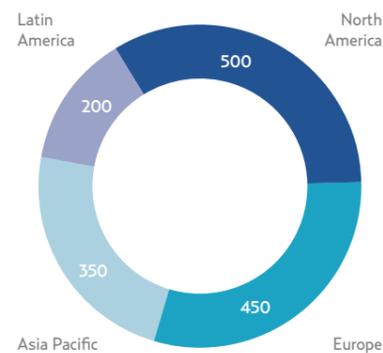
We are present in the market today with 115 mainstream and specialty tests in distinct clinical areas.

The tests we produce are sold to medium-sized diagnostic labs and hospitals, but we are already taking advantage of the emergence of so-called megalabs and have a strategic goal to sell to physician office labs (POLs).

THE BREAKDOWN OF THE CLINICAL AREAS

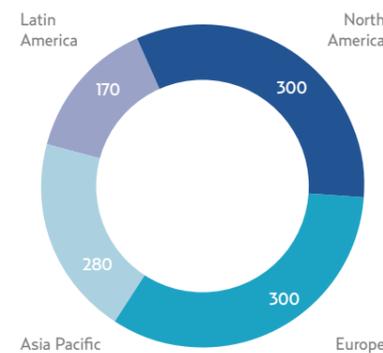
Hepatitis and Retrovirus

MARKET (€ mln)



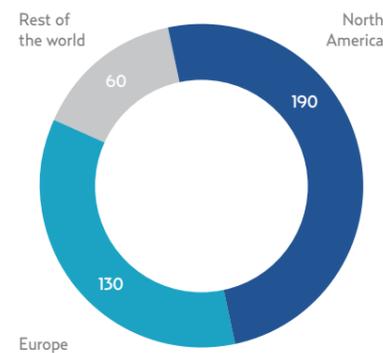
Infectious Diseases (ex Hepatitis and Retrovirus)

MARKET (€ mln)



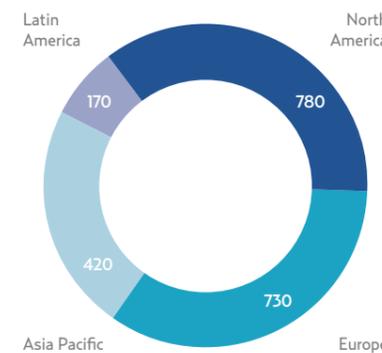
GI Stool Testing

MARKET (€ mln)



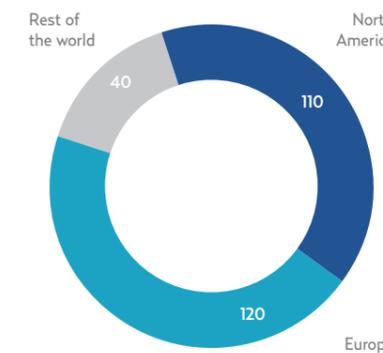
Oncology and Endocrinology

MARKET (€ mln)



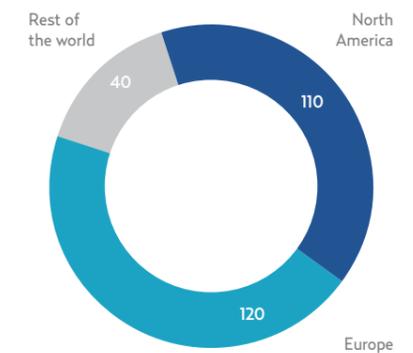
Bone & Mineral (ex Vitamin D 25 OH)

MARKET (€ mln)



Bone & Mineral Focus on Vitamin D 25 OH

MARKET (€ mln)



DIASORIN STRATEGY

- * leverage on Infectious Diseases menu;
- * LIAISON XL to get access to mid-size labs;
- * full menu on LIAISON XL (HCV, HBV, HIV, HIV HT, HTLV, SYPHILIS and CHAGAS);
- * significant installed base in key markets (> 5,000) in clinical labs;
- * leverage on the MUREX brand;
- * Strategic Partnership in China with BECKMAN COULTER;
- * registration of tests in key markets (China and Brazil).

- * use of LIAISON XL to:
 - get access to Clinical mid-size labs
 - accelerate the conversion from dated technologies to CLIA
- * consolidate the Infectious Diseases market with Hepatitis and Retrovirus CLIA tests;
- * Strategic Partnership with ROCHE;
- * Broad Menu to gain new clients, leveraging on some "key" products (e.g. Parvovirus, Mycoplasma, Bordetella, Chlamydia and MMRV panel in the US).

- * supply of an automated "full" panel for gastrointestinal tests on LIAISON and LIAISON XL;
- * leverage on infectious diseases business;
- * agreement with a leading player to co-develop a gastro-intestinal panel to sell worldwide, ex North America and UK;
- * goal of positioning DiaSorin in the microbiology segment.

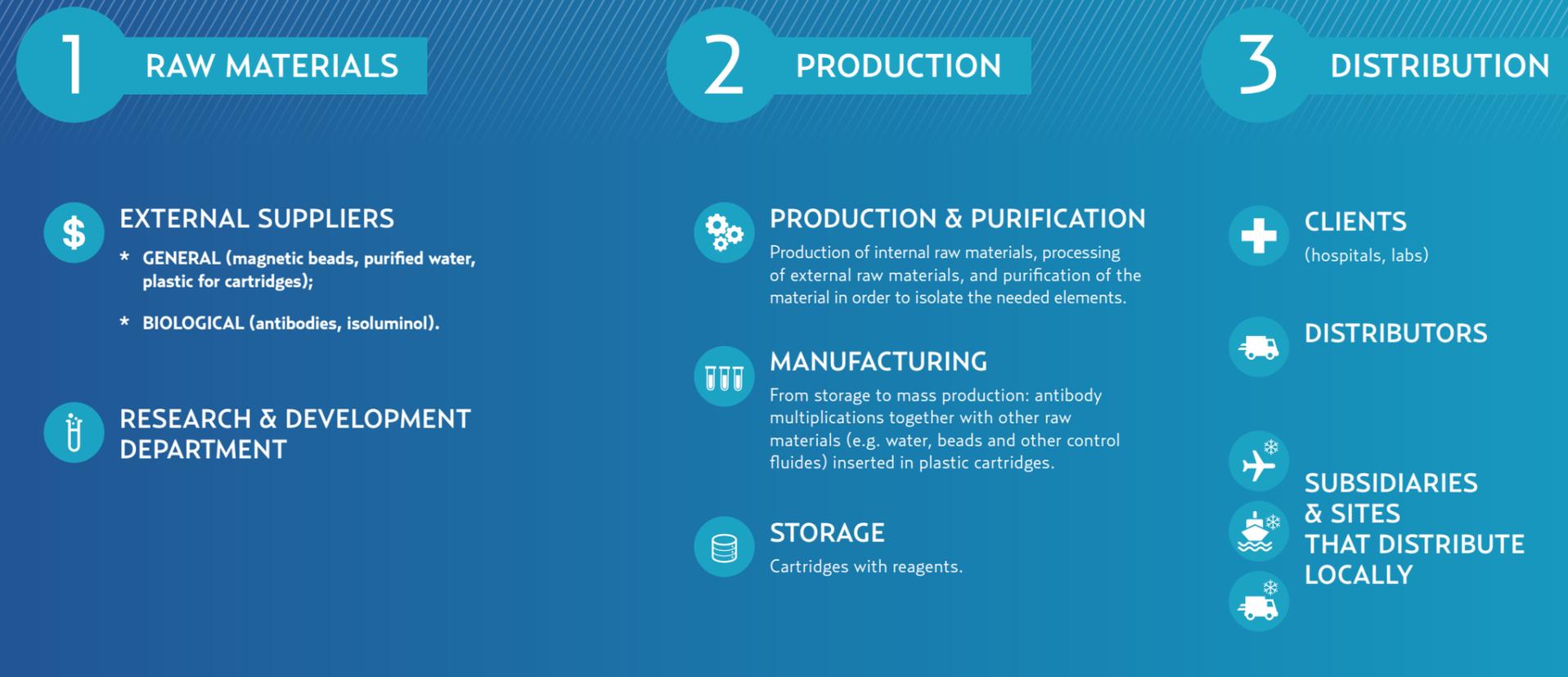
- * use of LIAISON XL and XLIN in medium-large size labs;
- * endocrinology specialties (e.g. Direct Renin and Aldosterone for hypertension) to reinforce the reputation of "specialist" and place new analyzers;
- * expansion of the US Menu to consolidate the positioning of the LIAISON Family and, at the same time, to strengthen the leadership position on the Vitamin D panel (Vitamin D 25 OH + 1,25 Vitamin D);
- * registration in China of Oncology and Endocrinology tests.

- * 1,25 Vitamin D mostly driving the strategy in this clinical area;
- * high-level technology from a scientific point of view;
- * Premium Price of the test;
- * ongoing conversion of the customers from RIA to CLIA;
- * US market targeted after the Food and Drug Administration approval;
- * development of the WW Market through clinical studies highlighting the necessity of the test at "time zero" and in the consequent follow up of the patient.

- * synergy with other tests of the menu:
 - securing the CLIA Vitamin D 25 OH market leveraging on the richness/completeness of the menu available on the LIAISON and LIAISON XL
- * new geographies:
 - opportunities for expansion into new markets (e.g. China and Japan)



Our value chain



OUR SUPPLY CHAIN (→ G4-12)

The guarantee of the final high quality of our test results at hospitals and laboratories is ensured by strict and rigorous controls of the quality processes along our value chain.

Therefore, we check that all suppliers who have an impact on it are reliable and able to guarantee excellent products and services.

With regard to our diagnostic tests, some of the raw materials are bought from external suppliers, who are chosen extremely carefully in accordance with their respect to quality standards. They must strictly conform to the performance requirements requested by our production sites where we produce other raw materials in-house, and we process the progress of semi-finished products until obtaining the final product to be sold on the market.

With regard to this, a selection is also made of partners who deal with the transport of the raw materials, and who are responsible for transferring and preserving them at the correct temperatures, required by their chemical and biological nature, along the entire production process of the tests.

Lastly, we pay great attention to after sales assistance, guaranteeing the resolution, within the 24 hours, of any problems concerning our products and the machinery on which our tests are carried out, therefore constantly safeguarding the quality of our test results and, consequently, the health of the final patient.

The first step in our **Supply Chain** starts with the acquisition of raw materials from external suppliers or in-house products from the R&D Dept. These are biological molecules and general supporting materials, such as paramagnetic beads, plastic and water, which are used in the various production process phases.

The role of R&D in this first phase is that of studying project feasibility, which is then examined by the Group's own feasibility committee and, once approved, produced at our industrial sites.

As soon as the raw materials are acquired and the R&D Dept. approves the production of the diagnostic tests, the Biology and Biochemical Group intervenes in the process by carrying out the chemical, physical and biological cleaning process of the biological raw materials, which are then preserved in special cell banks until the next production step.

Then we move on to the large-scale production of the materials preserved in the cell banks, which are then transferred into plastic cartridges, together with the other materials used in the final diagnostic kits, such as the controls, starters and fluids necessary for conducting tests using DiaSorin instruments.

The last step consists of the distribution of the assembled kits from DiaSorin industrial sites to Group subsidiaries, in the case of direct sales, or independent distributors used by DiaSorin in those countries where the distribution of tests to the final customer is made through local dealers that specialize in diagnostics and have a strong and widespread network in the local markets they work in.

DiaSorin tomorrow



EXPANSION

Our specialty tests have enabled us to penetrate the biggest labs in the world. Our flagship Vitamin D test, our highest grossing product, opened the doors to LabCorp, Quest and Sonic Healthcare, three of the biggest players in the market globally. Thanks to this unique offering, we were able to subsequently expand our proposition and increase the number of tests we sold. We see this process continuing further.

We are consolidating our positioning in this growing market through the breadth of our global partnerships. We have signed a partnership with Roche Diagnostics to

help complement their product offering in the immunodiagnostics area by providing them with specialty products to the mega labs in Europe and in the US. We have also signed a partnership, based on our mainstream tests, with Beckman Coulter to complement their offering in China.

This combination of clients and partnerships gives us worldwide access to a growing, and increasingly significant, area for our market. We continue to sustain long-lasting, fruitful relationships with our clients, the mega labs, won through direct negotiation and without third party interference. At the same time, our partnerships open up

to us a portion of the market which is expanding, without which we wouldn't have access.

Given the delicacy of our products, quality is of utmost important. We take extreme care to make quality products that meet each country's legislation. Why do we do this? We want to avoid false positives and negatives in our test results. **Doctors and patients need to have the certainty of results.**



We're increasing our footprint in this area by partnering with best-in-class companies and labs, and winning direct business through our best-in-class employees.

CONSOLIDATION

Our focus has been to consolidate our product offering to mid-size labs. The strategic decision to focus on specialty tests differentiates us from our peers, many of which focus on mainstream tests.



In fact, our knowledge and production of these specialty tests has enabled us to leverage on these commercial positions to obtain a share in the mainstream test market.



This means we have installed 6,300 machines (and counting) in over 60 countries in the world.



WE CONTINUE TO INVEST IN THIS MARKET

In terms of research and development, our continued consolidation of the markets pushes us to innovate and develop new tests, with the goal of launching six to eight new ones each year.



The knowledge and expertise of our employees is crucial in making this happen, which is why we place extreme importance on talent, training and development.



The LIAISON XL is the mainstay of our positioning in this segment and its penetration is increasing at a steady rate as we install new machines and substitute older models. Today the LIAISON XL accounts for 36% of our installed base.



HONING IN ON A GAP IN THE MARKET

We are a solid company, but we never stop setting new objectives and pursuing our ambitions. While we continue to consolidate our positioning with the labs, and work to expand our footprint in the mega lab market, we have set our sights on small-sized and physician office labs (POLs).

To date, there are 18,000 POLs in the US in need of smaller machines to test blood samples on site. A growing market in the US and in future in China, we are developing a new machine (LIAISON XS) to meet the smaller scale needs of doctors in these kinds of situations.

A proportion of our investments in R&D will account for this, as we look to advance and continue penetrating this untapped area in the market.



To reach this goal, we are investing heavily in our people, in order to leverage the knowledge of our existing employees to launch a top-notch product for this segment.



Our entry into this market will allow us to broaden our scope of clients, as well as address an unattended gap from the big players in the industry.



MEGA/BIG LABS

500,000 - 1,200,000 TUBES/YEAR



MID-SIZE LABS

200,000 - 500,000 TUBES/YEAR



SMALL-SIZE LABS / POLS

<200,000 TUBES/YEAR

The Day After Tomorrow

DRIVING BUSINESS THROUGH INNOVATION

In addition to the ongoing strategy of developing 6-8 tests per year (which means we will produce and bring to market 130-135 CLIA tests by 2017), we are looking to position ourselves as follows:

INNOVATIVE USE OF EXISTING MARKERS & INNOVATIVE MARKERS

- * clinical approach strategy to drive market expansion;
- * development of robust and sustained clinical program critical to commercial success;
- * prescribers, regulators and subscribers demand greater evidence of healthcare value.



Using our existing markers in an innovative way

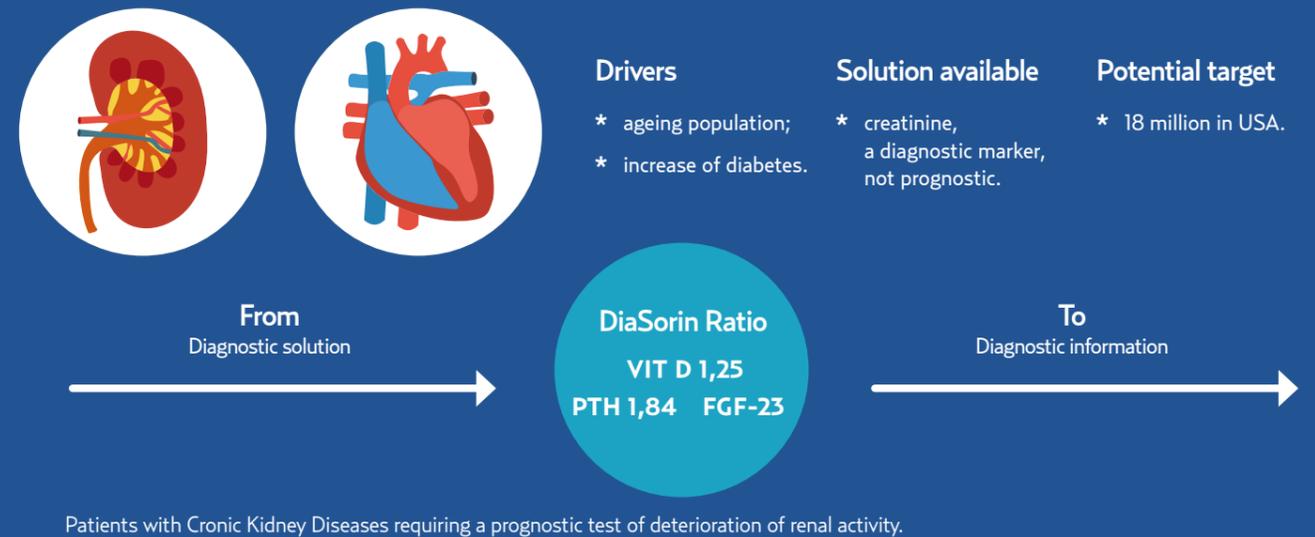
The current markers address the existing clinical needs of labs and doctors. We believe, however, that **we can meet these needs in an even better way**. Clinical studies have proven that by combining some of our tests, we can provide doctors with insights that are currently unavailable to them. We call this **predictive diagnostics**.

