



**EXCERPT FROM ANNUAL  
FINANCIAL REPORT  
AT DECEMBER 31, 2020**

## 1. Note on methodology

### 1.1 Objectives of the Non-Financial Statement

This Consolidated Non-Financial Statement (hereinafter referred to as “Non-Financial Statement”) was prepared by the DiaSorin Group in order to comply with Legislative Decree no. 254 of 30 December 2016, issued in “implementation of Directive 2014/95/EU of the European Parliament and the Council of 22 October 2014, amending Directive 2013/34/EU as regards non-financial disclosure and information by certain large undertakings and groups” (hereinafter referred to as “Legislative Decree 254/16” or the “Decree”).

In order to comply with the obligations provided by Articles 3 and 4 of Legislative Decree no. 254/16, the DiaSorin Group presented the principle policies adopted by the Group, its management models and the main activities carried out by the Group in 2020 with respect to the issues expressly specified by Legislative Decree no. 254/16 (environmental, social and employee-related matters, respect for human rights, fight against corruption), as well as the main risks identified with those matters. Such matters are described in this Report to the extent necessary to ensure an understanding of the Group’s activities, performance, results and impact generated.

### 1.2 Reporting standards

Legislative Decree no. 254/16 requires companies to provide the aforementioned information “in accordance with methodologies and principles under the reporting standard used as reference or by the autonomous reporting methodology used for drawing up the non-financial statement”. The DiaSorin Group chose to apply the GRI Standards issued by the “Global Reporting Initiative” as a technical and methodological reference to report the information contained hereto, in compliance with the Decree. The DiaSorin Group selected the Standards useful for reporting the information required, consistently with Section 3 of GRI Standard 101: Foundation (Making claims related to the use of the GRI Standards). The following paragraphs present GRI-referenced claims for each Standard used to report data.

It is also specified that, following the issue of an updated version of the GRI 303: Water and effluents 2018 and GRI 403: Occupational Health and Safety standards, the DiaSorin Group adjusted the information reported to implement these updates, that are mandatory for the reports published from 1 January 2021.

As regards the management of tax matters, the Group undertakes to comply with domestic regulations in the various countries where the Group is present and operates, and to continue its collaborative and transparent relations with tax authorities. In

**Consolidated  
non-financial  
statement  
at December 31, 2020,  
pursuant to legislative decree  
no. 254/2016**

order to meet the interests of its Stakeholders the Group, even though has not yet implemented a tax strategy, pursues an approach that is fully oriented to the utmost responsibility towards the management of tax variable, by monitoring its risk through the Corporate Tax Function and other corporate control function. As an individual Group company, the Finance Manager / CFO, with the support of external consultants and the Group Tax Director, is responsible for tax issues. The Group introduced in its Organizational Model, pursuant to Legislative Decree 231/2001, a new Special Part (called "Special Part H") which is entirely dedicated to the assessment and mitigation of tax risks, specifically tax offences provided for in Articles 2, 3, 8, 10 and 11 of Legislative Decree 74/2000, as referred to in Article 25-quinquiesdecies of the Decree, introduced by Law Decree 124/2019, as converted into law with amendments by Law 157/2019. Mechanisms for the reporting of critical tax aspects are the same as those adopted by the Group for non-ethical or unlawful conduct, as described in Section "2.5 DiaSorin S.p.a. Organizational and Management Model" of this Report.

DiaSorin aims to maintain collaborative and transparent relations with tax authorities in the countries where the Group operates, and it is committed to reply to any request received with the utmost transparency and in a timely manner.

In 2020, the Group's income taxes amounted to € 36,891, with a 21.7% tax rate. 23.8% of total income taxes was paid in Italy while the remaining part was paid in the countries where the Group operates.

The Group, acknowledging the importance of the issue, undertakes to implement a structured process in 2021 to report the indicators required by the GRI 207-4 Standard. Such information will be provided in the 2021 Non-Financial Statement.

The "Correlation Table with Legislative Decree 254/16 and material topics" annexed to the Non-Financial Statement is intended to provide additional information on the use of each indicator and paragraph and reflects the Group compliance with the requirements set forth in the Decree.

### 1.3 Reference scope and reporting period

The scope of the Consolidated Statement includes all the companies that fall within the scope of the 2020 Consolidated Financial Statements, as detailed in the Section "General information and scope of consolidation" in the notes to the 2020 Consolidated Financial Statements. These companies are consolidated line by line starting from the date when the Group obtains control until control ceases to exist. With reference to data and information on the supply chain management, as described in paragraph "Quality of products and processes", it should be noted that such data and information refer to manufacturing companies supplying products/services that have a direct impact on compliance with end product requirements.

The scope of consolidation changed between 2018 and 2019, due to the inclusion of DiaSorin APAC Pte Ltd, a wholly owned subsidiary established in 2019 and based in Singapore.

In September 2020, the DiaSorin Group also announced the extension of the existing joint venture with FuYuan to Shanghai Baoshan District Government, two Chinese government entities, with the aim of opening the Group's first manufacturing and research site in Shanghai - China. This agreement will see its effects in terms of non-financial data starting from FY 2021.

In accordance with the provisions of Legislative Decree 254/16, this document provides a

comparison with previous year data and adheres to the benchmarking principles required by the GRI Standards. Quantitative data reported in this document cover the 2018-2020 reporting period.

## 2. Company profile and material topics for the DiaSorin Group

### 2.1 The DiaSorin Group's business

The DiaSorin Group is active in the market of immunodiagnostics and molecular diagnostics. In both segments the Group develops, manufactures and markets testing kits (reagents and consumables), based on different technologies for in vitro diagnostics.

A detailed description of its business model, mission and Group structure is provided in the relevant sections 'Our Business' and 'Our Strategy' of this Report.

The DiaSorin Group manufactures and distributes its products according to a three-stage process, as detailed below.

#### Raw Materials and Product development

In immunodiagnostics, the Group produces both the end product and, in most cases, all the required components. The product development process involves two phases: "upstream" and "downstream". During the "upstream" phase the desired quantity of bioreagents is produced through fermentation or cell culture techniques, while in the "downstream" phase bioreagents are purified to separate proteins or monoclonal antibodies (raw material) from other cellular components of the recipient organism. Usually, this process is carried out through chromatography techniques.

In molecular diagnostics, likewise other producers, DiaSorin purchases components necessary for the end product from external suppliers, such as specialized Life Science companies that supply DiaSorin with three essential components to product development: oligonucleotides, enzymes and reaction buffers.

#### Production

Immunodiagnostic kits are assembled using raw materials to create semi-finished components that will be later combined with other components to produce final reagents, as part of a completed kit. Some initial components, such as buffer and cleaning solutions, can be found in different products and prepared in large batches that will be distributed, at the end of the process, in single kits. Other components (such as solids, markers, controls and calibrators, etc.) are specifically designed for each single test. Production levels are defined on the basis of batch size of the end product. Each component is subject to the strictest quality control before entering the market.

Kit components are assembled in finished kits and subject to quality control, in terms of performance, in accordance with international standards (for example: WHO, CDC etc.), if necessary, or tested vis-à-vis the performance of selected sample batches.

Molecular diagnostic products are manufactured with the use of a solution containing an exact quantity of raw material (enzymes, primers, buffers,) called reaction mix, which is dispensed into vials as part of kits available for sale.

End products of both technologies are stored in warehouses at a controlled temperature

and delivered from specialized logistic groups to warehouses and local distributors before reaching end customers.

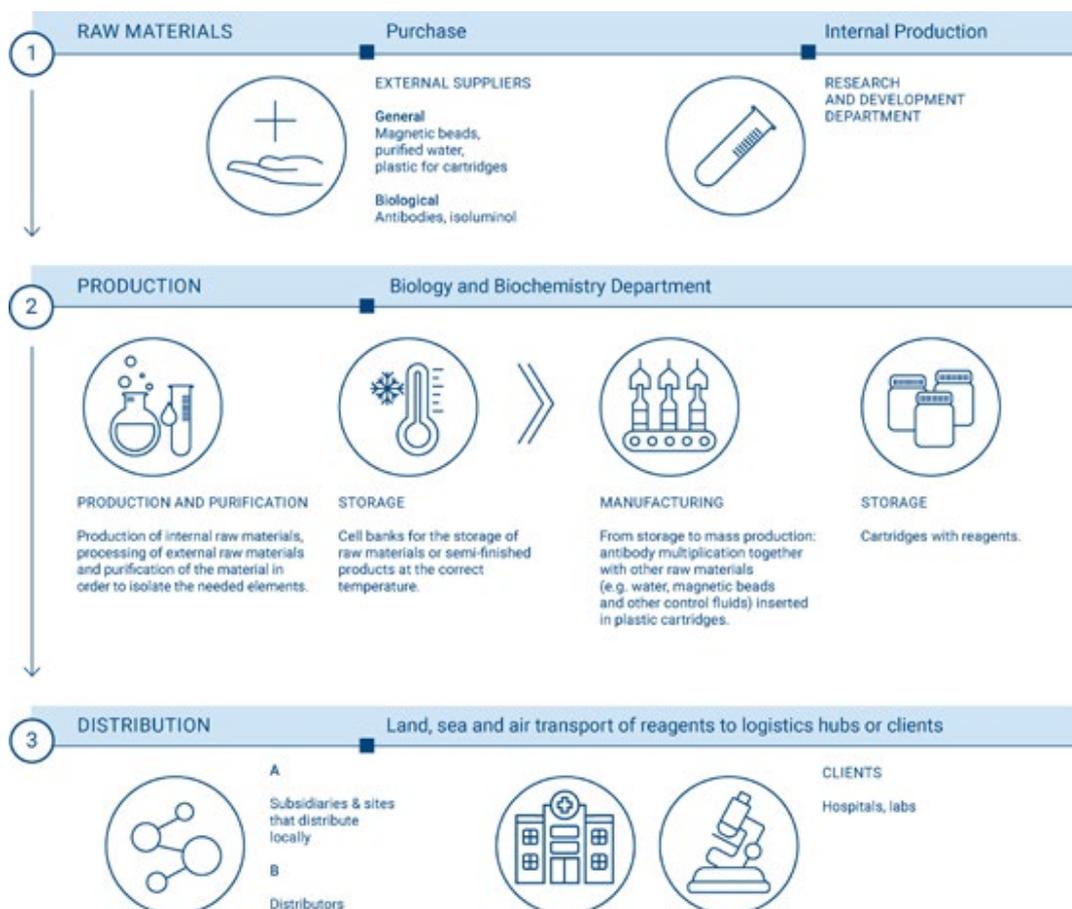
## Distribution

Typically, direct sales include sales made through:

- Public calls for tenders in countries which rely on public health systems, through open tendering procedures (Italy and France);
- Supply contracts with private customers defining general supply terms, including costs, minimum quantities and payments terms;
- letters of offer, used for limited sales of reagents that are not combined with analyzers; and
- distribution contracts according to which distributors purchase DiaSorin products and resell the concerned product in relevant markets.

In most cases, the DiaSorin Group provides customers with its medical instruments under gratuitous loan contracts based on reagent supply contracts. Pursuant to these loan contracts, DiaSorin provides gratuitous technical assistance. According to this business model, investments on installed instruments and service costs are expected to be offset by sale of reagent kits that will be used on the analyzer platform, which is a closed system (i.e., these instruments work exclusively with DiaSorin reagents and vice versa).

## Supply chain



## 2.2 Material topics for the DiaSorin Group

DiaSorin updated its materiality analysis in order to define the scope and structure of the issues presented in its Non-Financial Statement. The objective is to identify the areas where Group's activities and structure have a more significant impact on local communities, external ecosystem, well-being of employees and, generally, on the interests of the Group's internal and external stakeholders. The analysis was carried out in accordance with Legislative Decree 254/16, on the basis of the Group's business, characteristics and associated risks and/or opportunities (as described in the relevant paragraph "Identification of risks and opportunities"). In the context of the analysis for the identification of sustainability issues, reference was also made to the Sustainable Development Goals defined in the United Nations 2030 Agenda.

The update of the materiality analysis was divided into two operating phases:

- updating the list of potentially significant sustainability issues to be submitted for assessment;
- assessing the importance of topics

Updating the list of potentially significant sustainability issues: to update the most important issues for the purposes of the Non-Financial Statement, DiaSorin based its analysis on internal information sources, external sources and related regulations.

Corporate documents include, among others, Non-Financial Statements drawn up by the Group in past years, the Group's half-yearly and annual Financial Report, Organizational, Management and Control Model for the purposes of Legislative Decree 231/2001, press releases and the Group's Code of Conduct.