Predictive diagnostics has the potential of shaking up the entire immunodiagnostic business – in a good way. Protected by intellectual property, the algorithm we have come up with will allow the doctor to have more information with a view to identify related pathologies and providing a potential outlook in their evolution. For the doctor, this means treating patients in a more holistic manner. For the patient this means receiving a more effective diagnosis.

This approach could benefit more than 18 million patients in the US alone. **The potential, therefore, is huge**. We currently have four special projects in the development phase. Our next step is to target key opinion leaders in the medical community to help drive this change.

PRACTICAL EXAMPLE OF USAGE OF EXISTING MARKERS IN AN INNOVATIVE WAY

If a patient has a heart condition, a doctor may prescribe medicine that helps heal the problem at hand. This medicine, however, may have an adverse effect on the kidney. Our algorithm will be able to predict this before damage is done, so that the doctor can treat the patient with the right drugs and doses rather than take a trial-and-error approach. This could prevent people from going into dialysis.



Developing innovative markers

	EXISTING MARKERS	INNOVATIVE MARKERS
CLINICAL UTILITY	Accepted	Likely but not yet demonstrated/accepted
MARKET	Defined and acknowledged	Small/not yet exploited
COMPETITION	High	Low / not existing
DEVELOPMENT	Linear	Challenging
RISK	Limited risk of technical failure	More demanding technical development
IP PROTECTION	Limited / not existing	Available

PRACTICAL EXAMPLE OF INNOVATIVE MARKERS

Currently, a test for Sclerostin (a protein produced by our body that reduces the bone mass) does not exist. We are developing new tests that detect if people have this and helps manage it if they do. Its detection and quantification in blood might have a diagnostic utility in high prevalence clinical conditions characterized by bone mass loss (e.g. postmenopausal Osteoporosis and CKD). Sclerostin can bring to new clinical claims and potentially to agreements with pharma which are developing a drug for Sclerostin.





A day in the life

(↳ G4-DMA Customer health and safety, G4-DMA Product and service labeling, G4-DMA Compliance)

Giulia

SENIOR MOLECULAR R&D
MANAGER: THE INNOVATION
SPECIALIST

A product doesn't exist until Giulia and her team put their minds - and hands - to it.

[9.00am - 12.00pm] It's a packed morning. I'm with my team at an onco-haematology congress in Torino to hear the latest research being carried out in the sector. We attend medical congresses regularly to keep up with the latest developments in the field. It serves as a great sounding board for our own R&D, and helps us draw inspiration for the products we develop at DiaSorin.

In the Research department, we want to ensure we are updated with the latest developments, as the field of scientific research is one of constant evolution. The

way to bettering what we do is through knowledge and collaboration.

[12.00pm - 1.00pm] We're back in the office and Project Manager Maria Antonietta calls a meeting. It's been an exciting morning in Saluggia, as the Science Technology Committee (SCT) convened to discuss a new product idea.

Every six months the SCT convenes to discuss whether to invest in a new project or product. This is a high-level meeting, attended by our CEO Carlo Rosa, and the head of our department, Senior Corporate

Vice President and Chief Medical Officer Dr. Francesco Colotta, among others. During this meeting, representatives from the R&D team respond to questions with regards to the specifics of the proposed product, the time needed to develop it and so forth. For example, if we want to develop a new kit, it is our job to let the committee know how much time it will take until it is ready. Colleagues from marketing are also in the room to discuss what the market and sales volumes might look like for a potential product.

We have a healthy pipeline. Products are always conceptualized and worked on years

in advance of release. **Usually, it takes two to three years from inception for the product to be launched. That might sound like a long time but it's really quick considering the sector we operate in.** For example, the tests we launched in 2015 were conceptualized in 2012.

Depending on the specifics, I will sometimes join these meetings to answer on the more technical sides to the project.

■ We do not operate in a routine business. Our work is in continuous evolution, with every project a new challenge.

[2.00pm - 4.00pm] The go-ahead for the project has been given and my team and I are now heavily involved in the planning stage. We form a new board made up of people in the Marketing, Sales, R&D, Operation and Quality Assurance divisions. We put our heads together to talk priorities, timeline and tasks.

There are five phases to the product development process:

1. Design conception. The key objectives of the product are defined (what it should

Rita

CORPORATE VP, QUALITY
ASSURANCE & REGULATORY
AFFAIRS: THE TEAMWORK
THAT UNDERPINS EXCELLENCE

A product doesn't hit the shelf until Rita and her team have given final approval.

[9.00am - 10.00am] The day starts with a global meeting with my colleagues in the Quality division across the globe (where time zones permit!) to discuss the week ahead. We discuss any quality complaints that have come up, upcoming audits in our different sites and quality assurance processes for new products that are being launched.

I catch up with the heads of quality in the different countries we operate in every two weeks. We work in close collaboration to ensure we are on the same page when it comes to compliance, problem-solving and coaching.

At times, we also discuss adapting certain pieces of regulation for local needs. Due to different markets being subject to different laws, regulations can be adapted on a case-by-case basis.

[10.00am - 10.30am] Every industrial site at DiaSorin has to abide by the Group Operating Process (GOP) and it is my role as Head of Quality to ensure they do so by reviewing and updating our policy manual. The specific regulations that make up the GOP, determined by the Code of Federal Regulation, are inserted into a policy manual by which all operational procedures are determined. These regulations are what determine Good Manufacturing Practices (GMP). Every person that is involved with making test kits for DiaSorin has to follow the GOP and GMP religiously.

[10.30am - 12.00pm] I oversee the planning of a "rehearsal audit" that we will stage in our South African office next week. A lot of my time is spent preparing for these audits, and ensuring that everything is up to par. We need to be prepared at all times for a potential audit as we can get audited at any time by the U.S. Food and Drug Administration (FDA) on our procedures. After the audit has taken place, I do a monthly follow up to check how procedures are being implemented on-site.

The FDA's rules have changed since last year, and it is my job to ensure I am 100% informed on their process and, in turn, that everyone working on the product side is fully informed on the correct procedures. The FDA investigates everything from complaints that have been logged, to the handling of products and assurances from top management. **Everything that I say on a professional quality assurance level, and anything that I sign off, has to be documented and be traceable.**

Angelo

CORPORATE VP, SERVICE:
THE PROBLEM SOLVER

When the going gets tough, Angelo gets his team going.

[8.00am] I'm on the phone with China on my way to the office; more specifically, with the Service Manager who oversees the implementation and maintenance of DiaSorin's machines in our market over there. I live in Varese, which is an hour's drive from our headquarters in Saluggia, so I like to spend my time wisely.

As the Global Head of the Service Division, it is my responsibility to ensure that all our Diagnostic Instruments, all over the world are up to scratch and that all issues are solved in a timely manner. In order to reach this goal, one of my

main responsibilities is the knowledge management of our technologies, in order to have skilled people who represent the Company in front of the Customer. It's a big responsibility – directly and indirectly I oversee over 350 people: Service Managers, Service Engineers, System Specialists and Application Specialists.

[9.00am - 10.00am] I regularly catch up with my Corporate Team in Italy. Today we're discussing "emergency" troubleshooting, where the Corporate Team was involved, how many cases we've closed and how many are pending. This means we go over any important issues which have occurred with DiaSorin's instruments or products across our client sites globally.

In order to manage our technologies, we have a Service Management Software (SGAT) that logs all the product/machine problems across the world. For example,

my team and I are able to see if a client is having an issue with a machine in New York.

We handle emergencies in a number of ways. We first try to resolve this remotely via telephone within the same day: 67% of our machines are remotely connected, so our technicians can connect to them and try and resolve the problem directly. If this doesn't do the trick, we send one of our FSE's/ System Specialists to the site. **We strive to always resolve the issue within 24 hours.**

[10.00am - 11.00am] I like to dedicate some time in my day to look over our "on phone resolution rate" to ensure we're as effective as possible and clients are disturbed on a minimal basis.

How we perform is extremely important to us. We have a number of KPIs to measure this and a yearly global Customer Satisfaction Survey, all of which gives us input for improving our service organization.

Giulia

do, look like, test for). We base our decisions on extensive market research undertaken with key opinion leaders, from which we develop our design goals.

2. Pre-feasibility. This is the most critical phase for us in the research team, as it is when we design the idea and strategy to realize the product. During this time we come up with all of the components that will make up the product.

3. Feasibility. Throughout this phase we create the prototype of the product. (As researchers, we always work as part of a team – a researcher never works "alone.") We then have a meeting with

the other divisions to update on how the project is going, what the characteristics of the product we are developing are and our expected timeline post this phase. At this point, our colleagues in the marketing division can decide to add more prerequisites to the product, depending on market needs. Post this meeting we work on improvements. Once this is done, the prototype is distributed to key opinion leaders who test it and provide their opinions.

4. Verification. At this point, the prototype we have developed is passed onto our research team in Dublin, who test it on an industrial scale. This is an extremely

important part of the process, as large-scale production changes the quantity of components used, and it is important to ensure the test still provides the right results when produced at this level. It is then passed onto our key opinion leaders again, for their opinions.

5. Validation. At this point, both our team in Italy and our team in Dublin work hand in hand to ensure the product is fully functional. This part requires careful coordination and collaboration as the key entities are based in three different countries (the marketing team is in the UK, the production team in Ireland and the research team in Italy). During this

phase, we travel regularly to each other's sites to ensure that we are all on the same page. After we finish our work, the ball passes to the quality assurance team to certify the product, by which time the marketing team is involved to start the sales process to our clients. Prior to the final launch, we pre-release the product with labs and key opinion leaders. The marketing department collects this data to support the sales process.

Once the kit becomes available on the market, we are only involved within the first year of the launch to provide customer care should any problems occur.

[4.00pm - 4.15pm] I take some time to grab a coffee with two new entrants who have just joined my team. I have 20 people that work with me on molecular R&D.

Some of our best ideas are discussed and implemented during our coffee break.

I believe, as does DiaSorin, that investing in people is the most important thing to retaining talent. We fund annual scholarships for researchers at the Bicocca University in Milano, all of whom have joined our team as permanent staff. I was one of them eight years ago!

It is important to have a dedicated team that is interested and inspired in the work they do. Our research team is quite young, as is the team in Ireland. We have a median age range of 28 – 40 years. **As a young team, we are always fresh with new ideas, which allows us to continue innovating and producing quality products.**

Rita

[12.00pm - 1.00pm] I spend an hour of my day overlooking some documentation papers that landed on my desk. **No DiaSorin product goes on the shelf unless the Quality department gives the final OK.** For this reason, documentation is a key part of my job.

Although I am the overall Head of the department some markets have their own Heads of quality who act as quality assurance guarantors and sign

off a product's quality certification. If this role does not exist in a market, the country manager acts as the guarantor. Products are certified and regulated in this industry as we can't run the risk of a patient or doctor receiving a false result from one of our tests.

Test results are handled with sensitivity and respect for the patient, and for this reason we take our role very seriously.

[2.00pm - 3.00pm] I spend the early afternoon overseeing a training session for new recruits (part of their welcome package when joining DiaSorin). During this session they are briefed on procedures related to the GMP, how to adapt their behavior to the highest standards and ensure a product has all the necessary certification to be launched into the market.

Patients and doctors need to be confident the results our tests provide are 100% accurate, and it is our responsibility to provide them with this confidence.

We also provide GMP refresher training courses to all the key functions working in the product realm (operations and laboratories). Not only do we want to ensure we are prepared, but we also want to better ourselves continuously.

In markets where we have received complaints on quality standards, we have reacted by amplifying the training to ensure that this doesn't happen anymore.

[3.00pm - 7.00pm] I spend the rest of the afternoon planning the next Quality Worldwide Day. This is an annual gathering where all of the Heads of Quality get together to discuss operational procedures. This year we're hosting the event at our headquarters in Saluggia, Italy, but the next one will be in our operational site in Germany. I think it is important for the different Heads to see how their colleagues operate in their own sites to get a more holistic feel of the business.

Angelo

I also check how much maintenance work we've done. Apart from emergency troubleshooting, we regularly perform Preventive Maintenance checks on our machines at our client sites.

[11.00am - 11.40am] I have a quick meeting with my team to discuss stock management. Our stock sites are regularly re-filled, so that our technicians have the right spare part to fix the instruments. All the spare parts are shipped from our Logistics Department in Saluggia, Italy to our different sites all over the world.

Maintaining our machines and finding resolutions to problems in a quick and efficient manner across our client sites is absolutely crucial.

[11.40am - 1.00pm] Liability is a big part of my job. I spend some time looking over, writing documentation on the correct procedures for maintenance, and troubleshooting. We have many technical notes for our technicians and engineers to study and stay updated with.

Our subsidiaries are audited every year, and a yearly web assessment certification process ensures that our technicians are constantly being tested on their technical ability.

[2.00pm - 3.00pm] After lunch, I sit in on a training session for our new recruits. We train our technicians and our distributors at our Training Center in Saluggia. If we don't have a technician at the site, we train the client's technician to be able to use, maintain and update our machines.

Our culture of regular training sessions, audits and compulsory certification ensures that we are constantly improving and providing our clients with best-in-class products.

[3.00pm - 5.00pm] If you want to stay competitive in this market, you have to take an interest in technological developments. I love this kind of stuff, and the fact that innovation is a big part of my job is a daily motivator. We deployed SGAT Corporate – the Software that consolidates and manages Service data from all over the world. I'm now in the process of developing a new cloud-based system – "Next". I can't talk too much about this yet, but it's an exciting development.

Giulia

Age: 33

Years Working at DiaSorin: 8

Years Working in the Industry: 8

Educational Background:

PhD in Industrial Biotechnology,
University of Bicocca

[4.15pm - 7.00pm] Training and studying on a regular basis is part of the job of being a researcher. Today we are gathering for our monthly journal club. During these last hours each member of the research team brings an interesting article from a scientific journal to discuss. We have access to a number of scientific journals that we read on a regular basis to keep on top of things.

Being a researcher means finding a solution to a problem. For this reason, you really need passion and tenacity to do this job.

WHY DID YOU JOIN DIASORIN?

I joined DiaSorin as it is one of the few companies that invests in research in Italy, and I wanted to work for an Italian company I was proud of. I like to see the evolution from a mere research idea into an actual well-functioning product. DiaSorin has allowed me to realize this dream.

WHO ARE THE KEY STAKEHOLDERS IN YOUR WORK?

Doctors, End-Patients, Labs, Key opinion leaders.

One of my greatest Achievements: the detection of PML-RARA translocation

Our team worked hard over a number of years to develop the fastest diagnostic assay in the world for the molecular diagnosis for acute promyelocytic leukemia (the detection of PML-RARA translocation). A lot of hard work went into obtaining this result. It was all worth it to see the final testing kit. Truly an incredible and well-deserved success given the work our team put into finding this.

Rita

Age: 53

Years Working at DiaSorin: 1.5

Years Working in the Industry: 25

Before joining DiaSorin:

Head of Compliance

at Novartis Vaccines and Diagnostics;

Quality Unit Director at Merck Serono

Educational background:

Post Doc in Microbiology and Virology,
University of Bari

Collaboration is key to our business. It is through this close collaboration that we can ensure that the end consumer of our products has a **quality product in their hands.**

Teamwork leads to excellence and my management style is to ensure ideas are constantly shared, and that people respect each other's role in the process.

WHY DID YOU JOIN DIASORIN?

After many years in the pharmaceutical sector, I decided it was time for a change. I've always set the bar high and wanted to work in a company that allowed me to grow and try new things, and that puts quality at the forefront. I am also really interested in the world of immunodiagnostics, and jumped at the chance to work at DiaSorin.

WHO ARE THE KEY STAKEHOLDERS IN YOUR WORK?

Doctors, End-Patients, Labs.

The world of Quality Assurance is changing

The approach to quality assurance is changing. The procedures that we put in place are lived by all of our stakeholders on a daily basis. We need to have faultless quality to remain competitive in the market. We don't work in silos in DiaSorin. We integrate all functions and work in a collaborative manner to ensure a high quality product is launched to the market.

What I envision for Quality at DiaSorin

I would like to have a solution today for a problem that could occur tomorrow.

Our visionary mission centers around these four pillars: Excellence, Awareness, Competence and Understanding. A harmonized, well-functioning process that guarantees best-in-class quality results is our end goal.

Angelo

Age: 54

Years Working at DiaSorin: 7

Years Working in the Industry: 21

Before joining DiaSorin:

Service Director at Abbott Italia

Educational background:

Electrical engineer

The Internet of Things is the new frontier.

The Internet of Things is the new frontier, having all our machines connected in real time. I see a future where data will allow us to expect what problem a machine or product will have. Thus our service operation will become more predictive, less reactive. My aim, is to bring the client at the center of our business. **By anticipating things in advance, we will ensure zero discomfort for clients and provide them with the certainty that their machine will work fault-free.**

[5.00pm - 7.00pm] I end my day with a call to my US colleagues. I'm looking to find a solution to improve the interface of our machines with the software in the labs over there. The process as it is today is currently taking too much time for my liking. I want this process to be improved as soon as possible.

WHY DID YOU JOIN DIASORIN?