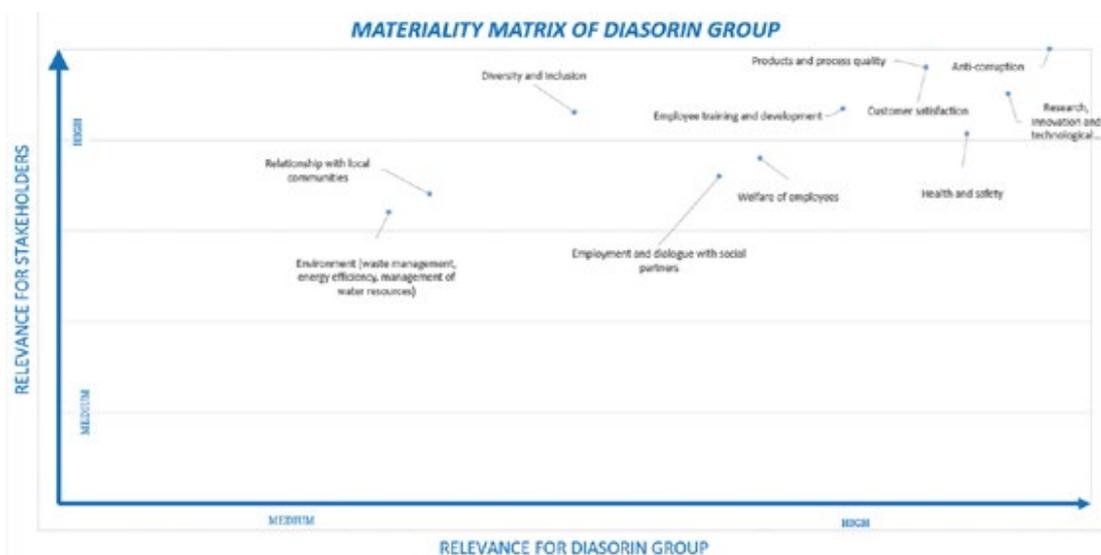
External sources include, among others, documents identifying sustainability macro-trends at a global level (among others, the 2020 Global Risk Report, the 2020 ASviS Report and the Istat's 2020 SDGs Report), sector documentary references (among others, the document "European Union Strategic approach to pharmaceuticals in the environment" and the Federchimica Responsible Care Report), DiaSorin's press reviews, benchmarking analyzes conducted on the main competitors, as well as the GRI standards and the topics referred to in Legislative Decree no. 254/16, consistently with the Non-Financial Statement.

Assessing the importance of topics: topics were assessed through a 1-5 scale, with 1 reflecting lack of interest by company strategies and stakeholders and 5 reflecting utmost interest. The DiaSorin Group carried out its annual update of the material topics, through an internal stakeholder engagement and relevant meetings with the Heads of the Departments involved. Each Department was asked to assign a priority level to the topics that fell within its remit, by assessing their importance from the DiaSorin Group's and key stakeholders' point of view (as described in the relevant paragraph "Identification of risks and opportunities").

### Materiality matrix of the DiaSorin Group

The result of the updated analysis is the 2020 materiality matrix of the DiaSorin Group. The materiality matrix is graphically represented using a Cartesian coordinate system which reports the company's interest on the horizontal axis and the stakeholders' interest on the vertical axis. This representation makes it possible to assess the importance (materiality) of each topic on the basis of its position on the two axes.

The Group chose to represent material topics according to a range that goes from medium to high level.



The chart above provides synthetically the result of the updated analysis. Topics that are represented in the matrix are those considered as material, thus topics that have a significant impact on the Group's economic, social and environmental performance and that may substantially affect the stakeholders' assessments and decisions. Such topics are reported in detail in the Non-Financial Statement.

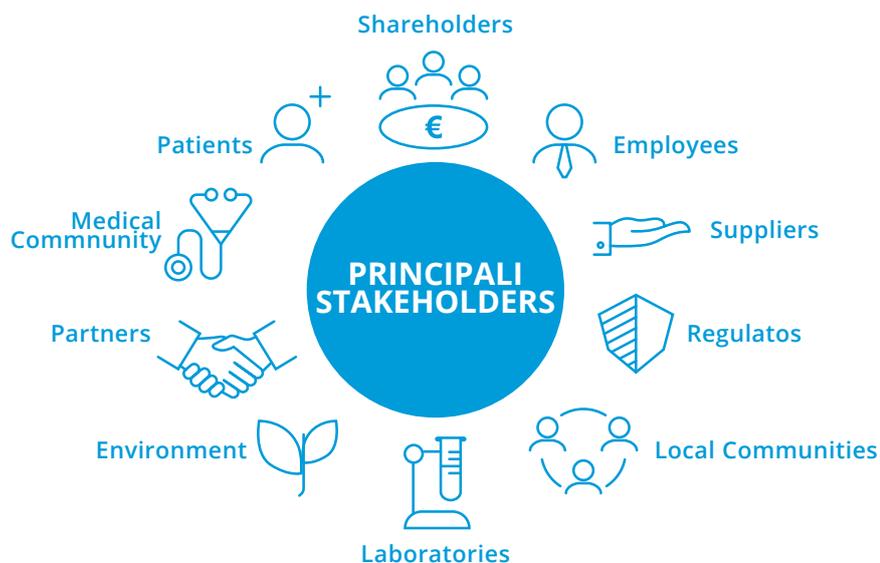
The materiality matrix in 2020 differs from 2019 due to specific issues distribution. The following provides the main changes:

- Employee training and development: compared to the previous year, the issue has acquired greater importance from the company's point of view, while it has slightly lost importance from the external stakeholders' point of view. Further details concerning the Group's commitment and the instruments adopted in relation to training are provided in the specific paragraph of the Report. It should be noted that, in 2020, training activities were mainly delivered remotely due to the limits imposed by the pandemic. Specific training activities relating to the Covid-19 issue were also activated;
- Diversity and inclusion: compared to 2019, the issue has acquired greater importance from the external stakeholders' point of view. The issue, whose management procedures and the tools adopted are described in the dedicated paragraph, reflects the increased importance of this topic at a global level, and particularly in the United States;
- Research, innovation and technological excellence: compared to the previous reporting period, the issue has acquired greater importance, especially from the external stakeholders' point of view. The dedicated paragraph describes the management and all the innovative projects developed during 2020 which focused, in particular, on responding to the needs that emerged in the emergency phase. The DiaSorin Group's capacity for innovation has, in fact, made it possible to develop and launch on the market, in an extremely short time, several tests to monitor Covid-19 infections.

Finally, it should be noted that, in the light of the analysis that led to the identification of the significant issues to be assessed, the Company decided not to include the "Human Rights" topic in this list. In fact, this issue did not emerge as strictly material for the Group due to its business model and, more generally, its reference sector which has low production intensity. This aspect, however, will continue to be reported in the Non-Financial Statement as it is addressed and supervised by the Group also through the provisions of the Code of Conduct and in compliance with the provisions of Legislative Decree no. 254/16 in terms of minimum disclosure requirements.

## 2.3 Stakeholders of the DiaSorin Group

The following diagram sums up the internal and external stakeholders that are strictly involved in the material topics provided in the previous paragraph.



DiaSorin engages in direct dialogue with its stakeholders via meetings, forums and business and scientific-related events, via its corporate website, social media channels and other reports. With specific reference to 2020, it should be noted that, following the pandemic emergency, part of the dialogue activities has been conducted remotely or postponed.

With specific reference to the relationship with customers, client satisfaction surveys are carried out through surveys and analyses to ensure clients are satisfied with the products developed.

As a company listed on the Italian stock exchange, dialogue with shareholders has become a topic of increasing interest. The primary objective of the DiaSorin Group is to ensure full access to business information to fully understand the Company.

## 2.4 The Group's Code of Conduct

**The Group Code of Conduct** (hereinafter referred to as the “**Code of Conduct**”) clearly defines the set of values that the DiaSorin Group recognizes, accepts and shares and the set of responsibilities that the Group assumes against all subjects both internally and externally. To this end, all the DiaSorin Group's employees are required to comply with the Code of Conduct to ensure the correct functioning, reliability and reputation of the Group.

The Code of Conduct has been approved by the Board of Directors within each Group company: it sets out a Group Operating Procedure within the Company's Quality System. This document formalizes the DiaSorin Group mission: “to contribute to improving the health of the population through the marketing of diagnostic tests that permit more effective and aware medical decisions whilst curtailing public spending on health according to the policy issued by the Ministry of Health and equivalent bodies”. In this respect, DiaSorin identified four fundamental components to achieve said mission: innovation and

technological excellence; active relationship with the customer; active cooperation with suppliers; constant strengthening of the culture of quality.

Recipients of the Code of Conduct include all company stakeholders, without any exception, and all those who, directly or indirectly, permanently or temporarily, establish relations with DiaSorin S.p.a. and Group companies and operate to pursue their objectives.

A copy of the Code of Conduct is issued to each employee at the moment in which the employment relationship is established.

As defined in Chapter IV of the Code of Conduct, any employee or staff member who believes that a rule or a principle of the Code of Conduct has been violated or will be violated can report these violations to the Supervisory Body (in charge of receiving information from all Group companies) by a dedicated e-mail address provided within the document.

Violation of the provisions of the Code of Conduct constitutes a breach of discipline and disciplinary measures will be applied, in accordance with the provisions of the applicable Collective Bargaining Agreement or of the individual contract.

The Code of Conduct can be consulted at <https://diasoringroup.com/it/governance/codice-etico>

## 2.5 DiaSorin S.p.a. Organization and Management Model

**The Organization and Management Model** of DiaSorin S.p.a. (also referred to as the “**Model**”) is described in the Report on Corporate Governance and Ownership Structure included in this Report and to which reference is made for further details.

The Model was developed and updated taking into account the provisions of Legislative Decree No. 231/2001 and subsequent amendments, the guidelines provided by relevant trade associations (particularly Confindustria Medical Devices). This document is part of the control system regulated by Corporate Governance rules and Internal Control System and Risks management both at Corporate and Group level.

The Model includes Special Sections reflecting general principles of conduct and specific procedures which the Recipients of the Model must comply with to prevent the commission of presumed offences, including:

- corruption offences against members of the Public Administration (included in the list of crimes in the course of relations with the Public Administration);
- corporate crimes, including corruption between private parties;
- market abuse offences;
- crimes regarding Health and Safety at work;
- environmental crimes.
- receiving of stolen goods, money laundering, utilization of money, goods or other benefits of unlawful origin, self-laundering.
- tax offences.

Although the Organization and Management Model was adopted as a result of domestic regulation, all companies in the DiaSorin Group have been adopting similar principles and constraints in order to provide stakeholders with a safer compliance process globally. This has been done by means of the Code of Conduct, as Group procedure, and other internal protocols adopted by the DiaSorin Group.

In 2020, following the approval by the competent corporate bodies, the Company carried out a significant update of the Model, relating to the entry into force of Legislative Decree 124/2019, as converted into law with amendments by Law 157/2019. The update included

the integration into the Model of the “Special Part H”, which refers to the tax offenses provided for in articles 2, 3, 8, 10, 11 of Legislative Decree 74/2000 referred to and governed by art. 25-quinquiesdecies of the Decree.

The online IT system, which has been developed in compliance with Legislative Decree 231/2001 (following the provisions of the entry into force of Legislative Decree no. 179/2017 whose Article 2 extended to the private sector the protection of employees or collaborators reporting offences or violations of the entity’s organization and management model, which they become aware of in a work-related context, the so-called whistleblowing), has been operative since June 30, 2019. This tool is fully operational and active for employees of DiaSorin S.p.a. Parent company only but in future it will be extended to all Group employees. In 2020, no reports have been made through the whistleblowing system.

## 2.6 Governance

Pursuant to Art. 4 of the Corporate Governance Code of listed companies (the “Code”): «As for the companies belonging to the FTSE-Mib Index, the Board of Directors considers whether or not to set-up a committee having the task to supervise sustainability issues related to the relevant business and to its interactions with all the stakeholders; alternatively, the Board of Directors considers whether to assemble or allocate such tasks among the other committees».

In compliance with the provisions of the Code, the Board of Directors of the Company set up “the Control, Risks and Sustainability Committee, by a resolution dated April 24, 2019. In addition to perform tasks related to the system of internal control and risks management, the Committee supervises sustainability issues.

In particular, the Control, Risks and Sustainability Committee has the task to monitor sustainability issues, review and assess sustainability matters relating to corporate business activities and to its interactions with the stakeholders. Such activities have been fully implemented in 2020.