I wanted to join DiaSorin because of the company's clear vision. I spent many years working for big multinational companies, and was tired of the management and strategy decisions constantly changing. DiaSorin is a serious company that is expanding, and allows its people to grow with confidence. It's a fast paced, dynamic environment. I really feel like I make, and can continue to make, a difference here.

WHO ARE THE KEY STAKEHOLDERS IN YOUR WORK?

Doctors, End-Patients, Labs, Blood Transfusion Centers.

A Global Job

In 2015, I was "on the road" for half of the year to hold business reviews in the countries we operate in. As the Global Head, it is my responsibility to ensure that all countries are operating according to procedure, and that our clients are satisfied. A culture of collaboration means working closely together with my colleagues from all over the world to ensure that things run smoothly.

Our involvement

When a new machine is being developed in DiaSorin, we always have a Corporate Service Technical Lead on the working group. This is to ensure that the conceptual vision of a new machine or product makes technical sense as our technicians need to be able to easily manage these machines for routine checks.

Our People



Our workforce grew in 2015 by 2.2% to reach 1,655 employees.



45.7% of our employees are women.



98% of our employees have permanent contracts.



We increased our training hours for our employees by 10.3%. Our training on safety procedures in our 6 manufacturing sites increased by 8.5%.



We prolonged and entered into new partnerships with leading hospitals to fund research scholarships.



We increased the number of internships provided, most significantly in our strategic markets in China and the US.



(→ G4-DMA Employment, G4-DMA Diversity and equal opportunity)

We are a people business. Our aim to constantly improve the lives of patients requires hiring skilled professionals. It is through our people's dedication, determination and energy that we continue to improve and innovate our product offering in the science and healthcare fields.

At DiaSorin, we look for people who share a common managerial and entrepreneurial style. We like our people to be go-getters from the start. People who focus on results, are proactive whilst also being accountable, and who are innovative while also being pragmatic.

These type of people have fueled and sustained our Company's growth. They are the people we continue to invest in and they are the people we continue to recruit. They have realized, bettered and furthered DiaSorin's footprint in the immunodiagnostic field. Stemming from different cultures, professional backgrounds and business roles they make up the multinational business environment our Company operates in.

Embedded throughout our company is the concept: think corporate, act local. This approach reflects the way our managers think and operate worldwide meaning that the buck doesn't stop at the corporate office headquarters in Saluggia, Italy. Leaders take part in all aspects of the decision-making process, from the initial idea to the final product, making sure client needs are met and that DiaSorin's products meet patient's needs.

DiaSorin's leaders worldwide take ownership and guide through the Group's strategic vision in their respective countries or departments, whilst also tailoring their actions for specific local needs, thereby balancing their **entrepreneurial spirit and their managerial skills**.

This concept applies to our leaders and is also interwoven throughout the business. We strongly encourage people in DiaSorin to use and improve their personal and professional skills for the betterment of the company, and for themselves as individuals. We help strengthen these qualities and values we look for in our people by investing in their skills through training, and by providing them with the right tools to succeed.

Our Growth 2000

In the last ten years, DiaSorin has almost tripled in size due to the fast growth of our business. This was driven by the expansion of our product portfolio and our geographical expansion through new commercial branches and acquisitions.

In the last ten years, the acquisition of Byk Sangtec and its rights to the LIAISON platform allowed DiaSorin to start a process to move from using the ELISA products (a semi-automatic manual platform) to the most common technology used at that time, and still today, on the market: the CLIA technology (a fully automated technology used in the lab). This transformational business process was brought to fruition by employees who lead the project, retrieving successful results.

Throughout the 2000-2006 period our workforce increased from 500 people to over 900.

In 2007, we were listed on the Italian market, attracting new shareholders and taking on an increasingly important role worldwide.

From 2007 to 2012, an expanded product range gave us the opportunity to extend our global reach. The worldwide expansion and consolidation included new commercial branches opening in Portugal, Austria, Czech Republic, Canada, Australia, Ireland, South Africa, and the Netherlands.

In 2008, we acquired Biotrin, a worldwide leading company in Parvovirus, the fifth most pervasive illness for children. We also started expanding our knowledge range to molecular diagnostics (which is key for our business), transforming the Irish manufacturing site of Biotrin into the solely fully-dedicated molecular diagnostics manufacturing site of the Group.

In 2010 we acquired Murex, the leading franchise from Abbott Laboratories, which produces tests for hepatitis and retroviruses using the ELISA technology.

In 2012, we bought the Norwegian private company, Nordiag Group, giving us sole rights to its business line, technology, patents and know how related to the extraction of nucleic acids used for molecular diagnostic applications.

Our diverse workforce

People are our greatest assets. Every innovation, product and breakthrough we've brought to the patient stems from them.

OUR INNOVATION STEMS FROM A DIVERSE WORKFORCE

Diversity for us means inclusion, and the power of inclusion means building a workforce that drives innovation, obtains results and helps us connect with the needs of communities across the world.

Diversity leads to the development of new solutions and ideas. We seek a common language and a feeling of membership within our subsidiaries around the world in order to draw upon all the benefits that derive from our mix of cultures and experiences.

we first set forth our expansion strategy in 2007, increasing our workforce by hiring over 700 people across the globe. Of our current 1,655 employees, **45.7% are women**.

We are also expanding. In July 2015, we opened an office in Poland, employing 14 people. We have also increased our presence in China, a strategic market for us, growing by 17% this year. We have particularly focused on hiring people in the commercial business, and are looking to expand our operations in this market even further.

We aim to improve the gender balance at all levels of our organization, and know that we still have more work to do in this area. The number of women in the senior management division increased by 1 person in 2015 and the number of women working in the white collar segment increased by 20 people. The number of women working in blue collar jobs decreased by 10 people.

GROWING OUR WORKFORCE

(↔ G4-10, G4-LA12) Our company's greatest asset are our **1,655** employees, who work across the globe in over 60 countries. In 2015, we had 239 new hires, an increase of 11% from 2014, growing our workforce by 2.2%. We have been growing at a steady rate since

2014

SENIOR MGMT (VPs & DIRECTORS)



WHITE COLLARS



BLUE COLLARS



TOTAL



2015

SENIOR MGMT (VPs & DIRECTORS)



WHITE COLLARS



BLUE COLLARS



TOTAL



Our Code of Ethics formalizes the commitment to offer all employees equal opportunities, both within the workplace and with regards to career advancement. Any form of discrimination towards employees or staff members is prohibited and all decisions regarding management and development are based on considerations of merit and/or correspondence between expected and actual profiles of staff members.

We strive to ensure that in all aspects of the employment process, such as recruitment, training, compensation, promotion, transfer

and termination, employees are treated according to their ability to meet job requirements, avoiding any form of discrimination, in particular, discrimination based on race, sex, age, nationality, religion and personal beliefs.

The table below shows the gender distribution within the industrial sites in both 2015 and 2014. While fairly equally balanced in the USA, Germany and Ireland, China and Italy see a higher concentration of men. We expect the percentage of women working for us to grow, as we expand our operations globally.

OVERALL HEADCOUNT IN KEY STRATEGIC AREAS BY GENDER

Employees	2014		2015	
	Men	Women	Men	Women
USA	51%	49%	52%	48%
China	59%	41%	64%	36%
Germany	49%	51%	48%	52%
Italy	56%	44%	56%	44%
Ireland	51%	49%	51%	49%

OUR EMPLOYEES BY AGE

(↔ G4-10) The highest concentration of employees is between the ages of 30-40, with the lowest concentration in the under 30 years of age bracket. We have a hiring strategy in place to increase this latter number, focusing on actively pursuing and hiring graduates through university partnerships we have in place in our key markets in the US, Italy and China (**Read more on page 44**).

As a company whose products are made to improve people's lives, we require skilled personnel. The type of work generally performed by our employees requires a high level of specialization. As such, a high percentage of our workforce have significant backgrounds and skills in these areas, with the highest percentage of employees working for us over 30 years of age.

Employees by age	2014			2015		
	Men	Women	Total	Men	Women	Total
< 30 years	96	98	194	91	69	160
30 - 40 years	291	280	571	298	287	585
40 - 50 years	261	191	452	252	191	443
> 50 years	227	176	403	258	209	467
Total	875	745	1,620	899	756	1,655

WE BELIEVE ON PEOPLE AND LOOK FOR LONG TERM INVESTMENT ON HUMAN CAPITAL (→ G4-10)

In 2015, the number of employees with permanent contracts increased for both men and women. **98% of our employees are hired with permanent contracts.** That's because we believe in stability and providing our employees with security.

We hire people based on the **degree to which the candidate's profile corresponds to the characteristics required and to our needs and expectations**, in compliance with the principle of equal opportunities for all. All personnel are hired with regular employment contracts and no form of irregular employment is tolerated. At the moment in which the employment relationship is established, each employee or staff member receives **information**

regarding the characteristics of the function and the tasks to be performed. They are also briefed on the rules of employment and salary considerations, and the regulations and procedures that need to be adopted in order to avoid possible risks.

In Italy last year, we transformed 56 temporary contracts into permanent contracts, providing a secure future and reducing the number of our employees on fixed term contracts by 73%. This was partially spurred on by the Jobs Act, a legislation that came into effect in Italy in 2015, which provides a tax incentive for companies to do so.

Employment contracts	2014			2015		
	Men	Women	Total	Men	Women	Total
Permanent contracts	839	716	1,555	884	743	1,627
Temporary contracts	36	29	65	15	13	28
Total (→ G4-1)	875	745	1,620	899	756	1,655

Employment type	2014			2015		
	Men	Women	Total	Men	Women	Total
Full time	874	715	1,589	896	731	1,627
Part time	1	30	31	3	25	28
Total (→ G4-1)	875	745	1,620	899	756	1,655

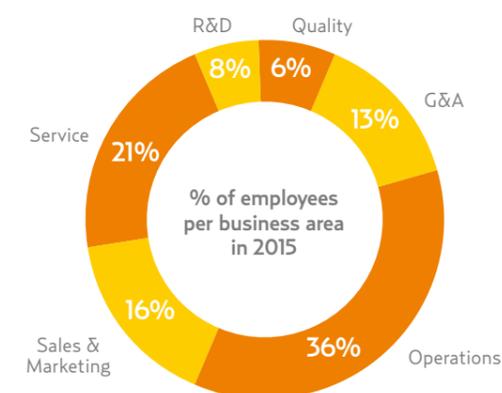
LONG TERM INVESTMENT LEADS TO A STRONG FOUNDATION

The security and development opportunities we provide our employees means that many of our employees stay with us long-term, as can be witnessed by the distribution of years of service shown in the table above. In fact, the number of those that have stayed with the company for over 10 years is larger than those in the 0-3 years category.

Service (years)	2014				2015			
	0-3	3-5	5-10	>10	0-3	3-5	5-10	>10
Operations	143	65	154	235	131	73	141	249
Sales & Marketing	102	55	57	53	99	69	44	55
Service	115	66	103	48	112	76	96	61
R&D	27	20	44	34	24	29	36	43
Quality	21	11	21	38	23	16	18	44
G&A	66	43	48	51	64	52	45	55
Total	474	260	427	459	453	315	380	507

OUR PROFESSIONAL FAMILIES

Our employees are divided amongst the business areas outlined in the graph to the right. It shows the percentage of employees per business area.



TURNOVER (→ G4-LA1)

In 2015, the Group saw a turnover rate equal to 12.3% of which 7.6% directly related to voluntary resignations.

Turnover	2014			2015		
	Men	Women	Total	Men	Women	Total
Voluntary resignation	56	60	116	64	55	119
Retirement	3	6	9	6	5	11
Others (i.e. end of fixed term contract, dismissal, redundancy)	37	40	77	39	30	69
Total	95	107	202	109	90	199
Turnover rate	10.9%	14.4%	12.6%	12.1%	11.9%	12.3%
New hires	121	90	211	133	101	234



EDUCATION LEVEL

Over half of our employees have a degree, making up 56% of the workforce. It should be stated that, given the business DiaSorin operates in, degrees in technical subjects account for the highest number of degrees.

Employees	2014			2015		
	Men	Women	Total	Men	Women	Total
Technical degrees	287	266	553	307	283	590
<i>Biology</i>	99	145	244	97	148	245
<i>Chemistry</i>	51	39	90	47	39	86
<i>Biochemistry</i>	49	49	98	53	57	110
<i>Engineering</i>	88	33	121	110	39	149
Economics	49	31	80	52	37	89
Other degrees	111	132	243	111	135	246
Technical high school	145	95	240	155	98	253
Non-technical high school diploma	139	150	289	145	140	285
Without a diploma *	144	71	215	129	63	192
Total headcount	875	745	1,620	899	756	1,655



ABSENTEEISM (→ G4-LA6)

In 2015, we saw a slight increase in the overall number of working hours (2.1%), and as a result a slight increase in absentee numbers.

Reporting hours and absenteeism	2014	2015
Total numbers of hours scheduled to be worked in the reporting period	3,536,323	3,610,564
Total number of missed (absentee) hours during the reporting period	131,404	162,433
Absentee rate (AR)	7,432	8,998

(*) No college, university or equivalent degree and no high school diploma.

Recruitment & university outreach

DiaSorin is a people business. The single most important opportunity to achieve our purpose and drive our long-term growth is hiring and developing our employees.

HOW DO WE FIND THE RIGHT PEOPLE FOR DIASORIN'S FUTURE?

We are aware of the responsibility that comes with producing products that are intended to better patients' lives, and therefore take great care in hiring people that have the relevant skills to do so. What does this mean in practice? We are focused on acquiring high quality and diverse talent through a number of initiatives, ranging from direct recruitment from top class universities to scouting out skilled industry professionals who can make a difference to our organizational growth.

Our key strategy is to invest in people with strong academic and research backgrounds; people with a strong work ethic, who are passionate about their chosen field, and are eager to innovate and make a difference to the world of diagnostics. A partnership that we have in place that exemplifies this is with Ospedale Molinette di Torino, a renowned hospital in Italy, where we fund research programs. This has enabled us to recruit employees with significant medical and research backgrounds.

RECRUITMENT ACTIVITY IN OUR STRATEGIC MARKETS: ITALY, USA AND CHINA

We also invest in scholarships for the brightest prospects in major hospitals and universities worldwide and offer employment opportunities to budding students and graduates who are trained to become the leaders of tomorrow. One of the ways we have been able to develop and retain employees is by providing internships to university students, which in many cases lead to steady employment with us. In 2015, 17 internships were offered in our office in Stillwater, Minnesota, a renowned biotech hub in what is a strategic market for us. Through our Graduate Internship University Program, these 17 interns benefited directly from \$15,000 scholarships. Four of them were hired as permanent staff following these experiences.

In our South Africa office, a number of internships are offered each year for graduates who have completed their BSc studies. In 2015, two students had the opportunity to complete their Master's thesis in the company. In China, a strategic market for DiaSorin, we have a partnership in place between Jiao Tong University in Shanghai and LUISS University in Rome Italy. This year 6 scholarships were provided in China, with a ceremony rewarding students for the best project work. 2 internships for students from LUISS University were also granted, with interns working on designing a Funnel Management tool for the Sales and Marketing division.



A number of internships were also offered in the company's main headquarters in Saluggia, Italy. Agreements were set up with the University of Bocconi in Milan and Politecnico di Torino to offer three-month positions to MBA students. This year, internships were offered in the System Development and Integration, Corporate Services and Corporate Marketing Functions.

A further agreement with the University of Milano-Bicocca was also put in place. The focus of this partnership is on recruiting researchers, primarily in the field of biomedicine through the direct funding of scholarships. For the last three years, we funded three PHD scholarships, 2 of which were in molecular diagnostics and 1 in immunodiagnostics for a total cost of €120,000. We are currently in talks to fund scholarships for research programs at the University of Trieste.

Other initiatives in which we participated in were job fairs in the US and Italy in 2015, which proved to be another fruitful way of hiring talented individuals. We participated in job fairs at the University of Michigan in the US with a specific focus on targeting graduates in biology and biotech fields. We also took part in the University of Novara's career day in Italy, in which we looked to specifically target students studying chemistry, biotechnology, economics and bio-medical engineering.

RECRUITING BEYOND UNIVERSITY WALLS

We also recognize that talented individuals can be found outside of the university spectrum. For this reason, our Italian business visited two high schools specializing in scientific and technical subjects in Vercelli, Italy. Two students, who had decided not to attend university, were hired as interns to work in our laboratories.

QIUSUO SCHOLARSHIP AWARDS CEREMONY IN CHINA

The QiuSuo Scholarship, signed by DiaSorin Ltd. and Shanghai Jiaotong University School of Medicine, aims to encourage excellent undergraduate students majoring in laboratory medicine.





Providing value to our employees

(↔ G4-DMA Training and education)

We believe in our people, and they believe in us. We do our bit, and they do ours. In this way, our Company and our people are rewarded.

WHY PEOPLE JOIN AND STAY WITH US

 We are known for our quality products, which are recognized in the industry. We are also known for being innovators, constantly working on improving our product range. This makes us a growing company, in good financial health. People join us because they know that they will have a stable, bright future here. As a mid-size company, they can really make an impact here, reach their career goals and milestones with us and build long-lasting and fruitful relationships.