In performing the abovementioned task, the Committee is responsible for supervising sustainability initiatives of DiaSorin S.p.a. and of the DiaSorin Group’s companies, as well as examining and assessing the system of data collection and consolidation for the Consolidated Non-Financial Statement (pursuant to Legislative Decree 254/2016) and expressing its opinion to the Board of Directors called to approve this document. In addition, the Committee has the task of expressing, at the request of the Board of Directors, opinions on any sustainability issues.

## 3. Identification of risks and opportunities

This section describes the main risks and, in some cases, the opportunities deriving from the DiaSorin Group’s activities, business relations and products in relation to the issues identified as relevant in the paragraph “Material topics for the DiaSorin Group”.

Risks identified below, if not properly addressed and managed, may have a negative impact both the on stakeholders, as referred to in paragraph “Stakeholders of the DiaSorin Group” (i.e., negative impact on patients due to poor quality of products, etc.), and on the DiaSorin Group (i.e., impact on the company’s reputation, economic sanctions due to non-compliance with regulations, threat to business continuity, etc.).

Risks, if properly managed, may represent an important opportunity both for the

stakeholders (i.e., increased well-being at work, increased safety at work etc.) and for the Group (i.e. reduced costs from a more efficient energy consumption, etc.).

### 3.1 Topics concerning fight against corruption

The main risk in relation to fight against corruption concerns the potential **occurrence of active corruption events** associated with the DiaSorin Group employees, within the relations with public and private subjects.

The main risks involve relations with the following parties, including but not limited to:

- Public authorities /bodies, upon:
  - Participation in tenders and commercial relationships with public health facilities;
  - Access to and reporting of funding/grants/loans, visits and inspections;
  - obtaining authorization for specific material supplies.
- Professionals and both public and private Organizations in the health sector, upon:
  - Definition of arrangements/ consultancy agreements;
  - corporate events or events organized by third parties;
  - research activities and training contributions to support medical-scientific education;
  - activities aimed at illustrating the characteristics of samples and products.
- Credit institutions, for example when participating in procedures for obtaining grants/ contributions/loans;
- Private certification bodies, during the inspection aimed at obtaining certifications;
- Companies and private parties, in general, during purchase and sale processes.

### 3.2 Quality of products and processes

The main risk identified by the DiaSorin Group regarding 'Quality of products and processes' is linked to the **non-compliance with laws and regulations** applicable to products sold in different markets and which can result in potential sanctions and/or legal proceedings, as well as in loss of competitiveness (due to non-adjustment and/or slower adjustment to new provisions).

The Group operates in full compliance with laws and regulations in different fields through dedicated and qualified employees. The Group's Code of Conduct states: "DiaSorin and Group companies, and for these all staff members, recognize as binding the absolute respect of laws, codes, regulations, national and international guidelines and all general accepted practices based on fairness and honesty in each country where the Group carries out its business activity in observance of these principles".

Activities aimed at ensuring compliance with legislation and regulations are undertaken in line with international best practices and are constantly examined through inspections conducted by commercial partners, authorities or certification bodies.

The main risk identified in the supply chain management is linked to **non-compliance of purchased products/services with the Group's quality requirements** (resulting in a negative impact on quality and, thus, effectiveness of the end product) and **local regulatory requirements**.

With regard to the supply chain management, the major "key" purchases within the DiaSorin Group's core business (products/ services with a direct impact on compliance with end product requirements) are carried out through the Company's manufacturing

facilities. The Group companies purchase their products from consolidated multinational companies located in countries that do not pose a high risk concerning social topics, employees, protection of human rights and fight against corruption issues.

### 3.3 Customer satisfaction

The main risk identified by the Group in relation to the “Customer Satisfaction” topic concerns a lack of attention to consumer’s needs. Dialogue with customers takes place through various channels, such as customer satisfaction surveys or daily interaction activities: a lack of attention could lead to the risk of not identifying emerging trends in the market and / or potential aspects for improvement. A lack of analysis or sharing of customer complaints at Group level could compromise the timely implementation of corrective and / or preventive actions for their resolution.

### 3.4 Topics concerning research, innovation and technological excellence

A key factor in DiaSorin success is the company’s ongoing commitment to identify and select new products to expand the menu provided to customers. In order to constantly support DiaSorin leadership in identifying and launching new innovative products, the Group decided to further strengthen its **Corporate Innovation Process**.

The Innovation Process, which has been fully implemented in 2019, ensures the structured involvement of any new ideas concerning kits and instruments, so as to guarantee the **maintenance of innovation excellence even in potentially new clinical areas for the Group and in cases of extraordinary needs, for example deriving from emergency situations as was the case for the Covid 19 pandemic during 2020**.

The current Corporate Innovation Process within the DiaSorin Group allows to carry out some key analyses before the development phase of the product, thus **allowing to assess in advance any risk or misuse of resources and time in the development of products** that do not meet the minimum requirements for DiaSorin both in economic and technical terms.

## 3.5 Employee-related topics

### 3.5.1. Occupational Health and Safety

The DiaSorin Group identified the following main risks in relation to “Occupational Health and Safety”:

- Occupational diseases due to over-exposition to chemicals and/or biohazardous materials.
- Injuries involving employees due to an inappropriate training on risks related to duties, procedures, and use of personal protective equipment.

The DiaSorin Group has always been committed to increase a culture of occupational safety in order to avoid risks to their health and safety. Further details are provided in paragraph “Environment, Health and Safety”.

### 3.5.2. Focus on workers

With reference to the risks identified in relation to an accurate management of workers,

the Group identified some specific risk areas:

- **Selection of core competencies:** failure to identify core competencies on the market that are in line with the company values and culture would undermine the creation of long-term value and would increase the turnover rate;
- **Turnover of highly skilled and specialized employees:** lack of attention to turnover rate would compromise employee retention in terms of know-how and key competences.
- **Employee training and development:** given the highly technical-scientific profile of DiaSorin employees, the lack of interventions aimed at maintaining and updating knowledge would have particularly significant impacts. This aspect is even more evident considering the nature of the Group's business and reference sector, which is focused on knowledge and characterized by continuous evolution. With reference to this risk, the Group has developed a structured path for employee training and development starting from their first day in the Company, as described in the "Employee management" chapter.

### 3.5.3. Well-being of employees and dialogue with social partners

With reference to "Well-being of employees", the following risk is identified:

- **Attention to employees' needs:** lack of sufficient attention paid to employees would negatively impact staff motivation and satisfaction, affecting the workplace and the sense of belonging to the Company/Group;

Maintaining a constructive and continuous **dialogue** represents for DiaSorin one of the various opportunities available to interact with its employees and with social partners. This allows to build a constructive relationship based on mutual respect and trust.

The Company has been actively engaged in addressing this issue by developing programs aimed at involving people and strengthening their sense of belonging to the Group.

### 3.5.4. Diversity and inclusion

Diversity and inclusion do not entail any specific risk for the DiaSorin Group, but it identifies in a correct and careful management of this aspect, through the integration and enhancement of diversity, an opportunity to **create a work environment that fosters creativity and dialogue**. Diversity and inclusion represent a fundamental driver to bring **innovation** within the Company, thanks to the collaboration between heterogeneous work groups (by culture, gender, religion, etc., but also by generation, seniority and skills) capable of finding innovative solutions to problems and capturing the opportunities that arise from the management of professional challenges with the ultimate aim of contributing to the realization of the corporate mission: to improve the health and life of people in the world through high-quality, fast and reliable diagnostic tests.

## 3.6. Social issues and respect for human rights

### 3.6.1 The relationship with local communities

Relationship with local communities does not entail any specific risks for the DiaSorin Group but it represents an opportunity: the development of communities in which the Group is present along with training of human capital and the development of individual skills in the different countries where the Group operates may contribute to create and maintain a favorable environment for business and innovation. Supporting local communities is, thus, a sustainable investment for DiaSorin's long-term business view.

### 3.6.2 Respect for human rights

Risks related to “**Respect for human rights**” are not deemed to be relevant to the DiaSorin Group, in relation to both company’s employees and external staff.

From the company’s point of view, the Group business requires high skilled in-house workforce for all activities. This results in a low risk of exploitation and violation of human rights, together with the need to implement all the necessary actions to retain employees in the Company in consideration of their training, experience and know-how.

With reference to the supply chain, the main purchases of the DiaSorin Group are made from consolidated multinationals, mainly located in areas that do not present a high risk with respect to this issue.

The Group pays great attention to respect for human rights both in the management of relationships with Group’s employees and external staff and in the management of the supply chain, in compliance with principles and values set out in the Group’s Code of Conduct. The Group is committed to respecting human rights in compliance with Conventions of the ILO (International Labor Organization) in countries where the Group operates.

The Group’s Code of Conduct contains specific principles concerning this issue. As specified in the Group’s Code of Conduct, DiaSorin “operates within the recommended reference framework of the United Nations Universal Declaration of Human Rights, the fundamental Conventions of the ILO (International Labor Organization), and Confindustria Guidelines and also 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 [...]”. Principles set out in the Code of Conduct include, among others, “Equality and Equal opportunity” consisting of a set of specific standards of conduct that apply to all Recipients of the Code.

Lastly, in compliance with the provisions of the UK law (section 54 of the UK Modern Slavery Act 2015), DiaSorin S.p.A, acting through its UK Branch and DiaSorin Limited (on a voluntary basis), issued in 2020 the “2019 Modern Slavery Statement”, outlining the procedures to operate free from modern slavery in any part of its business and supply chain and to adopt a zero-tolerance approach to these issues.

## 3.7 Topics concerning environmental management

### 3.7.1 Waste management

The main risk identified in the “Waste management” is linked to **non-compliance** with waste management and **disposal** regulations.

Waste management is performed in accordance with all waste legislative requirements. Further details are provided in paragraph “Environment, Health and Safety”.

### 3.7.2. Energy efficiency, emissions and management of water resources

Energy efficiency and the management of water resources do not entail any specific risks for the DiaSorin Group, since the company’s core business is not part of an energy intensive sector nor requires relevant water consumption.

However, the Group remains committed to protecting the environment and reducing

its environmental impact, as detailed in paragraph “Environment, Health and Safety”, paying a particular **attention to reducing energy consumptions, emissions and water withdrawals**: this represents an opportunity in terms of optimization and cost savings.

## 4. Fight against corruption

### 4.1 DiaSorin’s commitments and reference principles

**The Group Code of Conduct** defines rules and standards of Conduct to control risks concerning “Fight against corruption”, as described in Paragraph “Identification of Risks and Opportunity”. The Code applies to the members of the Board of Directors of each company of the DiaSorin Group, to all employees and all other individuals or companies who act on behalf of one or more companies of the Group.

Reference is made to paragraph 3.1 of the Code of Conduct “Rules and Standards of Conduct”: “Bribery and Illicit payments” and “Gifts, gratuities and other benefits”.

Aside from rules and Standards of Conduct required to Recipients to avoid active bribery, directly or indirectly, the Code sets out prohibited behavior to avoid passive bribery (i.e., ban on accepting gifts; gratuities or other benefits that may influence the independence of judgement; obtaining or maintaining commercial business; influencing any action or decision of any governmental officer; obtaining unjust advantage or facilitation).

The DiaSorin Group does not tolerate any kind of bribery to public officials, or to any other party connected with public officials, in any form or manner, in any jurisdiction including those jurisdictions where such activity may be current practice or not legally prosecuted. The aforementioned prohibitions are extended not only to direct incentives but also to indirect incentives made in any form including via agents, consultants or other third parties.

On the basis of the above, Recipients of the Code are forbidden to offer commercial giveaway, gifts or other perquisites that may violate laws and regulations or to be in conflict with the Code of Conduct or, if publicly available, damage DiaSorin image. Equally, Recipients shall not exploit their position to demand for, accept, seek or obtain promise of benefits and/or advantage of any kind.

Finally, as a member of the sector association EDMA (European Diagnostic Manufacturers Association), associated with MedTech Europe, the DiaSorin Group has been adhering for several years to the “MedTech Europe Code of Ethical Business Practice” (hereinafter, “**MedTech Code**”). The Code regulates all aspects of interactions between companies and Healthcare professionals/ organizations, in compliance with the highest ethical standards and with an appropriate level of transparency. DiaSorin has therefore integrated the provisions of the MedTech Code into its Group Code of Conduct, carrying out specific training activities over the time, also in light of the adoption of the dedicated Group procedure (GOP 23.5011 “MedTech provisions”).

### 4.2 Instruments adopted

Below are the main tools adopted by the DiaSorin Group in order to manage and reduce the risks related to the “Fight against corruption” topic.

#### **Internal Audit functions and audit activities carried out by the Internal Audit Function**

Formal acceptance of the Code of Conduct from Group Companies’ employees is periodically monitored by the Internal Audit Function of the Group. Such audits are included in the Audit Plan. The Internal Audit Function carries out spot checks, on an annual basis, on the

Group Companies to assess that new hires adhere to the Code of Conduct principles.