We'd like to say we're good at catch. The work we do across the board is exciting, and our job offers align directly with people's educational and work experiences. Engaged employees often consult their professional pipelines and refer high caliber candidates. Candidates trust personal testimonies from deeply satisfied employees. **We're therefore also a good match.**

We're a teamwork and results driven culture, that looks at collaboration as a key way of attaining results. We have an aggressive hiring strategy in place, whilst also investing heavily in our existing talent. A track record of innovation, a stimulating, intellectual environment, a performance management culture, and an encouraging and supporting culture of empowerment and accountability are all aspects of our business that make people stay with us for the long term. That's why many of our employees stay with us for more than 10 years (**Read more on page 42**).

PERFORMANCE MANAGEMENT

The DiaSorin Performance System is one of the key processes we use to assess an employee's performance, assigning them personal objectives and monitoring and supervising their achievements. The System we have developed aims to offer a clear direction for the manager assessed. For example, our managers are rated by how well they meet their business objectives and how they define their results oriented goals.

PERFORMANCE REVIEW (↔ G4-LA11)

The table below shows some of the key numbers of the performance review activity of the Group in 2015. As shown, the percentage of employees covered by this process has remained

fairly similar since 2014. We are committed to evaluating performance in a meritocratic way across all levels. We have reached this goal for senior management, and plan on increasing this number across all segments.

Performance review	2014			2015		
	Men	Women	Total	Men	Women	Total
Number of employees covered	710	588	1,298	738	576	1,314
 Senior management (VPs & Directors)	54	13	67	57	14	71
 White collars	546	493	1,039	568	484	1,052
 Blue collars	110	82	192	113	78	191
Percentage of employees covered	81%	79%	80%	82%	76%	79%
 Senior management (VPs & Directors)	100%	100%	100%	100%	100%	100%
 White collars	85%	79%	82%	85%	75%	80%
 Blue collars	63%	77%	68%	64%	81%	70%



LEADERSHIP Model



COMPENSATION & RETENTION

We manage our human resources based on sound retention and compensation policies.

We believe that one of the most effective retention tools at our disposal is that of offering our employees effective and professionally satisfying career paths that are compensated in the most fair and transparent manner possible. It is for this reason that career paths are not standardized and are instead developed jointly with the supervisor based on the specific needs of the employee. For non-managerial figures, the local HR structures are heavily involved in career development plans, as we are aware these are the leaders of tomorrow. For managerial roles the Corporate HR structure ensures that processes are in place

to help develop a fully rounded Manager. As part of our retention program, Group executives are granted stock option plans.

We have a centralized Group compensation policy in place, which structures the remuneration of the Top Management of each legal entity. This helps render the system homogeneous across our global hubs. For non-managerial positions, the local HR offices are given the freedom to customize policies, adapting them by taking into account local needs.

Wages are analyzed based on benchmarks. Salary adjustments are based on corporate guidelines, which are in turn influenced by local indications concerning market trends (i.e. inflation, legislations, etc.).

PENSION PLANS (↔ G4-EC3)

We offer different types of defined-contribution and defined-benefit plans, in accordance with the local conditions and practices in the countries in which we operate.

Defined-benefit pension plans are based on the length of the working lives of employees and the wages earned by employees over a predetermined period of service. Our pension plans at group level that qualify as defined-benefit plans include the provisions for employee severance indemnities in Italy, the Alecta system in Sweden, the U-Kasse pension plan and the Direct Covenant system in Germany.

Defined-contribution plans foresee that certain Group Companies paying contributions to public or private insurance institutions pursuant to a statutory or contractual obligation or on a voluntary basis.

BENEFITS (↔ G4-LA2)

We believe in providing our employees with a number of benefits, which form part of our hiring and retention plan.



ITALY (↳ G4-EC3)

Our Italian office, where our headquarters are based, provides seniority bonuses in Italy, which are paid when employees reach a predetermined length of service.

According to the collective bargaining agreement that has been in force since 2004, employees are provided with flexible working agreements in terms of part time employment as well as paternity leave.

A commuting initiative that aims at reducing employee travel to the headquarter offices in Saluggia has also been put in place. A shuttle service provides employees with the possibility to travel to and from the workplace.

With the goal of further integrating sustainability in the day-to-day operations of the Company, in 2013, DiaSorin SpA undertook a negotiation with the Italian trade unions with the aim of defining a new collective bargaining agreement. This new agreement introduced a series of sustainability related dimensions that range from welfare provisions such as grants and scholarships and contributions for nurseries to activities that improve the health and safety of the employees to activities that strengthen the employee-Company relationship.



USA

In our US office, there is a strong emphasis on the development of human resources and to this end a policy on tuition reimbursement that provides the opportunity for formal education for employees, has been developed. Programs to promote a healthier lifestyle through exercise and an atmosphere of friendly competition are offered. Initiatives such as DiaSorin On The Move, the Workplace Walk-Off Challenge and Health for the Holidays encourage employees to take part in wellness activities while building an atmosphere of cooperation between employees.

Furthermore, our US office offers a competitive benefits package including a retirement savings plan, health and dental insurance, life and disability insurance. An Employee Assistance program to support employees and families facing difficulties is also provided.



UK

Our UK office offers a number of benefits, including private medical insurance, dental insurance, parental leave, childcare vouchers, company careers and scholarships for students undertaking work related professional qualifications.



SOUTH AFRICA

Asides from more traditional benefits such as subsidizing medical aid, our South African office has introduced a series of benefits ranging from encouraging a healthier lifestyle for its employees through the organization of wellness days and cycle challenges, to allowing flexible working hours. We also regularly set up workshops to inform employees and their children about health, safety and environmental practices.



CHINA

Asides from the regular benefits such as medical insurance and pension plans, our Chinese office offers free gym access to encourage our employees to stay healthy and fit.



GERMANY

In our German office, employees are granted a pension plan financed by the Company, which is vested after five years. Annual "Health Care Days" are also organized, where employees are taught how to reduce stress or are encouraged to partake in sport activities. Another initiative regarding employee wellness regards the encouragement of employee participation in the Frankfurt Chase Marathon by paying the entry fee for employees.



IRELAND

Our Irish office provides regular benefits such as pension provision and medical insurance.



Training & talent development (↪ G4-LA10)

We believe in developing our people, and training across all levels is imperative to our Company's ethos.

⊗ We consider training and development a fundamental lever for the development of our people. In fact, we provide training and education programs from the get go, by providing new entries with an induction program the moment they join us.

Some of the initiatives and programs we have developed over the years include:

- * induction programs, performed either locally for non-managerial level employees ("Local Induction") or at the Italian headquarters for management and top management positions in the Group ("Corporate Induction");
- * training on technical product features for the Marketing and Service Departments;
- * environment Health and Safety development programs;
- * Lead Lab management program;
- * Human Resource management programs;
- * training programs aiming to infuse the "quality first" culture of the Group.

⊗ TRAINING HOURS (↪ G4-LA9)

The number of training hours our employees undertook increased by 10.26% in 2015 compared to 2014. We increased the hours of training for women across all levels, bar the executive level, by 23.34%.

The amount of per capita hours dedicated to training increased by 8.83% on an annual basis. The numbers for executives decreased by 22.59%, yet increased for white collar workers by 13.58% and for blue collar workers by 3.13%.

Our training programs are developed to provide our people with the training and development tools necessary to complete certain tasks at hands. Once this knowledge is gained, hours of training on these specific areas decrease, and may increase in other areas. In 2015, training was mainly focused on technical-professional aspects (including aspects related to administration and finance). The number of training hours of this type increased by 21.92%.



Training	2014			2015		
	Men	Women	Total	Men	Women	Total
Hours of training	36,547	24,911	61,458	37,041	30,724	67,765
Senior management (VPs, directors)	2,115	556	2,672	1,759	456	2,216
Managerial / leadership	1,488	70	1,558	487	131	618
Language courses	48	23	71	66	40	106
Health, safety, environment training	90	49	139	543	34	577
Technical/professional training	377	318	695	465	133	598
Other training	112	97	209	198	118	316
White collar	25,869	21,949	47,817	29,828	26,134	55,962
Managerial / leadership	4,258	689	4,947	2,138	1,184	3,321
Language courses	1,443	1,083	2,526	781	1,301	2,082
Health, safety, environment training	1,902	1,456	3,358	2,747	2,048	4,795
Technical/professional training	12,316	11,270	23,586	17,254	14,358	31,612
Other training	5,951	7,450	13,401	6,909	7,244	14,153
Blue collar	8,563	2,406	10,969	5,454	4,134	9,588
Managerial / leadership	11	14	25	81	66	147
Language courses	49	39	88	0	0	0
Health, safety, environment training	2,048	485	2,533	1,041	539	1,580
Technical/professional training	4,474	828	5,302	1,998	1,858	3,856
Other training	1,981	1,040	3,021	2,334	1,671	4,005
Average hours of training	41.77	33.44	37.94	41.20	40.64	40.95
Senior management (VPs & Directors)	39.18	42.80	39.88	30.87	32.59	31.21
White collars	40.04	35.06	37.59	44.85	40.46	42.69
Blue collars	48.93	22.70	39.04	30.81	43.06	35.12

INDUCTION PROGRAM FOR NEW HIRES

We place great importance on making our new hires feel at home. Our induction programs serve to introduce new entrants to the Company by explaining what we do and introducing them to their teams and key leaders across the business.

For non-managerial employees, a local induction taking place over one working day gives new hires the chance to learn how the business works, and gets them acquainted to their new team and role.

Coaching and tutoring is also provided, to develop personal competences across the business.

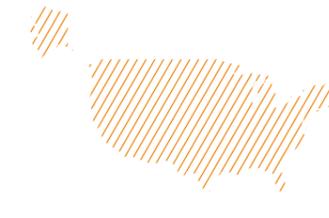
Our Corporate Induction for Managers and Top Managers takes place at our corporate headquarters in Saluggia, Italy. Taking place over four working days, managers are introduced to the top management of the group through presentations and events.

TRAINING INITIATIVES ACROSS OUR KEY MARKETS



Italy

At our headquarters in Italy, we continue to invest in the training of our employees. We provide technical and managerial and leadership training. This year, our training program, "LeadLab", took place for the first time. This was a 3 day retreat in which 50 managers from all over the world got together to discuss topics such as business strategy and resources.



USA

Our US office has partnered with Lee Hecht Harrison (LHH), a leading consulting firm focused on HR training, to deliver development training for leadership talent, in the Sales, National Accounts and After Market Services segments. In 2015, a leadership foundation program focused on developing new managers took place over two days, involving 8 of our employees. In total, 32 hours of training took place, which included coaching circles.



China (↔ G4-LA10)

In China, due to the headcount increase in the automatic service and application teams, training was mainly focused on these subjects.

Governance & leadership



Our board is made up of 13 people, with Gustavo Denegri acting as Chairman.



The board composition: 2 executive, 7 non-executive and 4 independent members.



Our six-strong management team is led by Carlo Rosa acting as CEO and General Manager.



The board met six times in 2015, on average for 2.5 hours each time.



The board and its committees underwent a self-evaluation process to determine their level of performance.

Good governance is fundamental for achieving our long-term strategic goals and ensuring proper roles and responsibilities for decision-making, internal control and business conduct. We strive to bring to our board and leadership team the managerial talent, entrepreneurial experience and industry knowledge needed to enhance our competitive positioning and drive organizational performance.

(↪ G4-7) Our governance system follows a traditional management and control model organized around a Shareholders' Meeting, Board of Directors and Board of Statutory Auditors (as referred to in the Italian Civil Code). Deloitte & Touche SpA was elected as our independent auditors through to the AGM to approve financial statements as of end-2015.

An effective, balanced board of directors

(↪ G4-34) The board is a central element of our governance system: it's where **business and organizational strategies are formulated** and where **compliance with laws and regulations is guaranteed**. Among its tasks and responsibilities, the board sets strategic and organizational guidelines and ensures adequate controls to monitor group performance.

To support the board's ability to guide DiaSorin's rapid evolution and achieve its strategic ambitions, our board brings together people with backgrounds and capabilities including:

- * strong managerial experience;
- * technical and scientific background;
- * knowledge of finance and legal affairs;
- * deep understanding of our sector.

(↪ G4-34) Our current 13-member board was appointed at the AGM of 22 April 2013 and its term runs until approval of our 2015 financial statements. As laid out in our bylaws, directors are elected through a voting system based on slates of nominees that should ensure:

- * a number of **independent directors** at least in line with the minimum number required by law;
- * compliance with applicable **gender balance** laws and regulation.

(↪ G4-40) Terms of office may not exceed three years but directors may be re-elected. The current board – except for Stefano Altara, who was elected at the AGM of 23 April 2014 – on the basis of the only slate, presented by IP Srl (holder of 43.99% of DiaSorin's ordinary shares). (↪ G4-7) The board is composed as follows:

- * 2 executive directors: **Carlo Rosa** with the dual role of Chief Executive Officer and General Manager and special functional powers for the management of industrial, commercial and financial areas, and **Chen Even**, a strategic director holding the role of Chief Commercial Officer;
- * 4 independent directors (1/3 of the board), coordinated by Giuseppe Alessandria as Lead Independent Director, a reference point for non-executive directors as well;
- * (↪ G4-39) 7 non-executive directors, including Gustavo Denegri as Chairman and his son, Michele Denegri, as Deputy Chairman;
- * (↪ G4-38) 3 women (1/5 of the board).

HIGHLIGHTS OF BOARD WORK IN 2015

The board met six times in 2015, gathering each time for 2 hours 30 minutes on average. Eight of our 13 board members attended all meetings, four directors were at five of them and one person joined four times. At these meetings, the board:

- * **evaluated** the company's general performance at least quarterly, paying particular attention to CEO updates and periodically comparing results achieved with those planned;
- * **examined** and approved our strategic, operational and financial plan and monitored implementation;
- * **reviewed** the risk profile (nature and level of risks) and evaluated the adequacy of the organizational, administrative and accounting structure with regard to the internal control system and risk management;
- * **made decisions** on transactions with significant or strategic impact on our strategies, profitability, assets and liabilities or financial position;
- * **performed** a self-evaluation of the performance of the Board of Directors and its committees, as well as their size and composition, taking into account the professional competence, experience (including managerial experience), gender of its members and number of years as director.

Full details are available in our [Corporate Governance Report](#).

Meet the board

(↪ G4-LA12, G4-38, G4-39, G4-40)

GUSTAVO DENEGRİ

Non-Executive Director and Chairman

(↪ G4-39) Gustavo Denegri (1937) is Chairman of both DiaSorin and its major shareholder, IP Srl.

He has been a career entrepreneur. In the 1970s he established and ran automotive component company Gruppo Pro-Ind. He supported its growth up to its merger into Piaggio, which – under his strong leadership – then went through a major restructuring, an overhaul of its product range and numerous other industrial and commercial operations including a joint venture with Daihatsu. In 1994, Gustavo Denegri sold his shareholding and founded IP Srl.

MICHELE DENEGRİ

Non-Executive Director and Deputy Chairman

Michele Denegri (1969) holds a degree in Economics. Between 1994 and 1997, he worked as a Corporate Finance and Management Control consultant at KPMG. In 1998, he moved to New York and worked as an entrepreneur in the real estate and restaurant sectors. Since 2002, he has worked at IP Srl. Michele Denegri is the son of the chairman, Gustavo Denegri.

CARLO ROSA

Executive Director and Chief Executive Officer

Carlo Rosa (1966) has a three-fold experience as a man of science, business and well-known manager, who has been fully dedicated to DiaSorin since the beginning. Following a degree in Chemistry, Carlo Rosa moved to New York to work at the Public Health Research Institute on a project aimed at the development of an innovative product for diagnosing Hepatitis infections. He experienced a decade in the R&D sector first at Sorin Biomedica SpA and then at INCSTAR Inc. He rounded his commercial profile as sales and marketing manager first for the Italian and then for the European market. In 2000, he led the management buyout of DiaSorin and has been CEO since 2006.

In 2014 Carlo Rosa was nominated as Vice Chairman of Alisei, a consortium of private and public entities that promotes the development of life sciences in Italy. In 2015, he was appointed to the board of directors of the Italian Institute of Technology.

CHEN EVEN

Executive Director and Chief Commercial Officer

Chen Even (1963), Ph.D in virology and immunology, has been part of DiaSorin for 20 years and took part in the management buyout in 2000 together with Carlo Rosa and Antonio Boniolo. He has held various roles in DiaSorin including Vice President of Export, Marketing Director of Hepatitis and Infectious Diseases and project manager of molecular biology in North America. He was Senior Corporate Vice President Commercial Operations until 2015.

GIUSEPPE ALESSANDRIA

Lead Independent Director

Giuseppe Alessandria (1942) worked for a decade in R&D at Fiat—Div. Aviazione (now Alenia). Afterwards, remaining within the Fiat Group, he moved into HR, becoming the Human Resources Director in 1999 and member of the directors' committee with the specific task of renewing the management. Mr. Alessandria left the Fiat Group in 2003 and currently serves the company as a consultant in business management.

FRANCO MOSCETTI

Independent Director

Franco Moscetti (1951) started his career at Air Liquide, where he held several managerial roles. He also had institutional roles in Italy as a member of the Federchimica industry body and of the Health Commission of Confindustria, Italy's employers' federation. He has recently left the Amplifon Group where he was General Manager as of 2001. From the end of 2015 he is active in the counseling sector as sole director of Axel Global Business Srl.