Likewise, gratuities, gifts and benefits are monitored, as part of the Audit Plan, through spot checks on the Group's Companies, in relation to expenses and first levels employees' expense reports.

The Audit Reports are communicated to the Risks, Control and Sustainability Committee and the results presented to the Group's Board of Statutory Auditors and Board of Directors.

### Training activities

A further tool used by the Group to reduce the risk of corruption is represented by the training activities provided to employees, with particular reference to specific modules relating to the content of the Group's Code of Conduct, which is provided during the induction phase to new employees.

## 4.3 The results

The following table shows the number of employees involved in communication and training about anti-corruption for each reporting year:

<b>Employees involved in communication and training about anti-corruption</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Executives	102	24	45
White collars	694	488	649
Blue collars	89	45	123
<b>Total number of employees</b>	<b>885</b>	<b>557</b>	<b>817</b>

Disclosure 205-2 Communication and training about anti-corruption policies and procedures of GRI Standard 205: Anti-corruption

It should be noted that, starting from 2018, data also include training courses dedicated to the MedTech Code amendments; in 2018, training involved 175 Group employees (38 Executives and 137 White Collars). Starting from 2019, training has been included in the ordinary induction path for new hires. In 2020, training activities have been provided remotely, due to the restrictions related to the pandemic situation.

During 2020, no case of corruption has been reported.

## 5. Quality Of Products And Processes

### 5.1 DiaSorin's commitments and reference principles

In order to provide a structured management of all aspects related to quality of products, including the supply chain management, DiaSorin's manufacturing facilities adopt a Quality Management System in compliance with European Directive IVD MD 98/79 EC, and UNI EN ISO 9001:2015 standards (Quality Management System Requirements), and UNI EN ISO 13485:2016 (Medical Devices. Quality Management Systems. Requirements for Regulatory Purposes) - in compliance with the US Code of Federal Regulation ("21CFR Part 820" Food and Drug Administration) - and in accordance with local regulations applicable to markets where DiaSorin Group's product are registered and distributed. The Group is also working to

make its products compliant with the European Regulation 2017/746 on in Vitro Diagnostic Medical Devices (IVD-R) that is the Regulation for placing on the market, making available and putting into service of in vitro diagnostic medical devices on the European market. The IVD-R Regulation will be applicable starting from 2022, and replaces the previous EU Directive 98/79/EC.

Where possible, DiaSorin S.p.a. and Group companies undertake to consult associations that protect consumers' rights in relation to projects having a major impact on customers. Behavior standards adopted by DiaSorin S.p.a. and Group companies in dealing with customers are inspired by safety, assistance, willingness, respect and courtesy with a view to establish relations based on mutual trust, high cooperation and high technical expertise. The primary objective of the Group is to fully satisfy its customers, creating a relationship based on honesty, fairness, efficiency and professionalism in compliance with the obligations of both parties: this must be done in total compliance with the laws and rules contained in the Code of Conduct.

## 5.2 Instruments adopted

The following provides the main instruments adopted by the DiaSorin Group to manage and mitigate the risks related to "Quality of products and process", as provided in paragraph "Identification of risks and opportunities".

### Organizational structure concerning Quality Management

The DiaSorin Group ensures Quality Management through the Quality Assurance and Regulatory Affairs function in each DiaSorin's and Subsidiaries' manufacturing facility, with the support of the Corporate QA&RA&CA Function (Quality, Assurance, Regulatory Assurance and Clinical Affairs). This Function reports directly to the Chief Executive Officer of DiaSorin S.p.a., thus ensuring the independence and authority necessary for the Function to ensure the utmost attention to the adoption of regulatory demands and global Quality principles and their timely implementation. The Corporate organization plays a transversal role both with reference to the production sites and to the commercial branches, ensuring the effective application of the Quality System, and efficiency and effectiveness across the entire DiaSorin Group.

The Corporate QA & RA & CA Function is responsible for:

- Monitoring new regulations applicable to the IVD MD sector to be reported to sites and subsidiaries;
- Supporting sites and subsidiaries in implementing new Provisions having an impact at Group level, managing and supervising specific inter-site projects;
- Harmonizing Quality Systems rules across all sites and subsidiaries, by providing Group Operating Procedures (GOPs) and ensuring their correct application at local level (sites and subsidiaries);
- Monitoring compliance with QS requirements within the DiaSorin Group by means of Internal Audits, either announced or unannounced;
- Monitoring complaints from DiaSorin customers at Group level;
- Supporting all sites on audit activities carried out by Third-Parties;
- Monitoring that the results of Third-Party or Corporate audits received by a single site are shared among all sites to enable a cross-assessment and identify QS non-compliance and resolve it promptly, with a harmonized approach;
- Supporting sites on Medical Oversight and implementing product recall procedures;

- Supporting sites and the Global Procurement function to monitor DiaSorin suppliers' performance.

In the light of the above, the Corporate QA&RA&CA Function monitored the following projects:

#### A) Adoption of recent new regulations

- in 2020, the Group has approved a new project for the implementation of an information system that tracks regulatory updates at national and international level in real time; this allows to promptly initiate an update process and promptly verify that regulations and internal procedures comply with new rules and, if necessary, to adjust processes at an operational level. This software will be implemented and fully operational in 2021;
- in 2020, the Group continued its inter-site project, started in 2017, concerning the alignment to the new European Regulation 2017/746, which replaces the current European Directive IVD MD 98/79 EC (the complete implementation of the project is expected in 2024).

#### B) Maintenance of certified quality systems by the DiaSorin Group's manufacturing sites

- over the last few years, all DiaSorin production sites have successfully passed the QMS (Quality Management System) audits carried out by the Notified Body and the Competent Authorities of the Export Countries where DiaSorin products are registered and distributed; this made it possible to maintain the Certifications and approvals necessary to distribute in Export Countries, while keeping the Group's business unaltered;
- In 2020, the ISO 13485: 2016 Certification about the compliance of the Quality Management System has been maintained. Such Certification was obtained in 2018 by DiaSorin Molecular and DiaSorin Inc - distributors of the Group for the Canadian market - through the MDSAP (Medical Device Single Audit Program);
- The Group maintained the approvals obtained in 2019 following inspections for the approval of new high-risk products - requiring a Pre-Market Approval (PMA Audit) by the FDA - for the US market or site audits in relation to activities carried out for clinical validations (BIMO-Bioresearch Monitoring program Audit) of these new products.

In 2020, site inspection activities were conducted on-site until the start of the pandemic. Afterwards, following the limitations imposed by the pandemic, inspections were conducted remotely.

#### C) Improvement and harmonization projects among DiaSorin sites:

- in 2020, the Company continued the implementation of the inter-site project. The project was launched in 2018 and is sponsored and managed by the Corporate QA & R & CA Function with the aim of implementing, in all the Group's sites and at the Corporate level, the same software for the harmonized management of QMS aspects on an electronic platform, sharing the same rules and modes. Unlike the initial project, the Company started the implementation of two additional supplementary modules with a focus on Training planning and registration and on the management of the quality system Documents. In the light of the last developments, the project will be completed in 2021;
- in 2020, the Company completed the implementation of all the modules envisaged by the B.R.A.V.O platform, which has been developed starting from 2018 by the Corporate Global Procurement function together with the Corporate QA&RA&CA function. This platform is

shared with all DiaSorin sites as part of the Supplier Management and ensures compliance with the QMS requirements applicable to the selection, qualification and monitoring of suppliers. The adoption of the module to manage the Supplier Qualification has been launched in 2020 in some of the Group's production sites and implemented in some sites and will be completed in 2021 with the remaining sites.

### Supply chain management

As provided in the paragraph "Identification of risks and opportunities", the supply chain management is essential to ensure that products / services purchased comply with the Group's quality requirements and local regulatory requirements.

The following paragraph provides the main evolutions of the Group supply chain management and the key instruments adopted.

### Reorganization of the supply chain

In past years, the organization of the supply chain management of the DiaSorin Group envisaged that "critical" purchases (products / services with a direct impact on compliance with the requirements of the final product) were mainly managed locally by the production sites of the Group, with the exception of some categories of purchases which, as they were relevant for several production sites due to the high risk associated with the impact on the finished product and/or due to the high unit value, were managed at the Corporate level by the Global Procurement function ('Corporate' suppliers) and represented the largest share of the Group's purchases.

In order to increase supervision and efficiency, the DiaSorin Group has launched, starting from 2017, the reorganization of the entire process of the supply chain management with the aim of centralizing and progressively harmonizing the purchasing processes of Production companies and, consequently, acquiring greater central control over Group's suppliers.

The project, whose implementation continued in 2020, is structured along three main axes:

- **organization:** redefining responsibilities centrally/locally and providing the Global Procurement function with a central role in the handling of purchases at Group level; the corporate Purchasing team has been reorganized and strengthened with new hires in order to implement a central governance activity that works closely with managers at local level, through business reviews and periodic meetings. This first phase, completed in 2020, will be followed in 2021 by the identification of regional staff - between the corporate and local levels - to ensure centralized supervision of some specific purchases with a strong territorial characterization;
- **process standardization:** this aspect provides for a harmonization of the different local purchasing processes that were previously managed independently by the production branches through various tools and information systems; in this regard, purchasing guidelines have been approved and distributed in 2020, with the dual purpose of defining rules to be applied locally within the Purchasing department and instructing those who carry out activities of purchasing, even though they do not belong to the Purchasing department, on rules, behaviors and best practices;
- **managerial efficiency:** it provides for the identification of purchases that need to be managed at central level (e.g., suppliers shared by several manufacturing facilities) and those that need to be managed at an intermediate level given the territorial specificity of some supplies by implementing, following an appropriate analysis, a centralized reorganization on the basis of the analysis results.

The project envisages the introduction of an IT cloud platform at Group level to manage the relations with suppliers, starting from qualification to the drawing-up of contracts,

including negotiation: this is a long-term project that makes use of all 4 modules provided by DiaSorin S.p.A companies and DiaSorin Inc. The extension of the implementation, which slowed down in 2020 due to the emergency caused by the COVID-19 pandemic, to the other manufacturing companies will be completed in 2021.

### Procedures System (Group and local)

The Group Operating Procedure “Corporate Supplier Management” and the DiaSorin Group new Operating Procedure “Procurement Portal: Supplier Qualification” set out the principles to be applied at Group level for the supply chain management. Both Procedures apply to all purchases of the DiaSorin Group.

The Procedure provides the guidelines to follow at local level in the various stages of the supplier management process and defines a clear allocation of responsibilities between the Group Companies and the relevant Corporate Functions / Departments.

Below are the main requirements that are applied to the purchasing processes carried out by the Group Companies and formalized within the Group Procedures mentioned above:

- use of a multi-functional approach to select suppliers and formalization of criteria and methods adopted in this stage;
- classification of suppliers on the basis of the risk category associated with product quality and safety;
- drafting of documentation to track the technical requirements of products being purchased. Such documentation shall be included in the contractual documents, along with clauses which contractually bind suppliers to inform DiaSorin of any change in the technical requirements of the product;
- management of supplier changes that have to be approved at local level and communicated to central Departments;
- implementation of activities to monitor suppliers at local level (e.g., acceptance tests, verification of the certifications attached to the products, audits of suppliers, etc.).

With a view to increasingly harmonizing process at Corporate level, each DiaSorin production site has been requested to prepare, on the basis of the Group Procedures, local procedures covering the management of suppliers and purchases of products and services, in order to ensure quality, safety and effectiveness of the finished product.

In 2020, specific procedures have been introduced concerning the use of the platform presented in the previous paragraphs, along with procedures aimed at harmonizing processes.

### 5.3 The results

In 2020, the DiaSorin Group continued monitoring its suppliers both through on-site audits, when compatible with the restrictions due to the COVID-19 pandemic, and through document audits consistently with the previous years. In the second half of the year, the Company developed a remote auditing procedure and audits have been performed on the suppliers deemed to be most critical.

All audits on suppliers deemed to be low or zero risk have been deferred to 2021, as anticipated in the previous paragraph, due to the restrictions imposed by the spread of COVID-19.

The reduction in the number of audits conducted in 2020 on suppliers is therefore mainly

attributable to the restrictions imposed by the pandemic, which did not allow on-site audits to be carried out in the first half of 2020.

Specifically, in 2020, 6 audits were conducted on critical suppliers for the Group (25 in 2019), of which 1 Corporate (12 in 2019) and 5 Local (13 in 2019). The audits revealed no indication of significant noncompliance (in line with 2018-2019 period).