MARIA PAOLA LANDINI

Independent Director

Maria Paola Landini (1951) holds a degree in Medicine and Surgery, with a specialization in Microbiology and Virology. She regularly publishes articles on microorganisms and viruses on international scientific reviews (212 articles to date). She has several institutional and academic roles, such as President of the Faculty of Medicine at the University of Bologna, and still teaches there. Among the recognition she has received, she won the Premio Minerva 2010 for scientific research.

ROBERTA SOMATI

Independent Director

Roberta Somati (1969) holds a degree in nuclear engineering from Turin Polytechnic University and a Master of Business Administration from SDA Bocconi School of Management. She started her career in Fiat Auto before moving to the banking sector, first at Gruppo Intesa Sanpaolo and currently at Banca Mediolanum. She has particular experience in organizational processes and governance, as well as risk management.

ANTONIO BONIOLO

Non-Executive Director

For many years after he obtained his chemistry degree, Antonio Boniolo (1951) worked on developing immunological dosage techniques, beginning with the botanical physiology sector and subsequently within the physiology and human infections sector at Sorin Biomedica SpA. He held various positions in R&D and was later a member of management, participating in the management buyout of DiaSorin together with Carlo Rosa and Chen Even.

ENRICO MARIO AMO

Non-Executive Director

Enrico Mario Amo (1956) worked as an auditor and consultant in Italy and the U.S. at Andersen & Co., Ernst & Whinney and KPMG advising Italian and foreign clients on mergers, acquisitions, corporate re-structuring, corporate surveys and business planning. Since 2002, Enrico Mario Amo has served as Executive General Manager of IP Srl.

EZIO GARIBALDI

Non-Executive Director

Ezio Garibaldi (1938) joined the Aspera Group, a compressor and combustion engine manufacturer, where he served in different positions including Managing Director. Between 1990 and 2001, he served first as Managing Director and then as Vice-Chairman at Sorin Biomedica SpA. Since 2001, he has worked as a consultant in the industrial sector.

STEFANO ALTARA

Non-Executive Director

Stefano Altara (1967) has a legal background and has been a member of the Turin Bar since 1995. He is founding partner of law firm Musumeci Altara Desana & Associati in Turin and also member of the board of directors of Finde SpA.

EVA DESANA

Non-Executive Director

Eva Desana (1971) has a legal background and has been a member of the Turin Bar since 1998. She is the Founding Partner of law firm Musumeci Altara Desana & Associati in Turin and has taught trade and international company law at the University of Turin since 2005.



The board's role in economic, environmental and social matters

(→ G4-43) Given the varied expertise of its members, our board has solid knowledge of economic, environmental and social matters. Based on the issues under deliberation, appropriate memoranda and technical reports are dispatched to board members in advance of meetings. Specific competences are also supported through constant interaction with specialized consultants, who are called upon regularly as experts on the various issues put to the board. Furthermore, the board undertakes in-depth analyses of the immunodiagnostic sector.

The management of economic, environmental and social topics is made possible through a process of delegated powers directly involving the board. In the first place, the Chief Executive Officer (CEO) is charged with overseeing **economic and financial operations** with the aim of executing the strategies defined by the Board of Directors. As regards **occupational health and safety**, the CEO uses the ability to delegate his powers to others, identifying managers with responsibility in this area. Among their tasks is the identification of risks for correct management of safety, ensuring the necessary information for and training of staff as well as planning, making available and overseeing the use of all forms of protecting equipment, technical instruments and organizational measures needed to provide the best conditions for a healthy, safe workplace and environmental protection. Furthermore, all **social projects and initiatives** for our local communities are approved directly by the CEO.

(→ G4-35, G4-36, G4-49) On **environmental matters**, the CEO has delegated operational duties to the Corporate Environment Health & Safety Director, whose role covers all of DiaSorin SpA and its local and secondary sites, both in Italy and abroad. The responsibilities of this role include making sure that all protective measures are taken to respect relevant laws and regulations and, in general, manage all activities that have an environmental impact.

(→ G4-42) In order to make sure that activities carried out over the course of the year are aligned with the organization's strategic goals, **quantitative targets are reviewed at the end of each year covering economic, environmental and social domains**. The board also evaluates any gaps that may emerge and corrective actions that may be required, in line with the strategies defined by the board itself.

(→ G4-44) Each year, the board undertakes a self-evaluation process that includes, among other aspects, an assessment of its composition (in terms of expertise and knowledge and their usefulness in decision-making) and a review of how regularly it meets and the time made available for deliberations.



Board committees (↪ G4-34)

The board performs its duties collectively but has set up four committees to make its work more efficient and effective.

Control and Risks Committee

Franco Moschetti (Chairman), Enrico Mario Amo, Roberta Somati

COMPOSITION

Made up of non-executive directors, the majority of whom are independent.

FUNCTION

The committee provides consulting support and makes recommendations to the board. It is required to perform a series of tasks concerning internal control and risk management.

Compensation Committee

Giuseppe Alessandria (Chairman), Michele Denegri, Roberta Somati

COMPOSITION

Made up of non-executive directors, including the committee chairman, with a majority being independent.

FUNCTION

The Committee assists the Board of Directors in the definition of the Company's remuneration policy, formulating suggestions and general recommendations on the remuneration of the Executive Director and Chief Executive Officer and of the Strategic Executives. The Committee also has a role in defining the stock option plans.

Nomination Committee

Franco Moschetti (Chairman), Giuseppe Alessandria, Michele Denegri

COMPOSITION

A majority of members are non-executive, independent directors.

FUNCTION

The committee, which collaborates with the Compensation Committee, is responsible for the proper composition of the board, including size, director independence, professional and managerial skills and diversity.

Committee for Transactions with Related Parties

Franco Moschetti (Coordinator), Giuseppe Alessandria, Roberta Somati

COMPOSITION

Entirely composed of independent directors.

FUNCTION

The committee is charged with verifying the correct implementation of the procedure for approving transactions executed by DiaSorin SpA with related parties in compliance with Consob Resolution No. 17221.

Remuneration (↪ G4-51)

Compensation at DiaSorin is based on the principles of meritocracy and fairness. Our policy, methods and compensation tools are clear, fair, easy to communicate and consistent with the organizational culture. At regular intervals, or when corporate changes require it, we benchmark compensation against the outside market.

We have chosen to link incentives, including granting stock options, to our profitability as a way to keep our top talent.

BOARD OF DIRECTORS

Directors' annual compensation is approved in aggregate by the shareholders' meeting and allocated by the board taking into account the functions performed, the posts held (such as Chairman and Deputy Chairman). No extra compensation is given to directors who are also DiaSorin employees (such as Carlo Rosa, the current CEO).

Independent directors all get the same compensation, although they may get additional sums for their role chairing a committee.

There is no variable bonus system or stock option plan for Directors.

In 2013, shareholders agreed to cap the annual gross compensation for the board at 1 million euros, which is allocated as follows:

- * 400,000 euros to the Chairman;
- * 150,000 euros to the Deputy Chairman;
- * 35,000 euros each for non-executive Directors.

CEO AND STRATEGIC EXECUTIVES

The policy for our CEO/general manager and other strategic executives is aimed at striking a balance between the amounts they receive/their market value and the interests of the company and its shareholders.

Their gross annual compensation includes a fixed portion, based on the post held, the level of personal competencies and the attributed responsibilities, plus a substantial variable portion tied to operating performance, which is a key measure of their ability to generate value.

HOW WE USE STOCK OPTIONS

In the context of DiaSorin's transformation and ambitious strategic vision, our stock option plans are geared towards value creation for all shareholders and the retention of key executives and high-potential employees. Our goal is to encourage loyalty by making key employees feel part of DiaSorin's ownership base. This is key if we are to retain talent and allow top people to share in the company's future growth and profits.

Given the importance of retention, stock options are awarded free of charge and the right to exercise them is not tied to specific performance targets being reached.

(↪ G4-51) Full details are available in our Compensation Report on the [DiaSorin website](#).

Top management

GUSTAVO DENEGRİ Chairman

Gustavo Denegri (1937) is Chairman of both DiaSorin and its major shareholder, IP Srl.

He has been a career entrepreneur. In the 1970s he established and ran automotive component company Gruppo Pro-Ind. He supported its growth up to its merger into Piaggio, which – under his strong leadership – then went through a major restructuring, an overhaul of its product range and numerous other industrial and commercial operations including a joint venture with Daihatsu. In 1994, Gustavo Denegri sold his shareholding and founded IP Srl.

CARLO ROSA Chief Executive Officer

Carlo Rosa (1966) has a three-fold experience as a man of science, business and well-known manager, who has been fully dedicated to DiaSorin since the beginning. Following a degree in Chemistry, Carlo Rosa moved to New York to work at the Public Health Research Institute on a project aimed at the development of an innovative product for diagnosing Hepatitis infections. He experienced a decade in the R&D sector first at Sorin Biomedica SpA and then at INCSTAR Inc. He rounded his commercial profile as sales and marketing manager first for the Italian and then for the European market. In 2000, he led the management buyout of DiaSorin and has been CEO since 2006.

In 2014 Carlo Rosa was nominated as Vice Chairman of Alisei, a consortium of private and public entities that promotes the development of life sciences in Italy. In 2015, he was appointed to the board of directors of the Italian Institute of Technology.

CHEN EVEN Executive Director and Chief Commercial Officer

Chen Even (1963), Ph.D in virology and immunology, has been part of DiaSorin for 20 years and took part in the management buyout

in 2000 together with Carlo Rosa and Antonio Boniolo. He has held various roles in DiaSorin including Vice President of Export, Marketing Director of Hepatitis and Infectious Diseases and project manager of molecular biology in North America. He was Senior Corporate Vice President Commercial Operations until 2015..

LUIGI DE ANGELIS Senior Corporate VP and Chief Financial Officer

Luigi De Angelis graduated in Economics from Bocconi University, Milan, and attended a course of advanced management at INSEAD in France. Before joining DiaSorin in 2011, he was CFO at Parmalat SpA, Central Staff manager at Lavazza SpA and CFO, General Manager and Member of the Board of Directors at KME (part of GIM/SMI-KME group).

FRANCESCO COLOTTA Senior Corporate Vice President and Chief Medical Officer

Dr. Colotta graduated from the University of Bari Medical School in 1980 and later specialized in Allergology and Clinical Immunology. Before joining DiaSorin in September 2010, he worked at Mario Negri Institute for Pharmacological Research in Milan as Head of Unit and in Dompé SpA as Head of R&D. The author of various scientific articles and two books, he is member of several scientific societies. He has lectured at universities including Brescia, Teramo and L'Aquila.

STEFANO RONCHI Senior Corporate Vice President Human Resources

A law graduate, Stefano Ronchi worked for 20 years for the Fiat Group, where he held various HR positions, including VP Human Resources Comau. In 2007, he joined DiaSorin SpA to lead the HR function with the mission of enriching the value of the human capital through the constant evaluation of organizational structures, choosing the best leaders, and attention to people.

The role of the Supervisory Body

The Supervisory Body at DiaSorin – set up as part of "Law 231" in Italy (see below) – has a special role in monitoring economic, environmental and social risks. Periodically it investigates economic and environmental processes and related procedures and documents in order to implement control, evaluation and reporting activities for the Control and Risk Committee and the Board of Directors with regard to sensitive areas for the company.

In order to ensure a constant flow of information and interaction between the various parties tasked with identifying, preventing, monitoring and controlling corporate risks, joint meetings are held with the Control and Risk Committee, the auditing firm, the Board of Statutory Auditors, the Supervisory body, the internal audit function, the director charged with the internal control and risk management system as well as with the legal affairs department.

(↪ G4-45) Furthermore, in carrying out their functions, the Control and Risk Committee, the Supervisory Body, the Board of Statutory Auditors and the Corporate Internal Audit function report on their monitoring and control activities by means of ad hoc written reports or planned presentations, depending on the functions, roles and powers attributed within the organization.

THE SUPERVISORY BODY IN 2015 WAS COMPOSED OF:

Roberto Bracchetti
Chairman of the Board of Statutory Auditors.

Luca De Rosa
Corporate Internal Audit Officer.

Silvia Bonapersona
An external professional with expertise in occupational health and safety and environmental protection.

Internal Control and Risk Management

THE MAIN PLAYERS IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM ARE:



Our Board of Directors is responsible for the internal control and risk management system at DiaSorin. The board defines and updates the system's guidelines in order to monitor the efficiency of operations, the reliability of the financial information, compliance with laws and regulations and the level of protection of the company's assets.

(↪ G4-46, G4-47) The Internal Control and Risk Management system aims for an integrated approach on the management and control of company risks. The CEO – in the role of supervisory director – is in charge of the effective implementation of the

system, with support from the Control and Risk Committee in day-to-day compliance tasks and operations. When it was appointed, the current board of directors approved the guidelines for internal control and risk management and verifies annually that the system is consistent and adequate with the structure, effective, and that it functions correctly.

Aside from ordinary business and market related risks (i.e. due to the uncertainty of market demand and the link with strategic suppliers), no new major risks were identified in 2015.

Organizational model

Legislative Decree 231 of 2001 – referred to as Law 231 in Italy – addresses administrative liability of companies, stating that companies that are found liable may face penalties for crimes committed or attempted by directors or employees in the interest or to the advantage of the company. The law encouraged companies to adopt governance structures (organizational, management and control models along with so-called supervisory bodies) and risk prevention systems to avoid managers, executives, employees and external collaborators from committing crimes.

DiaSorin, as of 2006, **adopted and effectively implemented an organizational model in Italy**. It includes a series of prescriptions to avoid **improper behavior such as corruption and other offences that impact on wider society, and unlawfulness with regard to safety and the environment**. The board delegated the internal audit function to check our processes and the activities of the main corporate functions and to present annually the result of this audit work.

The task of conducting annual audits to monitor how the model functions and proposing updates falls to the Supervisory Body,

which is a fully autonomous control management function, whose members are directly appointed from the Board of Directors. The effectiveness and efficacy of the Model is tested annually by the Supervisory Body with a structured and detailed audit plan, including a set of key-controls (which are tailored for each department). In 2015 the Supervisory Body had no reports to communicate to the Control and Risks Committee and to the Board of Directors, meaning that, at the conclusion of the audit plan, the Supervisory Board identified no defaults or observations to be reported.

(↪ G4-49, G4-50) Although the organizational model was adopted as a result of domestic regulation, most of the companies in the DiaSorin Group have been adopting similar principles and constrains in order to **provide our stakeholders with a safer compliance process globally**. This has been done by means of the Code of Conduct, bylaws and other instruments.

See further details of our Organizational and management model on the [DiaSorin website](#).

Business conduct & ethics

(↪ G4-56) Our **Code of Conduct** has been drawn up taking into account the United Nations Universal Declaration of Human Rights, the fundamental Conventions of the International Labour Organization (ILO) and guidelines of Italian employers' federation Confindustria.

The document incorporates ethical principles, agreements and guidelines approved by union representatives concerning fair employment practices, freedom of association, rejection of any form of discrimination, of forced labor, child labor, any type of illicit payments, while safeguarding dignity, health and workplace safety and respect of natural biodiversity and the protection of the environment.

The purpose of our Code of Conduct is to set **minimum standards of behavior for our employees and stakeholders**. The code expresses our ways of effectively preventing and detecting unlawful behavior and regulatory violations. It applies to all our stakeholders, members of supervisory bodies, external staff members, consultants and all self-employed workers cooperating with us and other third parties (suppliers or clients) whose relations with the company are of primary importance and require compliance with the Code of Conduct.

Allegations and concerns regarding the implementation and respect of the code may be reported and a process has been set up to allocate roles and responsibilities in this regard.

The Code of Conduct is available on the [DiaSorin website](#).

Transactions with related parties

(↪ G4-41) All business dealings at DiaSorin are conducted transparently and according to substantive and procedural fairness, so as to avoid any conflicts of interest.

Our procedure for approving and implementing any transactions with related parties is binding upon subsidiaries as well. Save for exceptions specifically laid out in the procedure, all dealings have to be approved by the Board of Directors after an initial examination by our Corporate Legal Counsel and based on a non-binding opinion from the Committee for Transactions with Related Parties (who must also be unrelated to each transaction).

In our reports on operations, for the sake of transparency, we inform stakeholders about any highly material transactions as well as any other individual related-party transactions that have a material impact on our financial position or results.



Citizenship



HEALTH



LEARNING



TALENT

Three themes that unite DiaSorin with the challenges faced by our local communities and the broader medical community we work with.

These are three priorities in our citizenship commitment and they offer us a chance to highlight a message: that expressing your

potential as an individual should never be limited by circumstances of disability, ill health or natural catastrophe. We have chosen these three domains – guided by our particular sensitivity to the topics of health and wellbeing – as focus areas for us to be active in supporting causes that can inspire all DiaSorin people, alongside our partners.

Supporting Paralympic dreams

Everyone deserves the chance to excel. But seeing athletes overcome physical disability to attain the highest sporting achievements is an inspiration to us all.

Enthusied by their commitment, DiaSorin has decided to support a team of six athletes in winter Paralympic sports. Manuel, Paolo and Michele in the snowboard category; Andrea, Davide and Alessandro in Alpine skiing disciplines.

They are the "Talents" selected by the Italian Federation of Winter Paralympic Sports as prospects for the national Paralympic winter sports team, with the ultimate goal of reaching the highest peak: to represent Italy in 2018 at the winter Paralympic Games in South Korea. Through our three-year commitment, we want to give a helping hand towards their success, supporting the development of their athletic potential and providing them with concrete benefits. Furthermore, we're cheering them on to overcome the challenges and difficult moments they will find in each sport, being sure that "our Talents" will be true talents both in life and in sport.



MEET OUR TALENTS

The "Talents" team features six of Italy's most determined Paralympic athletes and are being trained by David Gros in alpine skiing and by Igor Confortin for snowboarding. In the 2014/2015 winter season the team achieved important results and victories in national and international competitions.



Manuel Pozzerle

Manuel Pozzerle, born in 1979, won the gold medal in snowboard cross and the bronze medal in the banked slalom race in La Molina (Spain) at the 2015 World Para-snowboard Championships. In the same season, he was on the podium five times at world and European Cups, racing in almost every part of the world.



Paolo Priolo

Paolo Priolo is 30 years old. His career began when, for the first time, he felt the freedom and emotions riding on his board. He recently competed at the para-snowboard World Cup in February 2015.



Michele Bortolò

Michele Bortolò was born in 1979 and recently begun his career after an accident at work. His coach Igor Confortin helped him rehabilitate and discover sport. Now, he loves to be part of the team, the thrill of competition, and has taken part in all the races of the season with top results.



Andrea Valenti

Andrea Valenti, born in 1997, hopes to graduate next year. He made his debut in 2011 and is currently competing in the slalom and the giant slalom disciplines. His talent led him to be the Italian flag bearer at the Closing Ceremony of the Winter Paralympics in Sochi in 2014 after only three years of racing. He finished second in the giant slalom of the last Italian Championships open, held at Folgaria.



Davide Bendotti

Davide Bendotti, born in 1994, loves to compete and has a special sporting affinity with water (both in the swimming pool and on the icy slopes). He competes at a national level in Paralympic swimming and last season also skied at an international level with the Italian team. In the most recent Italian Championship open, in Folgaria, he won silver in the slalom while in the European Cup he finished eighth in the finals of Sella Nevea in the same discipline.



Alessandro Varotto

Alessandro Varotto, who was born in 1978 in Padua, competes in the Sitting category (athletes who ski sitting down). His commitment in the last season led him to win two outstanding races in the Italian Championship, winning the Italian title in both giant slalom and slalom.

Our diagnostic tests on the frontline

Our diagnostic tests can play a critical role in fragile situations, in communities ravaged by natural and human calamities. They offer doctors an invaluable instrument in ensuring the health of adults and children alike, by being able to monitor disease and infection. That knowledge allows them to get one step ahead of suffering, since preventing disease eases the burden on already stretched medical resources.



IN HAITI WITH THE FRANCESCA RAVA FOUNDATION

The Saint Damien children's hospital is an island of hope in Tabarre. In this suburb of Port au Prince, the capital of Haiti, the hospital runs programs preventing and fighting infectious diseases.

Social conditions have worsened here since the catastrophic earthquake of 2010, creating a fertile ground for viral infections, increasing their impact on the population and requiring more diagnostic tests. This is the key element to stopping viral infections spreading in a population that already lives in tough conditions.

The Francesca Rava Foundation is on the ground in Port au Prince. The foundation helps children in difficult conditions worldwide, through adoptions, projects, charity work, and raises awareness about children's rights. It also represents Italy in the international humanitarian organization NPH - Nuestros Pequeños Hermanos, founded in 1954, which has saved thousands of orphans and abandoned children thanks to its homes and hospitals in Latin America.



Through the Francesca Rava Foundation, we are providing the Saint Damien hospital with the ability to undertake free tests for the diagnosis of HIV, hepatitis and parvovirus.

HIV and hepatitis tests address a few of the most common infections in the world, especially in developing countries. Parvovirus B19 is a highly contagious virus that affects children and pregnant women.

We believe that the quality of our diagnostic tests, together with the professional and human skills of the local personnel, can improve the living conditions of pregnant women and children in Haiti, and make a valuable contribution to a better tomorrow for them and their families.



IN SUDAN WITH EMERGENCY

The Salam Center in Khartoum has been running since its inception in 2007 by Emergency, an Italian NGO that offers medical care to victims of war, landmines and poverty. It's considered an excellence in the East African region and is the only free, specialized center in an area of 11.5 million sq. kilometers (4.4 million sq. miles), three times the size of Europe.

Access to healthcare is a major concern for Sudan's 40 million people, many of whom live in poverty. Infectious disease is a major cause of death.

In this context, we decided to contribute to making a positive impact on the work of the Salam Center, donating a year's supply of diagnostic tests, giving doctors a fast, reliable check on HIV, hepatitis and syphilis infections.

The sensitivity and specificity of our tests are of particular benefit to the laboratory, helping provide the center with a small support in its hugely important work in this part of Africa.



Schooling in the ward as a way to support hospitalized children

Learning is a lifelong process but for children it's vital to ensure continuity in their studies. During these extremely important years, it's essential that illness doesn't interrupt the learning process or curtail academic achievement.

The Pinocchio Project supports schooling in hospitals. Set up in 1958 in Italy, the initiative aims to ensure continued education for children and young students who are unable to attend school due to a period of time in hospital.

Every year, a range of diseases and medical conditions forces 3,000 children and sick youngsters to be hospitalized in the Piedmont region, where DiaSorin is based. Instead, they attend "school in the hospital" and get a high-quality education, thus effectively integrating the paths of health and learning.

In early 2015, the organizing committee, established for the presence and the promotion of Rotary Club at the International Book Fair in Turin 2015 (CRPSIL), decided to support this important regional project, looking for private sponsors to back the initiative.

A COMMITMENT TO EDUCATION AND HEALTH

We embraced the opportunity to bring together in a single project the themes of education and health, two pillars of DiaSorin's commitment to its local communities.

Through a three-year partnership with the Pinocchio Project, we are supporting hospital teaching with the use of new technologies to promote interactive learning, meet the specific needs of the young patients and stimulate new forms of communication and involvement.

Students that are hospitalized sometimes have to live away from family and friends for long periods, face the difficulty of going through the therapy and the new environment, and experience the feelings of loneliness and confusion that can become an obstacle to the continuation of studies and a normal life.

If they are sick or have an operation, a young patient may feel a bit like the fictional character Pinocchio. When the wooden puppet is transformed into a real boy, he finds himself in a complex, incomprehensible world, trying to lead a normal life and overcome difficult trials.

We hope that with our contribution, we will break down such barriers and help young patients to live a period of illness with the best possible quality of life.

Here comes the Giggle Doctor! The light-hearted side of kids' healing

The Theodora Foundation works at an international level with professional artists who are trained to work in pediatric hospitals, offering children and their families support in dealing with their time in hospital.

Through a fundraising event in Turin, we have supported the "Smiles & Magic" program that brings magic, joy and comfort through clown doctor visits for more than 35,000 young patients in 18 Italian hospitals.

LAUGHTER CAN BRIDGE THE GAP BETWEEN PATIENT AND DOCTOR

The Theodora Foundation has a team of Giggle Doctors bringing positivity, hope and serenity to kids in hospital. The clown doctors perform a double duty to each child: as friend and confidant, a person to whom young patients often entrust their dreams, hopes and desires; and as observer of the health and psychological wellbeing of the patients.

The clown doctor can also facilitate dialogue between doctors and patients by working and interacting with both parties. The value of the visit program, organized with the hospital staff, is widely recognized by the patients' families and pediatric hospitals themselves.

Theodora Foundation, with its staff, is able to offer personalized support to young patients and their families, thanks to a rooted presence across Italy. The foundation is present in eight countries and in Italy has 30 Giggle Doctors who work in 18 of the most important pediatric health facilities.



Supporting communities where we work



Donations for scientific research



Donations in support of cancer and leukemia foundations



Activities and events to support childhood and youth



Initiatives in support of a healthy lifestyle

Environmental protection & safety culture



Reduction of packaging material.



Water withdrawals at group level dropped 11%.



Energy and heat consumption was reduced despite higher production levels.



Fuel consumption decreased 3.5%.



Heating consumption declined 11%.



Carbon emissions down 2.9%.



All our electrical and electronic equipment waste was recovered.

(↪ G4-DMA Energy, G4-DMA Water, G4-DMA Biodiversity, G4-DMA Emissions, G4-DMA Effluents and waste, G4-DMA Compliance, G4-DMA Overall)

We are committed to managing and reducing the environmental impacts of our operations and products across their life cycle. Although the environmental impact of our operations is not the most critical of our sustainability challenges, we strive to improve our performance year-on-year and boost standards by setting internal targets. We continue to review all aspects of our operations to find ways to reduce our environmental impact and improve operational efficiency.



We are committed to ensuring safety for our people, and have a number of procedures in place to prevent hazards taking place. In 2015, we upped our level of health and safety procedures by:

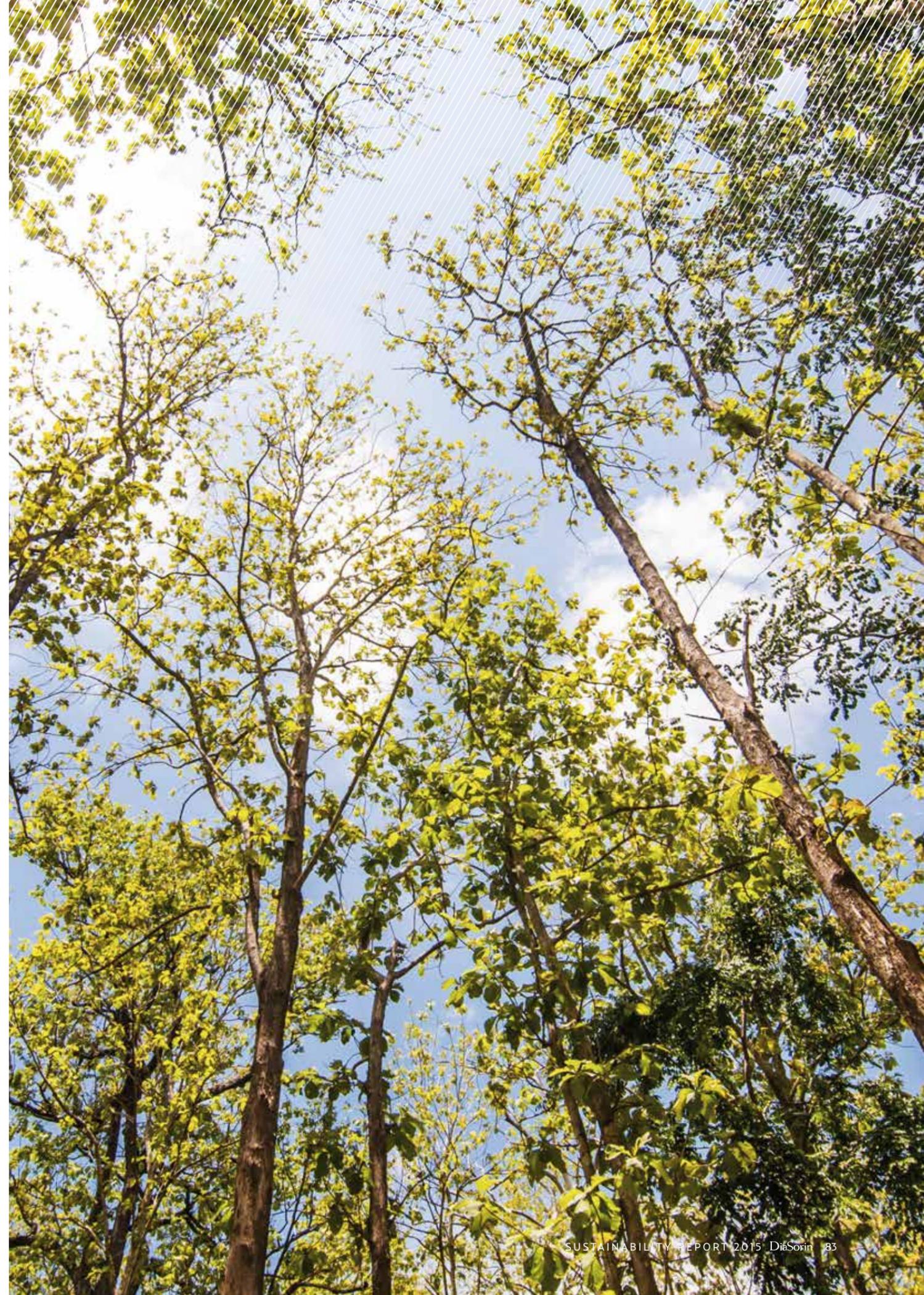
- * continuing to adopt a comprehensive organizational structure to tackle and manage EHS-related issues on both a local and global level;
- * carrying out an audit at each industrial site covering the EHS Management System and technical aspects;
- * implementing audit action plans;
- * (↪ G4-EN29) incurring no significant fines for EHS-related violations.

DiaSorin is committed to being an industry leader in Environmental, Health and Safety (EHS) practices. Excellence in these areas is essential to the wellbeing of our employees and local communities, as well as crucial in minimizing the environmental impact of our activities. **In 2015, we developed and implemented an internal EHS Management System in line with international standards ISO 14001 and OHSAS 18001**, confirming our deep commitment to the effective management of environmental, health and safety matters.

We are guided by principles identified in our Environment Health and Safety Policy, which applies to all our facilities around the world. The policy determines actions and behaviors in managing environmental, health and safety issues, and provides a set of values that drive our daily activities across the company. Our EHS policy, which sets out our responsibility towards the environment, our employees, contractors and local communities, is based on the following pillars:

- * making environmental, health and safety considerations a priority in business planning and decision-making processes;
- * establishing goals, targets, and objectives in the pursuit of continuous improvement of our EHS performance in all activities;
- * complying with the spirit and intent of all applicable EHS regulatory requirements, as well as ensuring compliance through regular risk assessments;
- * providing regular employee training on applicable regulatory requirements and updates on systems and methods according to best available technologies;
- * managing all aspects of our business to effectively and efficiently utilize natural resources to avoid depletion where it is technically and economically feasible;
- * promoting and implementing waste prevention, reduction, reuse and recycling in a systematic and cost-effective manner;
- * continuously improving our purchasing policy to favor suppliers and contractors that adopt best environmental practices and work closely towards achieving our EHS policy aims.

Based on this policy, we have developed Group EHS Minimum Requirements, a procedure that ensures a consistent level of attention and management of the EHS risks associated with our operations. The procedure applies to all our new and existing facilities at group level, where DiaSorin has responsibility for EHS-related issues. The procedure has been designed by taking into account good practices in the industry and at DiaSorin, and aims at ensuring either that all the requirements set by the procedure itself are met worldwide, or that the more stringent applicable local regulations are observed by each local facility. Local EHS Departments, which are in charge of determining responsibilities and preventive and corrective actions related to EHS issues, implement operational EHS procedures at local level.



Global responsibility, local action

We have adopted a comprehensive organizational structure to tackle and manage EHS-related issues.

Our corporate department manages and coordinates all EHS activities at group level. Its responsibilities include integrating EHS management practices and setting sustainability goals and indicators to keep track of achievements. Among its duties there is also a series cross-site activities including the sharing of the knowledge and best practices, considered fundamental for a proper management of EHS issues.

To check that all our sites comply with group regulations and minimum requirements, our EHS corporate department regularly undertakes audits to ensure that all EHS matters are properly addressed, including the development of a product or instrument.

The corporate department also drafts group procedures related to training or to the safe use of analyzers, products and on the use of personal protective equipment (PPE). Moreover, in order to spread a robust environmental, health and safety culture throughout the company, it provides training to various departments and ensures effective dialogue with senior management.

Whereas the corporate department sets guidelines and guarantees a uniform approach to EHS topics, local departments are in charge of translating them into action at our sites. Local departments provide training for workers with regard to local EHS laws, regulations and procedures, and are responsible for ensuring compliance with local EHS regulations, our Group's EHS Minimum Requirements and EHS local procedures. The operational alignment and coordination between the corporate and local EHS departments ensures an effective and accurate management of all EHS aspects across our business worldwide.

From audit plans to action plans

In order to monitor the effectiveness of local EHS procedures, DiaSorin carries out annual audit at each industrial site covering the EHS Management System and technical aspects, including those related to the general environment, air, water, waste, chemicals, hazardous materials, technical safety, emergency procedures and occupational health and safety.

These audit plans lead by Corporate department, not only ensure that all local departments comply with EHS laws and regulations but also provide useful findings for further improvements.

Based on the results of the audit activity, actions plans are developed and implemented locally according to priorities. Corporate department oversight the implementation of the audit action plans. In 2015 no major non-conformities came to our attention.

Thanks to the dedication of the EHS team, DiaSorin incurred no significant fine for EHS-related violations in 2015.



Materials

We manage all aspects of our business so as to effectively and efficiently utilize natural resources and avoid depletion. All the materials needed for our business operations are carefully selected to optimize consumption.

As a company operating in the immunodiagnostics sector, our production process requires us to purchase and use chemicals. We are committed to cutting the use of dangerous chemicals by lowering manufacturing failure rates and replacing dangerous substances with less hazardous ones. Our commitment to substantially reduce the purchased quantity of hazardous materials also involves our supply chain.