As regards DiaSorin sites' quality systems, the following tables provides the number of inspections carried out by Notified Bodies and other Competent Bodies of Export Countries in the Group's manufacturing sites where DiaSorin registers and produces its products:

<b>Group's manufacturing sites</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total site</b>
Italy, Saluggia	4	3	1	8
United Kingdom, Dartford	2	5	1	8
Germany, Dietzenbach	1	1	1	3
USA, Cypress	2	2	1	5
USA, Stillwater	2	3	1	6
South Africa, Kyalami	1	0	n/a	1
<b>Total year</b>	<b>12</b>	<b>14</b>	<b>5</b>	<b>31</b>

All facilities passed the inspections in the three-year reporting period. No indication of noncompliance and/or critical issue having an impact on the Group's business was found.

The onset of the pandemic led to a great variability also in relation to supplies worldwide. Nevertheless, the Group has promptly managed such variability and no significant impact has been generated on the Group's production structure.

## 6. Relationship with the customer and customer satisfaction

### 6.1 DiaSorin's commitment and reference principles

Behavior standards adopted by DiaSorin S.p.a. and Group companies in dealings with customers are inspired by quality of products and of services provided, by customer support to create a relationship of mutual trust, cooperation and technical/scientific professional expertise. The main objective of the Company is fully satisfying its customers, creating a relationship based on honesty, fairness, efficiency and professionalism in accordance with the obligations arising under supply contracts between both parties and operating in total compliance with the laws and rules contained in the Code of Conduct.

In order to provide a structured management of all aspects related to quality of products and services provided, the DiaSorin Group adopts a Quality Management System in compliance with ISO 9001:2015 standards "Quality Management Systems Requirements" and ISO 13485:2016 "Medical Devices - Quality Management Systems" and a structured system to monitor customer satisfaction, as described below.

The Group is committed to meeting its stakeholders' training and educational needs (current or potential customers, professionals, scientific community and, more generally, citizens) concerning scientific and medical issues; to this end, DiaSorin promotes and/or supports activities in the field of Public Health.

### 6.2 The instruments adopted

The quality control system adopted by DiaSorin S.p.a. and Group companies covers all operating and supporting processes: from design to production, launch on the market

up to after-sales supervision of the products. Such quality control system extends to all company functions involved in the activities, throughout all phases of life of the product up to reception of feedback after delivery of the product to the customer. With regard to improvement processes, monitoring the product on the market is extremely important in order to assess and analyze quality.

DiaSorin S.p.a. and Group companies have implemented dedicated methods to ensure that customers feedbacks reach the company, as well as methods to process this information in order to assess whether the product/services meet the customer's expectations. On the basis of the information collected and processed, continuous improvement activities are then planned and implemented.

The Group implemented, also in accordance with regulatory requirements, a dedicated internal procedure ("DiaSorin Group Customer Satisfaction Survey"), which aims at defining the manners through which the Group can regularly monitor the Customer Experience. The procedure provides that at least every two year a specific survey is implemented and coordinated by the Quality Department, Marketing and Service Corporate. This activity gradually consolidated over time and is now carried out on an annual basis through two survey waves (on a half-yearly basis), which involve different customer segments. The increase in the frequency of the investigation allows the Group to promptly implement corrective actions if the investigation gives evidence of any critical issues. The activity has been carried out and integrated over the years with the support of the Praxidia company.

The project has two main levels of activity:

- Relational: extended telephone interviews, carried out on a half-yearly basis both to laboratory managers and to users operating with DiaSorin instruments;
- Transactional: e-mail surveys to users who interact directly with DiaSorin technical staff. In this case, surveys are addressed to Customers after technical support, over the year.

The surveys concern the following:

- Analyzer;
- Assay Products;
- Order Entry;
- Sales Representative;
- Field Engineer;
- Application Specialist;
- Technical Support;
- Benchmark against competitors.

The results of the surveys are tracked in real time on a specific web portal managed by the supplier and are differentiated by country: each Group company has access to data relating to its country. A detailed half-yearly report is forwarded and presented to management to evaluate the results and trends and decide any corrective actions. The portal has been configured so that a negative assessment can immediately report a noncompliance file in the event of a low score. The involved subsidiary is thus required to implement a "recovery plan" that will be disclosed on the Portal.

In addition to the aforementioned internal procedure, Diasorin S.p.A and the other Group companies - in agreement with the relevant Scientific Associations in the sector - actively participate in the organization of events on topics of current interest. In addition to training

activities on current topics, such activities aim at training laboratory staff from a scientific point of view, enhancing skills and furthering the latest scientific information. Events involving leading healthcare professionals, including institutional members (such as the Higher Institute of Health in Italy) are proactively supported.

In 2020, with the onset of the pandemic, the Group responded to emerging needs by proposing training events for the scientific community on the SARS-CoV-2 virus and the related diagnostic technologies developed by DiaSorin. These events, as well as meetings on other issues, took place remotely due to the limitations imposed by the pandemic.

In 2020, unlike the previous years, the pandemic hindered conventions and meetings between citizens and doctors. These events aim at supporting the correct dissemination of information and directing the attention of the wider public to health issues. Thus, interaction is crucial. These events will be reactivated as soon as they can be carried out safely again.

### 6.3 The results

The Customer Satisfaction survey activity described above involved around 1200 customers in 20 countries in 2020. The selection of customers to be involved had the objective of selecting a homogeneous and representative number for each country (approximately 35%), in which the Group operates directly through its branches.

The use of the platform developed with Praxidia showed a high degree of global customer satisfaction for the services offered by DiaSorin, with an overall satisfaction level of 8.53 out of 10.

DiaSorin's operating and manufacturing activities require the Customer Satisfaction to be constantly monitored. For this reason, the Group aims at repeating this survey every year, assessing customer satisfaction through a periodic and centralized process.

## 7. Research, innovation and technological excellence

### 7.1 DiaSorin's commitments and reference principles

Innovation and technology excellence are key drivers in DiaSorin Group's strategy to implement its Mission and Ethical Vision. To this end, the Group is committed to implement a consistent staff policy focused on selecting talented and skilled professionals -in the field of Research and Development - that may contribute to developing new technologies, products and processes promoting, at the same time, training and sharing of know-how at international level.

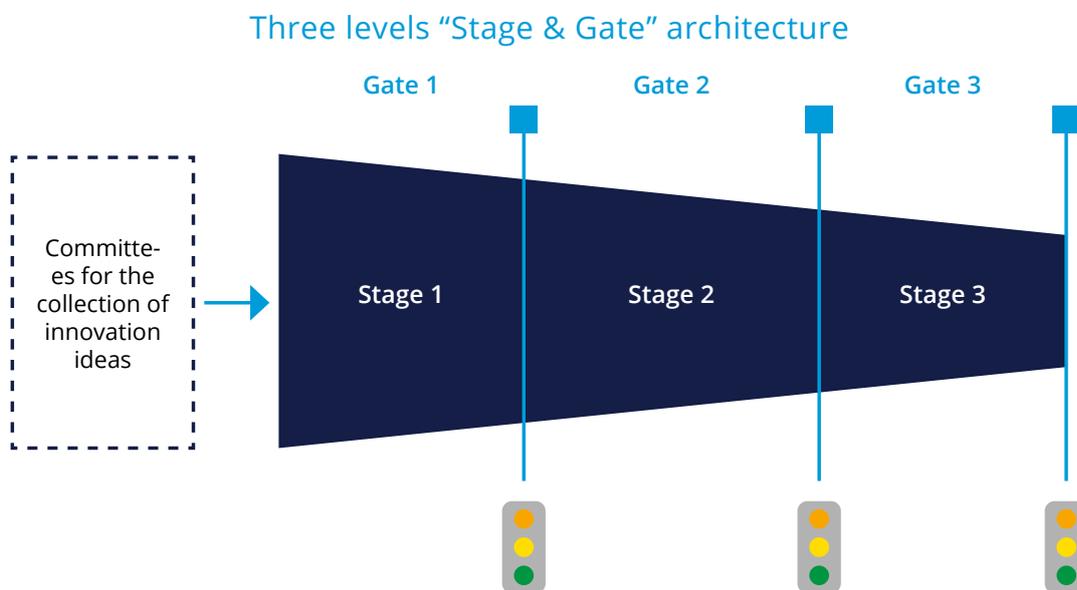
### 7.2 Instruments adopted

In 2020, the DiaSorin Group concentrated a significant portion of its research and innovation activities in the activities required to promptly respond to the needs deriving from the pandemic emergency that marked the entire period.

The Group Innovation Process, which was launched in 2018 and completed in 2019 under the guidance of the Innovation Function, has provided a swift, structured and quality solution. This process is shared by all the Group's businesses and companies and arises from the need to ensure a structured approach to the evaluation of new ideas - Immuno-diagnostic Kits, Molecular Diagnosis Kits or analysis platforms - allowing, therefore, the start of Product Development activities for the most promising projects only.

The corporate strategy outlines innovative ideas proposals that, through the new Innovation Process, are gathered through either external sources (for example DiaSorin's Key Opinion Leaders) or "internal" sources (DiaSorin Group's internal functions).

The evaluation of ideas takes place through a “Stage and Gate” architecture, shown graphically in the figure below.



#### PM structure to coordinate activities throughout the funnel

Each idea is analysed throughout the funnel in increasing level of detail with 6 Lenses of analysis

- Strategic Fit / Rationale
- Market size
- Economics
- Technical feasibility
- Regulatory, Quality and Clinical Affairs
- Project Management and risk assessment

Thanks to a Project Management structure, which is coordinated by the Innovation Function, and a dedicated governance, each idea is analyzed and assessed in each gate where it can be passed to the next stage, it can be rejected, or it can be put on hold for additional analyses. Gate 3 corresponds to the entry of the idea into the Group’s PDMP (Product Development Master Plan). This document is monitored and periodically updated by the Corporate R&D Department and provides information on the Group’s active projects for each development phase (pre-feasibility, feasibility, validation, industrialization).

To ensure a structured evaluation process, emerging innovative ideas are classified into 3 different standard categories (valid for both kits and tools):

- **“Expand”** ideas are ideas of new kits or tools for the market and allow DiaSorin to **expand the IVD** (in-vitro diagnostics) **market**;
- **“Advance”** ideas are either ideas of kits or tools that are already on the market but not yet in the Group’s portfolio or solutions that are already present in the Group’s portfolio and can be integrated with new functions, adjusted to have better performances, or delivered through different technologies to increase **DiaSorin’s market shares**;
- **“Sustain”** ideas are ideas aimed at **improving the efficiency of current kits or tools**, in

order to offer the market products with better margins for the company while maintaining the same quality characteristics.

In addition to ensuring, under ordinary conditions, that only products of proven value are launched on the market - thanks to detailed analyzes carried out to accurately filter the best ideas - this process makes Product Development more efficient and faster, since information and relevant variables are analyzed starting from the innovation phase.

Work process has been divided by projects/processes, creating dedicated cross-functional teams (thus, removing the traditional functional structure) and identifying the actions to be carried out to ensure quality in the process. This was crucial, in 2020, to allow a rapid and effective adjustment to the needs deriving from the COVID-19 emergency. The process adopted by the Group has made it possible, in fact, to effectively mitigate the risks deriving from handling an emergency that required the development of effective products and services in a significantly shorter than usual timeframe, against a constantly evolving backdrop.

### 7.3 The results

In 2020, in response to the pandemic emergency and thanks to the Group Innovation Process, DiaSorin developed a series of specific projects in response to the needs deriving from the COVID-19 spread (so-called "COVID projects").

Among these, two immunodiagnostic serological tests have been launched: LIAISON SARS-CoV-2 S1 / S2 IgG and LIAISON SARS-CoV-2 IgM to detect the presence of the IgG and IgM antibodies developed in response to SARS-CoV-2. Both tests are CE marked and have received FDA Emergency Use Authorization (EUA) for the U.S. market.

In addition to these two tests, the Company launched LIAISON SARS-CoV-2 Ag antigen test which allows the identification of COVID-19 infection in symptomatic patients within 10 days post onset of symptoms. The test is CE marked and is run on LIAISON family analyzers. The test allows quantitative detection of SARS-CoV-2 viral load through nasal and nasopharyngeal swabs and can be used as an alternative to or in combination with molecular tests.

Again, with reference to the COVID Projects, the Company launched two additional molecular diagnostic tests: the Simplexa COVID-19 Direct Kit and Simplexa Flu A / B & RSV Direct Gen II. The first allows to detect the presence of SARS-CoV-2 from nasal and nasopharyngeal swabs and saliva samples (only in markets accepting CE marking). The latter detects Influenza A and B strains and the respiratory syncytial virus (RSV), allowing differential diagnosis of these infections and SARS-CoV-2. Both tests have been approved in countries accepting CE marking and have received FDA Emergency Use Authorization (EUA) for the U.S. market.