In the UK, the Supply Chain department substantially reduced the quantity of hazardous materials purchased through reviewing order policies and controlling order procedures, as a result this reduced the quantity of hazard waste produced; over 2015 this inventory holding reduction equated to 11% decrease across the purchased materials. In South Africa, we have implemented a change-management process to minimize material wastage, which means we now evaluate new raw materials for suitability in terms of EHS impacts before use.

We are also involved in initiatives that aim to preserve resources and raw materials, thus decreasing the demand for virgin materials. To reduce the use of paper, for instance, we have implemented paperless initiatives such as a web interface for product-relevant documents, such as safety data sheet and instructions for use. Furthermore, user and service manuals and the reporting documentation for customer service activities are handled in electronic form to prevent unnecessary printouts. Electronic invoicing has also been adopted in our logistics processes to further reduce paper consumption.

Our commitment for lower raw material usage also involves packaging. Through the streamlining of product shipping, our logistics function has managed to significantly reduce packaging material. A new product shipping initiative has been progressively implemented that means all shipments now depart directly from our production site in Saluggia, Italy to our clients. This initiative allows us to optimize shipments and packaging because it lowers the involvement of our local units in the redistribution of finished products.

Water resources

Water scarcity is an increasingly severe challenge in many geographies today. We are aware that we operate in countries such as China and South Africa where water scarcity is a pressing issue.



Given our limited water consumption, however, the impact of our activities on this resource is not regarded as one of the most critical areas of EHS management. Nevertheless, we remain committed to ensuring responsible water consumption and to effectively manage this important natural resource. Several new initiatives were carried out during 2015 in continuity with those already implemented in previous years:

- * in South Africa, water usage is regularly monitored, recorded and analyzed. This process ensures that changes are quickly identified and that possible wastage is minimized. This process allowed us to identify water recycling/reuse initiatives for further assessment at the site in 2016, including the reuse of rejected reverse osmosis water for irrigation and cleaning;
- * in the UK, an improvement plan was implemented to reduce consumption by optimizing the water distribution circuit. The plan attained important efficiency achievements, such as a drop in the manufacturing failure rate, reverse osmosis efficiency improvements, leak reduction and water system adjustments to reduce the quantity of water put to drain;
- * in the United States, a rain garden to draw water for lawn sprinkling has been built, reducing usage of municipal water by 1,851 m³. In addition, a water usage optimization process has been designed and implemented and regular analytical testing is conducted at least twice a year to ensure that industrial wastewater discharges are compliant with federal, state and local regulations to avoid any kind of water contamination.

The main sources of water withdrawal tapped by our production sites are municipal water supplies, except in Italy. Water withdrawal in 2015 was reduced by over 11% compared to 2014.

TABLE 1. TOTAL WATER WITHDRAWAL 2015 (↔ G4-EN8)

WITHDRAWAL (M ³)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
MUNICIPAL WATER SUPPLIES	3,110	4,113	1,676	2,712	11,760	30,601	53,972	58,734	-8.11%
GROUND WATER	0	0	0	0	0	0	54,160	65,169	-16.89%
SURFACE WATER	0	0	54,160	0	0	1,851	1,851*	n.a.	n.a.
TOTAL WATER WITHDRAWAL	3,110	4,113	55,836	2,712	11,760	32,452	109,983	123,903	-11.23%

*See improvement action in the US reported above.



Energy and emissions



Although ours is not an energy intensive industry, we are actively committed to climate protection by minimizing energy consumption, which represents the main source of emissions for us. **Our commitment is now stronger than ever following the outcome of the United Nations COP21 conference in Paris**, which confirmed climate change as one of the major challenges for the upcoming decades.

(↪ G4-EN6) As shown in table 2 on page 90, we consume most energy in Italy, the UK and the US and consequently these locations account for most of our CO2 emissions. This is explained by the fact that the production sites in these geographies form a significant part of our output. **Overall, our energy consumption in terms of fuel, electricity and heat has declined, despite an overall increase in production.** This significant achievement is a direct result of our climate change commitment, which led to energy-saving initiatives in all of our production sites.

We are replacing traditional lighting with energy efficient LED light fixtures across our entire operation. **In 2015, office areas in the UK, Ireland and Germany were fitted with LED lighting.** In Italy, where the lighting replacement process began in 2012, the ongoing replacement in 2015 will lead to further savings in energy consumption. Within this program, sites have also installed motion sensors for lighting control at different locations in their facilities. **This will substantially reduce the number of hours of office lighting.**

Moreover, as part of our commitment to reduce our environmental impact and our reliance on fossil fuels, we have accelerated the transition to a higher use of **renewable energy** supplies for our facilities. In Ireland, a new contract has been

signed to make our site run on 100% renewable energy while in Saluggia the percentage of renewable energy supply reached 65% (since 2014). For example, our Gerenzano site in Italy gets about 15% of its energy needs from solar PV.

A further initiative saw the replacement of old, energy inefficient equipment and machinery with **information technology virtualization and server high-density systems.** This boosted energy efficiency and cut both energy consumption and emissions.

We undertook an energy diagnosis to identify other projects in 2015. This mainly regarded our South African site, where the installation of internal meters enables electronic tracking of power usage and provides data to identify possible improvement opportunities. The information provided by this system allowed us to implement seasonal adjustments to the air filtration control system in order to improve operating efficiency and reduce excessive temperatures. A similar energy diagnosis has been carried out in Italy with the goal of identifying energy saving initiatives to be implemented in coming years.

Other energy efficiency initiatives include:

- * **collaboration with an electrical and technology provider for the development of energy saving projects in the US;**
- * **assessment of all refrigeration units and, if required, overhauling, recalibration and replacement in the UK leading to reductions in energy consumption;**
- * **implementation of improved thermal insulation solutions in our Italian site at Saluggia;**
- * **purchase of an electric vehicle for the local community in Dietzenbach, Germany.**

Increasing employee awareness about the environment is a key part of our commitment. Energy savings and efficiency gains would not be possible without their awareness and contribution, so we have sought to boost this in various ways. In South Africa, for example, employees were informed on the importance of energy efficiency in 2015 through presentations and electronic media.

Our ongoing attention to energy consumption led to a **reduction in our greenhouse gas emissions last year.** Overall, compared to 2014, our total emissions dropped in terms of both direct (Scope 1) and indirect (Scope 2) emissions, despite an overall increase in production.

Our efforts to lower CO2 emissions is related not only to our direct activities, but also includes a commitment to reduce indirect emissions deriving from the management of our value chain (Scope 3 emissions). For instance, in Italy we monitor the CO2 emissions related to business travel. In 2015, emissions caused by air, rail and car travel increased by 9.12% from 2014 to a total of about 1,760 tons, due to an increase in international air travel of about 15%.

(↪ G4-EN17) This increase, however, was mitigated by other initiatives, which have had a positive impact on our Scope 3 emissions. For example, in order to reduce carbon emissions related to employee transportation, in Italy a shuttle service lets employees travel to and from the workplace without having to use their own car. Moreover, with regard to our Italian car fleet, about 94% of all cars used have specific emissions below 160 grams of CO2 per kilometer travelled (90% in 2014) and the average fleet emission is 118 grams of CO2 per kilometer travelled.

We are also committed to increasing the **use of video conferencing and other ICT tools** that allow real-time transfer of information and documents so as **to reduce the need for face-to-face meetings and business travel.**

(↪ G4-EN17) Our products enable our customers to avoid greenhouse gas emissions too. One of our distinctive features is providing solutions that let customers perform a high number of tests in a short period of time, helping them to lower energy consumption.

Our commitment to reduce energy consumption and fight climate change has also been recognized by the CDP (formerly the Carbon Disclosure Project), an international organization that works with shareholders and corporations to disclose the greenhouse gas emissions of major corporations with the aim of a better allocation of capitals for long-term value creation. The commitments, strategies and results highlighted in our response to the Climate Change questionnaire has provided us with a disclosure score of 89 out of 100, a significant improvement from 2014.



TABLE 2. DIRECT ENERGY CONSUMPTION 2015 (→ G4-EN3, G4-EN6)

TYPES OF ENERGY (GJ)*	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
 NATURAL GAS	4,715.68	873.55	0	0	0	4,867.67	10,456.90	10,833.19	-3.47%
 DIESEL	0	0	0	76.26	0	43.76	120.02	132.16	-9.19%
TOTAL FUEL	4,715.68	873.55	0	76.26	0	4,867.67	10,576.92	10,965.35	-3.54%
 ELECTRICITY	4,523.47	2,412.25	26,733.06	4,975.20	11,511.32	13,339.04	63,494.35	63,674.59	-0.28%
 HEAT	0	0	8,286.21	0	9,804.13	0	18,090.34	20,284.02	-10.81%
TOTAL ELECTRICITY AND HEAT	4,523.47	2,412.25	35,019.37	4,975.20	21,315.46	13,339.04	81,584.69	83,958.61	-2.83%

(*) Conversion factors (GRI guidelines) - Natural Gas: 1000 cubic meters equal to 29,01 GJ; Electricity: 1 kWh equal to 0,0036 GJ; BTZ: 1 ton equal to 41,16 GJ; Diesel: 1 ton equal to 45,44 GJ.

TABLE 3. TOTAL EMISSIONS 2015 (→ G4-EN15, G4-EN16)

EMISSIONS (t)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
 EMISSIONS SCOPE 1 (total fuel)	264.55	49.01	0	5.65	0	276.23	595.43	617.53	-3.58%
 EMISSIONS SCOPE 2 (total electricity and heat)	597.36	305.94	3,470.24	1,262.49	2,831.18	756.43	9,223.65	9,489.51	-2.80%
TOTAL EMISSIONS**	861.91	354.95	3,470.24	1,268.14	2,831.18	1,032.66	9,819.08	10,107.04	-2.86%

(**) The CO2 emissions have been calculated using the UNFCCC - the national Italian inventory for the projected emissions for Perimeter 1 and the WRI / WBCSD GHG Protocol for emissions related to Perimeter 2.

Waste management



The minimization and correct management of waste is important to us and our commitment ranges from waste minimization actions to promoting reuse and recycling across all our facilities. In 2015, the total amount of waste generated remained broadly in line with 2014 with a total of 812 tons produced. While non-hazardous waste production declined, the total amount of hazardous waste generated increased by 32.46 tons in 2015 because of higher production volumes in the US, Germany and Italy as well as the start of new production processes in Italy and UK.

Almost half of the waste we produce doesn't end up in landfill, however, and we're working to increase that percentage year-by-year.

(→ G4-EN23) In 2015, 47% of our waste (385.03 tons) was recycled or recovered. In terms of efficient waste management, this is an important result for us and we are working on further improving the percentage of waste recycled alongside a range of other waste management actions.

In South Africa, for instance, we have implemented a series of initiatives around waste stream classification, approval of waste contractors, waste contractor audits, employee training on correct waste disposal and the measurement of waste generated. A recycling program was set up with the aim of reducing the volume – and cost – sent to landfill. Our Dartford facility in the UK was also involved in improvements of this kind with a recycling point for paper, plastic, cans and batteries installed, as well as a metal skip for recycling.

We are also committed to using appropriately regulated waste management contractors to ensure the safe disposal of our hazardous and non-hazardous waste, in accordance with the best environmental practices and in compliance with national and international laws.

We pay particular attention to the correct disposal of electrical and electronic equipment (covered in Europe by the Waste Electrical and Electronic Equipment or WEEE directive). For us, this relates to analyzers, commercial instruments that at the end of their lifecycle are returned by our clients to the external Italian Technical Service Center. The equipment is checked by our Technical Service Partners, who decide together with us whether to reuse, repair or dispose of each item.

The collaboration with our partners, coupled with the accurate maintenance of the analyzers, allows us to extend the life of the product, reducing waste. In the case that disposal is necessary, this is carried out by our partners: in 2015 we recovered all the WEEE generated.

(→ G4-EN22) As for water, our efforts to cut usage leads to lower wastewater generation. We have worked on streamlining our water usage processes and reduced the volume of water discharged by over 10% in 2015. (→ G4-EN24) All water discharged goes into sewer systems in respect of local regulations and legislation. In 2015 no significant spills have been registered at our production sites.

TABLE 4. TOTAL WASTE PRODUCED 2015 (→ G4-EN23)

WASTE BY TYPE (t)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
HAZARDOUS WASTE	13.49	0.59	102.60	12.17	19.99	3.49	152.33	119.87	+27.08%
NON-HAZARDOUS WASTE	128.73	33.71	398.31	22.10	43.39	33.63	659.87	688.96	-4.22%
TOTAL WASTE GENERATED	142.22	34.30	500.91	34.27	63.38	37.12	812.20	808.83	+0.42%

TABLE 5. WEIGHT OF WASTE ELECTRICAL & ELECTRONIC EQUIPMENT BY DISPOSAL METHOD 2015 (→ G4-EN23)

WEEE (t)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
RECOVERY	3.92	0.50	1,450.00	0.00	0.20	2.24	1,456.86	6,238.28	-76.65%
DISPOSAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.m.
TOTAL	3.92	0.50	1,450.00	0.00	0.20	2.24	1,456.86	6,238.28	-76.65%

TABLE 6. TOTAL WATER DISCHARGE BY DESTINATION 2015 (→ G4-EN22)

DISCHARGE (M ³)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
SEWER SYSTEM	3,110	4,113	55,741	2,712	11,735	19,110	96,521	107,828	-10.49%

Environmental spending

2015 was a year of renewed **commitment on environmental protection and health and safety** and this is reflected in **substantial expenditure on EHS. The overall spending figure increased 27% last year.**

We focused mainly on enhancing our structures, work equipment and operating materials in order to guarantee the **highest safety levels to our employees and clients.**

We also invested in **strengthening our environmental management system by increasing the expenditure for external services.** For example, to comply with legislation changes in Italy we have undertaken an analysis of waste produced in order to verify its correct classification.

TABLE 7. EXPENDITURES (→ G4-EN31)

ENVIRONMENTAL EXPENDITURES (EUR)	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	CHANGE
	37,989.95	32,550.00	250,109.00	21,752.00	50,490.39	63,795.60	456,686.94	360,145.32	+26.81%

Health and safety in a biotech workplace (→ G4-DMA Occupational health and safety)

We take our work seriously both in the lab and outside. Creating a safe and secure work environment to protect the health and wellbeing of our people is therefore of critical importance for us.

HEALTH AND SAFETY AT DIASORIN

Health and safety at DiaSorin is handled by our corporate and local EHS departments as well as by managing our business in line with health and safety standards and applicable statutory requirements, internal procedures and group standards. Our stringent application of these standards and procedures - wherever we are located - holds particularly true for all aspects related to the handling of radioactive substances, biological risk material (infected materials or material of human origin, genetically modified microorganisms) and hazardous substances, which are critical aspects of our business.

(→ G4-14) Since we produce reagents using biological raw materials, **we ensure adequate biosafety levels for our laboratories.** This refers to the level of the bio-containment precautions required to isolate dangerous biological agents, ranging from the lowest level (I) to the highest (IV). In order to minimize the risk of occupational diseases in such a delicate work environment, we provide our laboratories up to Biosafety Level III, which is the appropriate level for our clinical work.

Safety in the lab

In our laboratories, we perform a number of preventive actions to ensure a safe and healthy work environment for our colleagues, including:



Restricted access to lab areas.



Special entering and exiting procedures.



Rigorous procedures to qualify for entry into the lab.



Training on the correct usage of personal protective equipment.



Waste disposal procedures.



SAFETY TRAINING

We believe that regular training on EHS topics is the best way to raise awareness, foster employee accountability concerning EHS and improve the health and safety level of our workplace. Over the years we have invested in training aimed at informing our workers about EHS topics. The table below indicates the hours of training provided on such topics in 2015.

EHS training takes various forms. Training sessions are provided to our new employees through safety induction programs in order to ensure that all employees working in our sites are aware of the hazards and risks they might encounter. Refresher courses or other specific EHS training sessions that may be needed for certain roles or activities are also provided by external experts or internal quality department representatives, based on needs.

Training on EHS topics increased in 2015 by over 8%. Italy was the only country where training hours decreased, mainly because recently introduced requirements by the HES had already been fulfilled in previous years. Hence, training on EHS in Italy was mainly related to refresher courses.



We conduct regular risk assessments to identify tasks that pose a health risk for our employees. Operators who perform one or more of these tasks regularly undergo medical check-ups and are only authorized to work on these processes after being deemed suitably healthy by a doctor.

Our management of health and safety in the workplace also foresees the implementation of regular audits in order to monitor compliance with regulations and company procedures, to track safety performance and identify potential improvements. To reduce the risk of exposure of employees and contractors, risk

assessments are performed to evaluate hazards and mitigate risks through appropriate follow-up measures.

(↪ G4-LA7) Our local branches receive guidelines on the management of health and safety issues from the corporate center and are in charge of implementing a series of other specific health and safety initiatives. In Germany, lessons learned from near misses (caused by unsafe behavior, unsafe situations and hazards) are communicated to all employees through a notification system, increasing awareness. In the UK, basic first-aid training is offered to all employees and

their friends and family members to build a widespread safety culture. In South Africa, the local quality system is designed to evaluate all suppliers and service providers for EHS compliance ensuring thus a high-level safety standard, which goes beyond the boundaries of the company.

(↪ G4-LA6) Our injury rate decreased by over 19% in 2015. The Lost Days Rate jumped due to a number of incidents in the US and Italy resulting in a number of employees taking more days to recover than in 2014. In 2015, as in 2014, no occupational diseases were registered.