Although the pandemic emergency dominated 2020, the Group kept non-COVID-related projects on track. Among these, the Group CE marked and launched the LIAISON Testosterone xt test for the dosage of testosterone. The immunodiagnostic assay is designed for use on the LIAISON XL platform.

The Food and Drug Administration approved the 6 assays that make up the panel for the diagnosis of Hepatitis B, completing the full line of Hepatitis A, B and C assay in the local market.

Finally, in December 2020, the Food and Drug Administration approved the LIAISON XL MUREX HIV Ab / Ag test for commercialization. This test allows the combined qualitative determination of p24 antigen of human immunodeficiency virus type 1 (HIV-1) and specific antibodies specific to both human immunodeficiency virus type 1 (group M and group O) and human immunodeficiency virus type 2 (HIV-2) in human serum or plasma samples.

In countries accepting CE marking, the Group launched its molecular Simplexa Congenital CMV Direct Assay. This is the first test on the market to enable direct detection of Cytomegalovirus

DNA in both saliva swabs and urine specimens from babies up to 21 day old.

The strategy to expand the diagnostic tests offering is linked to the strategy to further develop the Group's analyzers platform, with the aim of accessing new market segments. In particular, the new LIAISON XS platform, designed for small laboratories, was launched in Europe in 2019. Its use in countries outside Europe, in particular in the United States and China, started in 2020 and will continue in 2021. A further evolution of the platform concerns the development of new solutions to strengthen DiaSorin presence in segments that are already covered by the LIAISON XL analyzer.

Further details on new products developed in the three-year reporting period are provided in the Reports on Operations of the DiaSorin Group.

The pipeline of initiatives to be assessed includes more than 50 ideas in the immunodiagnostic and molecular diagnostic areas, both as regard kits and instruments. New initiatives are constantly added to the pipeline.

In the year, 16 ideas for new products /instruments have been approved and included into the PDMP.

The following provides the number of PDMP projects at December 31 for each reporting year

<b>Reagents for Immunoassay</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Pre-feasibility	3	2	2
Feasibility	1	1	7
Validation	9	16	4
Industrialization	7	9	4
<b>TOTAL</b>	<b>20</b>	<b>28</b>	<b>17</b>

<b>Reagents for Molecular - considering Assays + ASRs (Analyte Specific Reagents)</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Pre-feasibility	18	2	2
Feasibility	2	-	-
Validation	1	3	3
Industrialization	13	17	17
<b>TOTAL</b>	<b>34</b>	<b>22</b>	<b>22</b>

<b>Instrument projects (Immune + Molecular)</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Pre-feasibility	3	4	1
Feasibility	4	4	12
Validation	1	10	15
Industrialization	0	0	-
<b>TOTAL</b>	<b>8</b>	<b>18</b>	<b>28</b>

## 8. Employee management

### 8.1 DiaSorin's commitments and reference principles

DiaSorin's value increased proportionally to the value of people who worked or still work at DiaSorin. This growth is part of DiaSorin's history and is structured around three main pillars:

**LEADERSHIP** - Management competence, that is a mix of expertise and sensitivity, business acumen, skills and experience, which has made it possible to recognize and evaluate the

contribution of each single individual in relation to a collective result;

**ENGAGEMENT** - sense of belonging with a strong identification with our “the Diagnostic Specialist” mission, as well as the capability to outline a clear long-term Vision with agility and flexibility to achieve common and shared objectives;

**TALENT** - capacity to turn the strategy vision into concrete action, thanks to the distinctive skills of People who work with passion and energy, without making any compromises between speed and quality of execution. The work of each employee is crucial to achieve the end result. This commitment, which is formalized in the Human Resources Strategy whose aim is to take care of and develop a culture of excellence, adopts both the “DiaSorin Leadership Model”, a solid foundation for our company culture, and the company’s Code of Conduct as reference principles.

The “DiaSorin Leadership Model” is the DiaSorin Group’s DNA and describes the execution capacity, pragmatism, focus on details, skills, sense of belonging, proactivity and energy, integrity that are at the core of the Company Entrepreneurial Spirit.

The evolutions occurred over the last years required to integrate different skills and enrich the list of the guiding Values that are part of a new “Managerial Style” such as, for example:

- Innovation, capacity to find new solutions and new ways to do things, without fear of challenging the status quo;
- Capacity to inspire colleagues, activating empowerment processes and involving a growing number of people.

These are some of the values embedded in our managers and described in the “DiaSorin Leadership Model”, a reference principle for all DiaSorin employees with the purpose of:

- Stimulating minds of people who work within the Company;
- Inspiring people to the common Good;
- Fostering creativity and planning skill on the basis of a vision of the future intended as capacity to see and desire the Diasorin of tomorrow.

Management of Human Resources refers to the Group’s Code of Conduct which sets out a set of norms and standards of conduct to which the Group is required to abide by, concerning:

**Employee management policies:** “Any form of discrimination against employees or staff members is prohibited. All decisions regarding personnel management and development are based on considerations of merit and/or correspondence between expected profiles and those of staff members. The same consideration applies to the decision to assign employees to different roles or positions”.

**Employee empowerment and management:** “In managing hierarchical relations, company stakeholders undertake to guarantee that authority is exercised fairly and correctly, avoiding any type of abuse. Requesting, as something due to a superior, services, personal favors or any other form of conduct that infringes this Code of Conduct constitutes an abuse of position of authority. Each manager is required to use and fully exploit all the professional competencies of the structure, activating available levers to promote development and professional growth of personnel”.

**Equal Opportunities:** “DiaSorin is committed to providing equal opportunities to all its employees, both at the workplace and as regards career advancement. The supervisor shall ensure that, with regard to all aspects of employment such as recruitment, training, remuneration, 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”.

## 8.2 Instruments adopted

The following provides the DiaSorin Group's main instruments to manage and reduce risks (or where applicable, to address opportunity) as detailed in paragraph "Identification of risks and opportunity" in relation to employee-related matters.

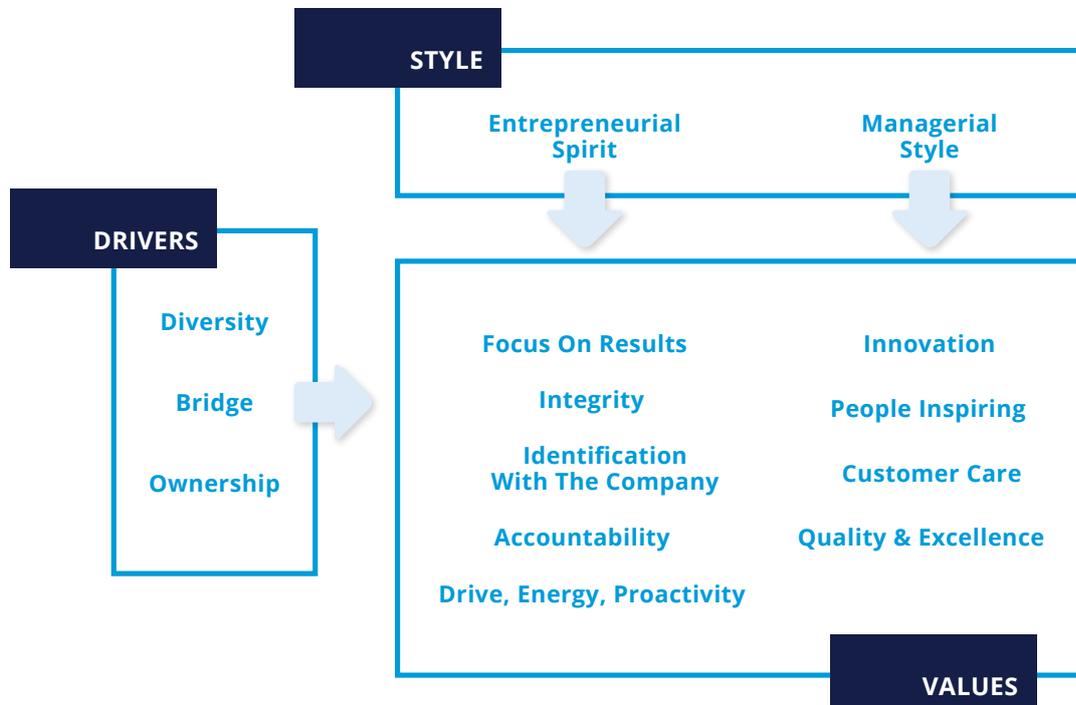
### "DiaSorin Leadership Model" and Performance Management

The Leadership Model adopted by the DiaSorin Group is a balanced mix of entrepreneurial spirit and managerial skills that are part of the Company's DNA. The Leadership Model expresses clearly DiaSorin culture, the unique value which underpins processes involved in Talent enrichment and development.

Specifically, the Leadership Model's main objectives are the following:

- Creating a common language to share DiaSorin managerial style;
- Clarifying expectations on objectives and results;
- Making the recruitment process easier, by sharing values and characteristics required to candidates;
- Structuring the evaluation of soft skills;
- Nurturing the culture of assessment and meritocracy.

### DiaSorin LEADERSHIP MODEL



The Model is the result of a process started in 2010, through the direct observation of the Group's people and continued throughout the years through the identification and definition of its values, the development and launch of a performance management system

and managerial education programs. In 2019, the assessment of performance and behaviors consistent with the Leadership Model have been extended to all Group employees.

DiaSorin adopts a Performance Management Process (P.M.P.) which is addressed to all Company employees through the PMP Lead (employees with a variable compensation) or PMP You (all other employees). The PMP Lead and the PMP YOU assess the soft skills that are consistent with the company culture and encourage managers and teams to a constant dialogue about their contribution to the company growth and their behaviors to achieve the objectives set, in order to identify opportunities to improve the company performance and development.

To support the PMP Lead and PMP YOU model, DiaSorin implemented the “Performance and Goals” module within the HR information system known as T.R.U.S.T. (Technology Roadmap Underpinning Successful Transformation) for the standardization of the assessment process of each employee’s performance and behavior.

### Training activities

The DiaSorin Group is committed to providing quality, fair and inclusive education that may represent a learning and development opportunity for each employee. Skills development is one of the key pillars of DiaSorin mission.

For this reason, training needs of each employee are analyzed extremely thoroughly on the basis of business priorities, inputs from Department Heads and, where necessary, taking into account objectives deriving from the regular process described above.

Every year, technical and cross-functional training activities to support business are planned and developed in response to emerging macro themes/training focus.

Training programs are held by either internal or external qualified staff giving priority to in-house training paths so as to enhance employees’ knowledge and skills.

In-house training paths are addressed to technical staff in charge of equipment installation and maintenance at the customers’ premises in each region where DiaSorin is present. The employees in the Service area, in fact, undergo training that is entirely managed and monitored by colleagues who work in the same area at the Corporate level, at the Italian Headquarters in Saluggia. On the other hand, external training covers various areas.

In 2020, in relation to the handling of the pandemic situation, the courses were developed and conducted remotely. Topics included health and safety (additional details are provided in the specific paragraph) and courses aimed at facilitating work activities that were carried out remotely, managing relations among colleagues, and increasing the employees’ sense of belonging the distance.

As regards the tools used to ensure employees’ access to remote training opportunities, which became even more imperative during the pandemic emergency, each site adjusted multimedia platforms considered to be most effective on the basis of Group guidelines relating to training activities. In particular, the use of an online learning platform has been successfully tested in North America.

In 2020, 2,513 courses were provided, aimed not only at improving technical skills, but also at reinforcing the employees’ soft skills. The following are examples of the main training courses provided in 2020:

- Remote Work Foundations
- Communicating about Culturally Sensitive Issues
- Diversity, Inclusion, and Belonging
- Time Management: Working from Home

- Building Resilience
- Improving Your Listening Skills

Courses were also provided with specific reference to the pandemic situation, including:

- Coronavirus Disease 2019 (COVID-19) – Prevention & Treatment
- CDC: COVID-19 Signs & Symptoms
- Return to Work Plan & Safety Protocol

In 2019, the Group implemented a training course called European Platform Training Academy which involved employees of the European subsidiaries with training sessions coordinated by the HR Function and held by external staff. Training programs cover different areas (technical skills, cross-functional and soft skills and people management) and continued in 2020 remotely.

Given the positive result of these experiences, which not only strengthened the skills of employees, but also contributed to strengthening the sense of belonging towards the Company, DiaSorin is assessing the launch of a Group e-learning platform.