TABLE 8. FATALITIES AND RATES OF INJURY, OCCUPATIONAL DISEASE, LOST DAYS, BY COUNTRIES, 2015 (COMMUTING ACCIDENTS NOT INCLUDED)

	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	VARIATION
FATALITIES (ABSOLUTE NUMBER)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.m.
INJURY RATE (IR*)	0.00	1.42	1.07	0.00	0.00	0.89	0.78	0.97	-19.39%
OCCUPATIONAL DISEASE RATE (ODR**)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	n.m.
LOST DAYS RATE (LDR***)	0.00	7.08	10.06	0.00	0.00	25.96	12.17	9.44	+28.91%

(*) IR: (Total # of injuries/total hours worked) x 200,000
 (**) ODR: (Total # of occupational diseases/total hours worked) x 200,000
 (***) LDR: (Total # of lost days for injuries/total hours worked) x 200,000

TABLE 9. HOURS OF TRAINING (↪ G4-DMA occupational health and safety)

	GERMANY	IRELAND	ITALY	SOUTH AFRICA	UK	USA	TOTAL 2015	TOTAL 2014	VARIATION
MALE	415	57	1,382	184	283	1,480	3,801	3,885	-2.16%
FEMALE	326	62	262	72	275	1,392	2,389	1,818	+31.41%
TOTAL	741	119	1,644	256	558	2,872	6,190	5,703	+8.54%



Methodological Note

(↪ G4-3, G4-7, G4-32) The Sustainability Report 2015 of DiaSorin SpA (DiaSorin, Company, Group), in its second edition, is "In Accordance – Core" with the GRI Sustainability Reporting Guidelines.

This document, strongly supported by DiaSorin's management, aims to explain the activities carried out, commitments, results achieved, and performance reached in the economic, social and environmental spheres.

REPORTING PROCESS AND SCOPE

The Sustainability Report presents the main economic, social and environmental activities undertaken by DiaSorin.

The material content included in the report takes into account the points of view of senior management figures across various departments, as well as the results that arose from an analysis of industry macro trends and other external pressures.

This analysis led to the definition of a list of material issues, which were then examined in order to identify:

- * a link between the topics and the three pillars of sustainability (business, social or environmental);
- * stakeholders interested in or impacted by the management of the topic in question;
- * correlation with the company's business drivers.

The results of this materiality process are reported in the "Our material issues" section of this Report.

(↪ G4-17) The Sustainability Report will be published on an annual basis and its dissemination will use the communication tools commonly employed by the Company. Furthermore:

- * all data refers to the period from 01/01/2015 to 12/31/2015;
- * the economic data originates from the Group Annual Report and as such includes all the Group companies consolidated in this document;
- * the social data includes all the Group companies consolidated in the Annual Report;
- * the environmental data includes the six industrial sites;
- * (↪ G4-22) 2014 social and environmental data has been restated following a series of considerations and improvements in the process of gathering data and constructing indicators;
- * (↪ G4-17) any further exceptions to the scope of reporting are provided in the individual sections.

BASIS OF PREPARATION

The reporting principles utilized in preparation of this report can be reviewed in the text below.

Inclusiveness, Materiality, Sustainability Context - The Report describes the relevant social and environmental impacts for the main Group of stakeholders concerned, as well as the performance achieved in these areas. The report has been commissioned in order to strengthen relations with company's stakeholders and better inform them of a large number of organizational changes that have emerged as a result of growth experienced by the company.

(↪ G4-18) DiaSorin has embarked on a path to structure a sound materiality analysis for the Group. The analysis undertaken this year started by identifying, through an internal analysis, all macro-categories of topics that are considered relevant for the Group, its stakeholders and its industry. Its aim is to highlight the connection between these topics and the main drivers of business.

Completeness - See "Reporting process and scope".

Comparability and Clarity - In order to render the document accessible to all readers, it is written in a clear and straightforward language, with data presented in graphs, tables and charts.

The indicators presented in the Report are relevant for the period from 01/01/2015 to 31/12/2015. Wherever possible comparisons are provided with the previous year of reporting and their progress is discussed in order to better explain and highlight any significant changes. The absence of comparisons is directly attributed to the non-significance of the variation or the impossibility to recover data for prior years due also to the fact that certain topics were not considered for last year's Sustainability Report (which was the first commissioned by the company). The majority of comparisons may be found for the economic data reported.

Balance - The data is presented in an objective and systematic manner. The indicators reflect the performance achieved during the reporting period.

Accuracy - The data presented in the report has been controlled by various area managers and Corporate managers in order to confirm its authenticity. Where possible, the report was augmented with data included in the 2015 Annual Report, which was written in accordance with International Accounting Standards.

(↪ G4-28, G4-29, G4-30) **Timeliness** - The Sustainability Report will be published on an annual basis. The timing of publication of the second Sustainability Report is aligned to that of the Annual Report and the Financial Statements.

Reliability - The Sustainability Report has been drafted by a working group formed for this specific purpose, whose members have been identified among different Departments at Corporate level. The content related to the various reporting areas was validated by those responsible for each Department at Corporate level and the final document, in its entirety, was presented and discussed with the Top Management at Corporate level. For this reporting year it has been decided not to resort to external assurance for the Sustainability Report.



G4 Content Index for "In accordance" Core

GENERAL STANDARD DISCLOSURES

1. STRATEGY AND ANALYSIS

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.1	Statement from the most senior decision-maker of the organization	Message from Gustavo Denegri, Chairman Message from Carlo Rosa, CEO

2. ORGANIZATIONAL PROFILE

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.3	Report the name of the organization	Methodological Note
G4.4	Report the primary brands, products, and services	Business strategy Our market
G4.5	Report the location of the organization's headquarters	The organization's headquarters are located in Saluggia, Italy.
G4.6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Global presence
G4.7	Report the nature of ownership and legal form	Governance and leadership
G4.8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	Global presence
G4.9	Report the scale of the organization	Highlights: our year in numbers
G4.10	Total number of employees, broken down by type of contract, by gender and geographic area	Our people Our diverse workforce
G4.11	Report the percentage of total employees covered by collective bargaining agreements	The diffusion of collective bargaining agreements is different from country to country and depends of the degree of unionization present. In Italy, France and Sweden 100% of employees are covered by collective bargaining agreements.
G4.12	Describe the organization's supply chain	Supply chain
G4.13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	There have been no significant changes in the reporting period regarding the organization's size, structure, ownership or its supply chain.
G4.14	Report whether and how the precautionary approach or principle is addressed by the organization	Health and safety in a biotech workplace
G4.15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	The company does not subscribe to any externally developed environmental and social charters, principles or other initiatives.
G4.16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: <ul style="list-style-type: none"> * holds a position on the governance body; * participates in projects or committees; * provides substantive funding beyond routine membership dues; * views membership as strategic. <p>This refers primarily to memberships maintained at the organizational level.</p>	Our stakeholders

3. IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.17	List all entities included in the organization's consolidated financial statements and those not covered by the report	Methodological Note
G4.18	Process for defining the report content and the Aspect Boundaries and how the organization has implemented the Reporting Principles for defining report content	Methodological Note
G4.19	List all the material Aspects identified in the process for defining report content	Our material issues
G4.20	For each material aspect, report the aspect Boundary within the organization	The Company has embarked on a path that has the goal of developing a sound materiality analysis for the DiaSorin Group. A specific process aiming at this definition is being developed and will be finalized in the following reporting years.
G4.21	For each material Aspect, report the Aspect Boundary outside the organization	
G4.22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	Methodological Note
G4.23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	There have been no significant changes in 2015.

4. STAKEHOLDER ENGAGEMENT

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.24	Provide a list of stakeholder groups engaged by the organization	Our stakeholders
G4.25	Report the basis for identification and selection of stakeholders with whom to engage	
G4.26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	A system of stakeholder engagement that also takes into consideration the expectations also of external stakeholders, is being developed and defined and will be implemented in the following reporting years.
G4.27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	

5. REPORT PROFILE

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.28	Reporting period (such as fiscal or calendar year) for information provided	Methodological Note
G4.29	Date of most recent previous report (if any)	Methodological Note
G4.30	Reporting cycle (such as annual, biennial)	Methodological Note
G4.31	Provide the contact point for questions regarding the report or its contents	For questions regarding the report, refer to the Corporate Communications team of DiaSorin at riccardo.fava@diasorin.it and eleonora.tava@diasorin.it
G4.32	Report the in accordance options and table of G4 content	Methodological Note
G4.33	Report the organization's policy and current practice with regard to seeking external assurance for the report	The DiaSorin Group is not momentarily seeking external assurance. It is working on developing and implementing its reporting systems as required by the GRI guidelines and will seek external assurance in the following reporting years.

6. GOVERNANCE

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Governance & leadership An effective, balanced board of directors Governance & leadership Board committees
G4.35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	Governance & leadership The board's role in economic, environmental and social matters
G4.36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	Governance & leadership The board's role in economic, environmental and social matters
G4.37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	<i>Regarding communication to stakeholders, the Sustainability Report is the main reporting tool used. DiaSorin's Investor Relation (IR) department is in charge of gathering all necessary information in order to answer to the social, environmental and economic requests and requirements of stakeholders, including investors, analysts, shareholders and consulting companies.</i>
G4.38	Report the composition of the highest governance body and its committees by: * executive or non-executive; * independence; * tenure on the governance body; * number of each individual's other significant positions and commitments, and the nature of the commitments; * gender; * membership of under-represented social groups; * competences relating to economic, environmental and social impacts; * stakeholder representation.	Governance and leadership Meet the board Governance & leadership An effective, balanced board of directors
G4.39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	Governance & leadership Meet the board Governance & leadership An effective, balanced board of directors
G4.40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	Governance & leadership Meet the board Governance & leadership An effective, balanced board of directors
G4.41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: * cross-board membership; * cross-shareholding with suppliers and other stakeholders; * existence of controlling shareholder; * related party disclosures.	Governance & leadership Transaction with related parties
G4.42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	Governance & leadership The board's role in economic, environmental and social matters
G4.43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	Governance & leadership The board's role in economic, environmental and social matters
G4.44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	Governance & leadership The board's role in economic, environmental and social matters

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	Governance & leadership Internal Control and Risk Management
G4.46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	Governance & leadership Internal Control and Risk Management
G4.47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	Governance & leadership Internal Control and Risk Management
G4.48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.	<i>Regarding communication to stakeholders, the Sustainability Report is the main reporting tool used. DiaSorin's Investor Relation (IR) department is in charge of gathering all necessary information in order to answer to the social, environmental and economic requests and requirements of stakeholders, including investors, analysts, shareholders and consulting companies.</i>
G4.49	Report the process for communicating critical concerns to the highest governance body.	Governance & leadership The board's role in economic, environmental and social matters Governance & leadership Organizational model"
G4.50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	Governance & leadership Organizational model
G4.51	a. Report the remuneration policies for the highest governance body and senior executives. b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives."	Governance & leadership Remuneration

7. ETHICS AND INTEGRITY

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
G4.56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Governance & leadership Business conduct & ethics

STANDARD DISCLOSURE SPECIFICHE

Aspetti materiali

ECONOMICO

PROFILO DISCLOSURE	DESCRIZIONE	RIFERIMENTO
ASPETTO: PERFORMANCE ECONOMICA		
G4.DMA	Informativa sulle Modalità di Gestione	Strategia di business <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EC1	Valore economico direttamente generato e distribuito	Strategia di business - Creazione di Valore
G4.EC3	Copertura degli obblighi assunti in sede di definizione del piano pensionistico (benefit plan obligations)	Fornire valore ai nostri dipendenti - Piani pensionistici
G4.EC4	Finanziamenti significativi ottenuti da enti governativi	Strategia di business - Creazione di Valore

AMBIENTALE

PROFILO DISCLOSURE	DESCRIZIONE	RIFERIMENTO
ASPETTO: ENERGIA		
G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>È stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN3	Consumo di energia all'interno dell'organizzazione	Tutela dell'ambiente e cultura della sicurezza Energia ed emissioni
G4.EN6	Risparmio energetico	Tutela dell'ambiente e cultura della sicurezza Energia ed emissioni

ASPETTO: ACQUA

G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN8	Prelievo totale di acqua per fonte	Tutela dell'ambiente e cultura della sicurezza Risorse idriche

ASPETTO: BIODIVERSITÀ

G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN11	Siti operativi posseduti, affittati o gestiti in aree (o adiacenti ad aree) protette o in aree a elevata biodiversità esterne alle aree protette.	<i>Non vi sono siti operativi posseduti, affittati o gestiti in aree (o adiacenti ad aree) protette o in aree a elevata biodiversità esterne alle aree protette.</i>

PROFILO DISCLOSURE	DESCRIZIONE	RIFERIMENTO
ASPETTO: EMISSIONI		
G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN15	Emissioni dirette di gas a effetto serra per peso (Scope 1)	Tutela dell'ambiente e cultura della sicurezza Energia ed emissioni
G4.EN16	Emissioni indirette di gas a effetto serra per peso (Scope 2)	Tutela dell'ambiente e cultura della sicurezza Energia ed emissioni
G4.EN17	Altre emissioni indirette di gas a effetto serra (Scope 3)	Tutela dell'ambiente e cultura della sicurezza Energia ed emissioni Le emissioni nello Scope 3 sono riferite ai viaggi di lavoro correlate ai siti italiani. Non sono state rendicontate altre fonti di emissioni Scope 3.

ASPETTO: SCARICHI E RIFIUTI

G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN22	Acqua totale scaricata per qualità e destinazione	Tutela dell'ambiente e cultura della sicurezza Gestione dei Rifiuti
G4.EN23	Peso totale dei rifiuti per tipologia e metodo di smaltimento	Tutela dell'ambiente e cultura della sicurezza Gestione dei Rifiuti
G4.EN24	Numero totale e volume di sversamenti significativi	Tutela dell'ambiente e cultura della sicurezza Gestione dei Rifiuti

ASPETTO: COMPLIANCE

G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN29	Valore monetario delle sanzioni significative e numero totale di sanzioni non monetarie per non conformità a leggi o disposizioni ambientali	Tutela dell'ambiente e cultura della sicurezza

ASPETTO: GENERALE

G4.DMA	Informativa sulle Modalità di Gestione	Tutela dell'ambiente e cultura della sicurezza <i>E' stato intrapreso un percorso che ha come obiettivo lo sviluppo di un solido sistema di analisi di materialità e rendicontazione per il Gruppo DiaSorin. La disclosure sui DMA è un'area oggetto di perfezionamento nei prossimi esercizi.</i>
G4.EN31	Spese e investimenti per la protezione dell'ambiente, suddivise per tipologia	Tutela dell'ambiente e cultura della sicurezza Spesa ambientale E' stato indicato un valore complessivo di spesa per sito industriale. Gli investimenti e la suddivisione per tipologia non sono stati rendicontati.

SOCIAL

Labor Practices and Decent Work

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
ASPECT: EMPLOYMENT		
G4.DMA	Disclosure on management approach	Our people The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Our people Our diverse workforce - Turnover
G4.LA2	Benefits provided to full-time employees that are not provided to part-time or temporary employees.	Providing value to our employees - Benefits Benefits are available to all full-time employees. Their availability to part-time or temporary employees varies from country to country and depends also on the type of benefit offered. In Italy for example benefits are available to most employees whereas the benefits provided in South Africa are available only for permanent staff.
ASPECT: OCCUPATIONAL HEALTH AND SAFETY		
G4.DMA	Disclosure on management approach	Health and safety in a biotech workplace The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Our people Our diverse workforce - Absenteeism
G4.LA7	Workers with high incidence or high risk of diseases related to their occupation	Health and safety in a biotech workplace
ASPECT: TRAINING AND EDUCATION		
G4.DMA	Disclosure on management approach	Providing value to our employees The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.LA9	Average hours of training per year per employee by gender, and by employee category	Training & talent development Training hours
G4.LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Training & talent development
G4.LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Providing value to our employees Performance management
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY		
G4.DMA	Disclosure on management approach	Our people The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Our diverse workforce Growing our workforce Governance and leadership Meet the board

SOCIAL

Product Responsibility

PROFILE DISCLOSURE	DESCRIPTION	REFERENCE
ASPECT: CUSTOMER HEALTH AND SAFETY		
G4.DMA	Disclosure on management approach	A day in the life The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	While a percentage of products assessed for health and safety improvements is not provided, the Group, during the design stage of all products, performs Stage Review Meetings to ensure the minimization of risks and the application of laws and regulations in each target market.
G4.PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	In 2015 there have not been incidents for non-compliance with regulations and voluntary codes concerning the health and safety impacts of products.
ASPECT: PRODUCT AND SERVICE LABELING		
G4.DMA	Disclosure on management approach	A day in the life The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	In 2015 there have not been incidents for non-compliance with regulations and voluntary codes concerning product and service information and labeling.
ASPECT: COMPLIANCE		
G4.DMA	Disclosure on management approach	A day in the life The Company has embarked on a path that has the goal of developing and implementing a sound system of materiality analysis and reporting for the DiaSorin Group. Reporting on DMA's is an area part of this path that will be perfected in the following reporting years.
G4.PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	In 2015 there have not been incidents for non-compliance with regulations and voluntary codes concerning the provision and use of products.



SUSTAINABILITY
REPORT 2015



The Diagnostic Specialist