DiaSorin attaches great importance also to the “Induction” phase. Corporate Induction courses are provided annually to new Corporate Managers and Executive hired in the year and also to Managers who changed their role and responsibilities within DiaSorin. Courses were generally provided at DiaSorin headquarter in Saluggia to further relations among employees, but in 2020 they were provided remotely.

The local HR is responsible for Induction programs provided to the other employees hired in 2020.

Group cross-functional training activities linked to the introduction of the HR information system called T.R.U.S.T continued throughout 2020 and computerization of the HR processes went on with the launch of the “annual salary review” process.

Training carried out on the system did not focus exclusively on technical issues related to its functioning, but it was also an opportunity to share the corporate culture underpinning the HR processes managed through the system. For example, webinar training sessions were delivered to Compensation Managers during the launch of the compensation module, or the “Accurate Goalsetting” training was provided to all 320 Managers worldwide who, through the PMP Lead, are in charge of accurately defining the objectives. Also in this case, in addition to the necessary technical and procedural instructions, training courses covered soft skills-related aspects that can ensure a perfect motivational alignment between corporate strategy and the activities of the single employee, teams and different Functions. With reference to training, the Quality function is running a project aimed at implementing the SmartSolve platform in all Group companies. This project will make it possible to automate and homogenize the process of data gathering related to training activities, making the related supporting documentation more accessible and structured.

### Organizational evolution and change management

The Company business sector is constantly evolving and requires innovative solutions to maximize a quick and proper implementation of business plans and new organizational schemes that need to be completed quickly and with a high-quality implementation, thanks to the adoption of increasingly advanced organizational schemes.

In light of the national and international emergency generated by the COVID-19 pandemic, DiaSorin Group promptly responded to the needs of hospitals around the world, contributing to fight the pandemic through the launch of 5 new diagnostic tests during the year.

This unexpected situation required the implementation of new business and organizational solutions in order to develop, launch and produce molecular, serology and antigen tests for the diagnosis of COVID-19, with the consequent need to select and recruit personnel to increase manufacturing capacity in our plants in Saluggia and Cypress, and introduce Managers with technical-scientific skills in the clinical area of respiratory system diseases.

In line with the 2019-2022 corporate strategy, the Company focused on project activities aimed at making the organizational structure more efficient at Corporate level and strengthening the commercial organization in Europe and in the United States, through the development of talented resources internally, the hiring of resources with new skills and the reassessment of organizational structures and internal processes.

Lastly, in 2020 the Company started to implement the Talent Acquisition activities and define the organizational structure related to the forthcoming opening of the Chinese industrial site.

The above involved a large investment in terms of change management and communication.

### Well-being and Benefit Initiatives

The DiaSorin Group provides different types of defined-contribution and defined-benefit plans, in accordance with the local conditions and practices in the countries in which it operates. 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. Pension plans include the provisions for employee severance indemnities in Italy, the "Employment Rights Acts 1996", the "Employment Relations Act 1999" and the "Children and Families Act 1999" in the U.K., the "Alecta" system in Sweden, the "U-Kasse" pension plan and the "Direct Covenant" system in Germany, medical plans and insurance, life insurance and pension plans in the U.S. according to the "Affordable Care Act" and the "401kPlan".

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.

In order to strengthen employees' engagement and well-being, several Group companies implemented initiatives to integrate the healthcare programs provided by local legislation, such as preventive healthcare programs and family support.

For example, during the pandemic and consistently with the provisions of the different countries, the Company offered workers the chance of carrying out serology tests, rapid antigen tests, COVID-19 molecular tests, influenza vaccine, pneumococcal pneumonia vaccine - free of charge and on a voluntary basis- for the effectively prevention of contagion from COVID-19.

With reference to the initiatives launched in each country, it is worth mentioning that:

- In the U.S., the Group implemented a procedure to support elderly assistance and paternity leave ("Family Care Leave Policy").
- The Chinese subsidiary expanded the panel of services for medical insurance cover and for employees on business trip. Employees have benefits for sporting activities free of charge.
- In 2019, the DiaSorin Group renewed its Corporate Welfare Plan in Italy. The Plan was implemented in 2017 and provided for a payment of a flexible benefit amounting to 864 euros in the 2017-2019 period for each employee, to be spent in tax-free services. Today the current flexible benefit amount has been doubled (equal to €1,700 thousand in the 2020-2022 reporting period) since the panel of services provided has been expanded (healthcare, education, culture and leisure). The welfare agreement was signed through an active and ongoing dialogue with social partners.

In this particularly challenging period, the Company implemented a series of initiatives aimed at recognizing the value of all those who, through their presence in the Saluggia and Cypress plants, have ensured the supply of our COVID-19 diagnostic tests to the markets.

### **Dialogue with the social partners and focus on employees' needs**

In a context where the labor market is increasingly uncertain due to the COVID-19 pandemic and the Company is required to employ increasingly specialized skills, in 2020 the DiaSorin Group carried out several activities aimed at retaining and attracting talents, fostering dialogue with employees in all Group companies.

For this reason, dialogue with social partners is a crucial tool. To this end, personnel in charge of managing relationship with Trade Associations, where existing on the basis of local regulations, maintains an ongoing dialogue with Trade Associations, both in standard and in any extraordinary situations, according to a constructive and collaborative approach. During the emergency situation caused by the COVID-19 pandemic, dialogue with the social partners has been further strengthened. This proved to be essential to ensure that all workers would continue working in a safe and healthy environment for all.

In addition to the dialogue with social partners, DiaSorin makes use of direct communication channel to listen to its employee needs through, for instance, regular employee satisfaction survey carried out by DiaSorin facilities in North America (DiaSorin Inc and DiaSorin Molecular). The surveys are followed both by further in-depth analyzes through focus groups attended by local management and by action plans promoting employee engagement through the implementation of a favorable work environment.

Specific initiatives were implemented locally, such as the initiative called "Magic Box", which provides the employees of the Chinese branch with the opportunity to contribute with proposals aimed at improving processes and company programs and achieving excellence. Finally, in 2020, an internal communication initiative entitled #proudtobediasorin took place, involving the whole Group. Through the company's commitment in the fight against the pandemic and the experiences of the families of DiaSorin employees around the world, the project helped to keep up our people's morale, strengthened the sense of belonging. An example of employee involvement in #proudtobediasorin was the collection of drawings by Group's employees' children, representing their parents at work during the first pandemic wave. The drawings gathered from employees around the world were assembled in a video available on the Group's website showing, through the eyes of children, what each employee has done to help combat the COVID-19 pandemic.

Due to the spread of the pandemic, during 2020, as already mentioned in the chapter dedicated to training, on-line courses were a fundamental tool to reinforce the sense of belonging towards the Company, also and above all for workers who have spent long periods smart working, thus losing contact with the Company.

The actions aimed at enhancing the DiaSorin brand outside the company also continued during the year. Examples are the updating of our website [www.diasoringroup.com](http://www.diasoringroup.com) and the use of social networks such as LinkedIn at corporate level and Glassdoor in the United States.

### **Diversity and inclusion**

The DiaSorin Group recognizes the individual value of each employee within the Company

and fosters proactive behaviors to create a work environment where all employees are actively included. The Company firmly believes that the best solutions come from different perspectives, without fear of asking and answering tough questions and of jeopardizing the status quo to develop small ideas and achieve great results in terms of innovation.

For effective management of diversity and inclusion, the Company implemented anti-harassment and bullying policies regulating the behaviors that employees must adopt to promote a positive workplace. DiaSorin is also committed to implement specific policies to meet the different needs of the countries where the Group operates.

Some Group companies implemented training courses on this issue, such as the on-line courses provided by DiaSorin Inc. and DiaSorin Molecular LLC. In North America, DiaSorin took part in digital Career Days with the primary objective of facilitating access to the labor market for people with disabilities and former military fighters.

### 8.3 The results

The tables that follow show data on Group employees in 2020 and in the periods provided for comparison.

#### Information on Group's employees

Number of employees by gender									
2018			2019			2020			
Men	Women	Total	Men	Women	Total	Men	Women	Total	
1.064	907	<b>1.971</b>	1.062	877	<b>1.939</b>	1.141	925	<b>2.066</b>	

Employees by category	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	72	25	<b>97</b>	80	26	<b>106</b>	85	31	<b>116</b>
White collars	811	775	<b>1,586</b>	796	747	<b>1,543</b>	834	746	<b>1,580</b>
Blue collars	181	107	<b>288</b>	186	104	<b>290</b>	222	148	<b>370</b>

Employees by age	2018			2019			2020			Total
	Executives	White collars	Blue collars	Executives	White collars	Blue collars	Executives	White collars	Blue collars	
<= 29 years old	0	153	55	0	144	62	0	140	101	<b>241</b>
30-50 years old	47	1043	147	54	996	145	56	1,026	175	<b>1,257</b>
>= 50 years old	50	390	86	52	403	83	60	414	94	<b>568</b>

Disclosure 405-1 Diversity of governance bodies and employees of GRI Standard 405: Diversity and Equal Opportunities 2016

Employees by contract type	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees with permanent contract	1,050	897	<b>1,947</b>	1,047	865	<b>1,912</b>	1,123	914	<b>2,037</b>
Number of employees with fixed-term contracts	14	10	<b>24</b>	15	12	<b>27</b>	18	11	<b>29</b>

Employees by type of employment	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of full-time employees	1,058	870	<b>1,928</b>	1,057	819	<b>1,876</b>	1,135	889	<b>2,024</b>
Number of part-time employees	6	37	<b>43</b>	5	58	<b>63</b>	6	36	<b>42</b>

Disclosure 102-8 Information on employees and other workers of GRI Standard 102: General Disclosures 2016

Employees by education	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Graduates	687	634	<b>1,321</b>	715	628	<b>1,343</b>	782	650	<b>1432</b>
Biology	144	199	<b>343</b>	145	180	<b>325</b>	169	213	<b>382</b>
Chemistry	54	56	<b>110</b>	59	54	<b>113</b>	60	48	<b>108</b>
Biochemistry	83	81	<b>164</b>	65	74	<b>139</b>	59	71	<b>130</b>
Economics	45	35	<b>80</b>	68	44	<b>112</b>	66	36	<b>102</b>
Engineering	160	64	<b>224</b>	179	73	<b>252</b>	197	57	<b>254</b>
Other degrees	201	199	<b>400</b>	199	203	<b>402</b>	231	225	<b>456</b>
Engineering graduates	141	96	<b>237</b>	129	78	<b>207</b>	126	77	<b>203</b>
General graduates	179	146	<b>325</b>	167	144	<b>311</b>	183	171	<b>354</b>
No degree	57	31	<b>88</b>	51	27	<b>78</b>	49	27	<b>77</b>

### Dialogue with the social partners

49% of the Group's employees are covered by collective bargaining agreements and they refer to about one third of Group companies

Employees covered by collective bargaining agreements or similar agreements (%)	2018	2019	2020
	47%	51%	49%

Disclosure 102-41 Collective bargaining agreements of GRI Standard 102: General Disclosures 2016

### New hires and employee turnover

In 2020, new hires were 362. New hires rate was 18% (12% in 2019 and 16% in 2018). The following tables provides a breakdown by gender and age

Number of employees hired in the year	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total		135	<b>324</b>	150	89	<b>239</b>	201	161	<b>362</b>
By age:									
<= 29 years old	43	45	<b>88</b>	42	30	<b>72</b>	67	55	<b>122</b>
30-50 years old	114	80	<b>194</b>	88	47	<b>135</b>	110	75	<b>185</b>
> = 50 years old	32	10	<b>42</b>	20	12	<b>32</b>	24	31	<b>55</b>

Disclosure 401-1 New employee hires and employee turnover del GRI Standard 401: Employment 2016

In 2020, the turnover rate was equal to 11% (13% in 2019 and 14% in 2018).

The following table provides a breakdown of turnover rate by gender and age:

Turnover rate	By age			By gender		
	<= 29 years old	30-50 years old	> = 50 years old	Men	Women	Total
Year 2020	17%	11%	10%	11%	12%	11%

### Training activities

With reference to the data relating to the training provided to employees shown below, it should be noted that starting from 2018 the scope was extended to the whole Group.

Number of training hours by category	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	2,835	984	<b>3,819</b>	1,432	816	<b>2,248</b>	2,705	1,879	<b>4,584</b>
White collars	30,196	29,285	<b>59,481</b>	36,124	26,856	<b>62,980</b>	48,473	38,677	<b>87,150</b>
Blue collars	8,574	4,806	<b>13,380</b>	7,742	4,926	<b>12,668</b>	27,837	26,638	<b>54,475</b>

Number of training hours by type	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Induction programs	3,543	2,786	<b>6,329</b>	5,709	2,976	<b>8,685</b>	2,313	2,555	<b>4,868</b>
EHS training	4,083	2,438	<b>6,521</b>	6,654	3,931	<b>10,585</b>	12,252	7,205	<b>19,457</b>
Technical-vocational training	22,210	18,934	<b>41,143</b>	20,733	12,724	<b>33,457</b>	19,146	11,722	<b>30,868</b>
Foreign languages	290	447	<b>736</b>	414	324	<b>738</b>	83	96	<b>179</b>
Managerial training	2,136	1,862	<b>3,997</b>	1,905	1,506	<b>3,411</b>	3,460	2,891	<b>6,351</b>
Other	9,350	8,604	<b>17,955</b>	9,883	11,137	<b>21,020</b>	41,761	42,725	<b>84,486</b>

Average hours of training	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	39	39	<b>39</b>	18	31	<b>21</b>	32	61	<b>40</b>
White collars	37	38	<b>38</b>	45	36	<b>41</b>	58	52	<b>55</b>
Blue collars	47	45	<b>46</b>	42	47	<b>44</b>	125	180	<b>147</b>

Disclosure 404-1 Average hours of training per year per employee del GRI Standard 404: Training and Education

### The Performance Management System

Employees receiving regular performance and career development reviews (%)	2018			2019			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	100%	100%	<b>100%</b>	99%	100%	<b>99%</b>	96%	97%	<b>97%</b>
White collars	85%	72%	<b>79%</b>	94%	92%	<b>93%</b>	92%	97%	<b>98%</b>
Blue collars	72%	86%	<b>77%</b>	90%	84%	<b>88%</b>	95%	81%	<b>90%</b>

Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews of GRI Standard 404: Training and Education

The indicator concerns employees with a portion of variable remuneration (i.e., MBO, Incentives) and, where applicable, personnel who, also on the basis of the agreements with social partners, are subject to a formal assessment of their performance.

### Diversity and Equal Opportunities

Ratio basic salary man/woman	2018	2019	2020
White collars	87%	91%	93%
Blue collars	83%	85%	85%

Disclosure 405-2 Ratio of basic salary and remuneration of women to men of GRI Standard 405: Diversity and Equal Opportunities 2016

## 9. Environment, health and safety

### 9.1 Management of the COVID-19 pandemic

In 2020, the situation caused by the evolution of the SARS-CoV-2 (COVID-19) pandemic had an impact on the whole Group. Specifically, DiaSorin is considered a strategic company due to the business sector in which it operates. For this reason, the Company has kept its activities on track and has adopted rules of behavior and prevention with the aim, on the one hand, of protecting all workers, and, on the other hand, of continuing to supply hospitals and laboratories with our diagnostic tests all over the world, in full compliance with regulations applicable in the different Countries and the continuous legislative developments occurred during the year in response to the pandemic situation.

The basic principle of prevention adopted by DiaSorin, at Group level, during the pandemic was based on prevention, monitoring, information and training strategies. The Group, working closely with workers' organizations, implemented these levers with firmness, determination, discipline and transparency asking for all employees' collaboration in adopting safe behaviors both inside and outside the workplace.

In order to reduce contacts between people and consequently the spread of the virus, Smart Working was widely adopted throughout the Group during the pandemic.

From the beginning and on several occasions according to the evolution of the pandemic, all Group employees received regular communications regarding rules of behavior and prevention to be adopted. In particular:

- monitoring each case and providing instructions on how to manage cases with symptoms or risk situations based on close contacts and / or places visited;
- sanitizing environments and equipment;
- rules on the use of personal protective equipment and disinfectants;
- measuring body temperature at the entry to workplaces;
- rules on social distancing and use of common spaces;
- rules on isolation between buildings, departments and adoption of shift work;
- restrictions on business trips and instructions on the use of transportation;
- rules on the use of IT systems to hold meetings remotely (video conferences, hangouts and others);

- restrictions and rules on supplier access to Group sites;
- rules and behaviors on how to carry out activities at customers' premises.

To comply with local regulatory requirements, the specific health surveillance protocol for COVID-19 cases was reviewed and updated several times during the year. In addition, in order to effectively prevent the spread of the virus and in line with the provisions of the various countries, the Company provided all workers with the opportunity to carry out COVID-19 serological tests, rapid antigen tests, molecular tests - free of charge and on a voluntary basis- and, in some branch offices, to be vaccinated against seasonal flu and pneumococcal pneumonia.

In addition to inform employees on the COVID-19 prevention measures, the Group delivered intense specific training activities remotely.

All the activities involved worker' representatives, in particular in the Italian offices of Saluggia and Gerenzano the activities with Workers' Safety Representatives have been integrated with periodic updating meetings with the Trade Union Representatives Organizations which were also involved in the joint formal committee for the supervision of the emergency in the Company. Workers are actively engaged in health and safety issues also in the other countries where the Group is present, in compliance with national regulations.

## 9.2 DiaSorin's commitments and reference principles

Since 2015, the DiaSorin Group's has been developed its EHS Management System in line with ISO 14001 and OHSAS 18001 international standards in order to effectively manage employees' health and safety matters and environment-related issues. This system is not subject to certification.

Under the EHS Management System, DiaSorin has defined its environmental, health and safety Policy drafting the document "Environmental, Health & Safety Policy Statement" (hereinafter the "EHS Policy"), approved by the Group's Chief Executive Officer and which applies to all the Group facilities.

The EHS Policy sets forth DiaSorin's commitment towards health and safety of its employees, clients and stakeholders in general. The policy includes also the Company commitment to minimizing its environmental impact and promoting ongoing improvement with respect to Environmental matters in order to identify formal improvement targets that are in line with the Sustainable Development Goals (SDG) of the United Nations 2030 Agenda and to identify, prevent and mitigate climate change-related risks.

The system also defines how the Company achieves those commitments, specifically:

- focusing on EHS-related issues in business planning and decision-making processes;
- complying with all applicable laws on the matter;
- informing and raising awareness among DiaSorin employees on the best practices to be implemented and on DiaSorin commitment to implement its Policy;
- providing regular employee training on applicable law requirements and on the Group's EHS guidelines and on the application of the best available technologies (BAT);
- ensuring healthy and safe workplaces for employees, visitors, suppliers/contractors;
- managing all aspects of its business for an effective and efficient use of natural resources;
- developing and implementing the "Group EHS Minimum Requirements" (for further details see paragraph below) and measuring relevant performance;
- continuously improving purchasing policy to favor suppliers and contractors that work to achieve the Company EHS Policy objectives;
- promoting and implementing waste reduction and recycling.

### 9.3 Instruments adopted

The following provides the DiaSorin Group's main instruments for risk management (or where applicable, to address opportunities) as detailed in paragraph "Identification of risks and opportunity" in relation to EHS issues.

As the Group has always attached great importance to the EHS topics, in the period 2012-2017 DiaSorin took part in the Investor Carbon Disclosure Project (CDP), on a voluntary basis, disclosing company information through CDP questionnaire. From the 2017 financial statements, the same information is made public through the Non-Financial Statement.

#### Definition and implementation of the "Group Environment Health & Safety (EHS) Minimum Requirements"

To ensure a constant level of attention and a proper management of the EHS-related risks, DiaSorin implemented the Group Procedure "Group Environment Health & Safety (EHS) Minimum Requirements" described in the EHS Policy as a tool to implement the DiaSorin Group commitment towards EHS issues.

The Procedure has been prepared taking into account the EHS regulatory requirements and the industry best practices implemented within the DiaSorin Group. The document sets forth the minimum requirements each Group company has to comply with in relation to environment, health and safety (referred to as "EHS minimum requirements") to minimize negative impacts on health and safety of employees, visitors, suppliers/contractors as well as on business activities. The Procedure specifies that where regulatory requirements are more stringent than those of the EHS Minimum Requirements, DiaSorin shall apply regulatory requirements currently in force; conversely EHS Minimum requirements shall prevail.

The Procedure applies to all DiaSorin commercial and manufacturing facilities. Each DiaSorin Group company assesses EHS Minimum Requirements to apply to its own facility: the applicability analysis is revised on a regular basis to determine if requirements deemed not to be applicable may now be relevant for the Company (due to organizational and process changes etc.). EHS staff of each Company, on the basis of the applicability analysis, has the task to provide adequate documents (i.e., guidelines, policies, procedures, etc.) for the specific regulations of applicable EHS Minimum Requirements.

Contents of the Procedure define the objectives to be achieved and the guidelines to be implemented in relation to the following aspects:

- General aspects concerning the EHS Management System (commitment to implement the System and Minimum Requirements, definition of the EHS structure and responsibilities, compliance with local regulations, measurement and monitoring of the Key Performance Indicators, training and awareness, internal communication);
- specific aspects applicable to EHS (e.g., operational controls, preventive maintenance, emergency management, accident analysis and management, management of suppliers and contractors, audit activities, management of chemical / hazardous substances);
- specific aspects concerning Health and Safety-related risks (e.g., confined areas, electrical risk, noise, fire, etc.);
- specific aspects concerning the Environment (e.g., emissions, water withdrawal and discharge, waste disposal).

### **Audit activities**

The Corporate EHS Function carries out audits on a regular basis to ensure that the EHS Minimum Requirements are properly assessed and, where appropriate, implemented in all Group companies. The Corporate EHS Function performs regular on-site audits across the Group subsidiaries, both in manufacturing and commercial subsidiaries that are selected in rotation and according to business priorities.

The objective of audits is verifying that all Group Companies comply with applicable regulations and the EHS Minimum Requirements and identifying areas where an improvement is achievable, through the analysis of documents drafted locally and spot checks on facilities being audited.

Audit findings are reported through relevant Audit Reports. The local EHS staff is in charge of developing specific plans and identifying corrective actions to fill any gap that will be subsequently monitored by the Corporate EHS Function during its following audits.

The audits of the Corporate EHS Functions have been carried out regularly in 2018 and 2019. Following the pandemic emergency, in 2020 these audits have not been carried out due to the restrictions imposed on travel across the different areas where the Group's activities are located. Nonetheless, the self-audit activities carried out independently by each site continued and no critical was found. For 2021, consistently with the pandemic evolution, the Corporate EHS Function will continue its audit activities.

### **Training activities**

Local EHS staff is responsible for employee training on EHS-related matters and has the task to ensure compliance with local applicable regulations (e.g., mandatory training concerning health and safety at the workplace).

According to EHS Minimum Requirements, the following applies:

- training upon recruitment;
- specific training on job-related responsibilities and dangers (e.g., use of chemicals, confined areas, etc.);
- regular training updates;
- Training whenever changes occur in the process or machinery/equipment used by employees;
- training whenever changes occur in duties and/or role/responsibility.

It should be noted that, for each course provided, learning tests are carried out to assess knowledge and skills.

The training activities described above must be adequately tracked. Training activities and the relevant documents are subject to spot checks during the audit activity described above.

Following the pandemic emergency, in 2020 training activities continued remotely.

### **Engagement of the EHS Function in the development/update of processes**

According to the EHS Minimum Requirements, the local EHS Function supervises the manufacturing facilities over the introduction of new processes or changes in the existing ones (e.g., introduction of new instruments/machineries, use of new chemicals).

The EHS local staff is in charge of carrying out an analysis of the EHS-related risks associated with processes that are being defined/updated and establishing the measures required for the management of identified risks (e.g., replacement of hazardous substances).

In assessing and mapping the risks the EHS Function works with the occupational doctor and other specific Functions that, through the identification of probability and impact, provide an in-depth understanding of all the implications of the processes analyzed. Among these functions there is the Production Function. This process is valid for the whole DiaSorin Group. The involvement of the EHS Function in the development /updating process is subject to audit as described above.

In order to continuously update and develop the processes, the employees are asked to report any dangerous situations they become aware of during their work. In addition to monitoring the hazardous occurrences reported by employees and the relevant functions, the DiaSorin Group conducts specific investigations in the event of accidents or 'near miss' episodes, in order to understand the causes behind such episodes and implement the appropriate corrective actions.

The Group has implemented several actions to reduce waste, by promoting separate waste collection and, where possible, reuse and recycle. Special attention is paid to energy and water consumption and use of high-efficient technology.

Several improvement projects have been implemented during 2020 to make employees aware of the importance of Environmental Sustainability.

Examples are the 'Plastic Free' project aiming at eliminating single-use plastic. The project envisaged multiple initiatives, including water dispensers, while equipping all employees with water-bottles for personal use; replacing the cups of the automatic drink dispensers with compostable cups; the use, in the meeting rooms, of glass water bottles that can be reused and the use of compostable tableware.

In 2020, the Group promoted separate waste collection in the office areas. All the office areas have been equipped with bins of different colors and bin labels by type of waste. Employees have been provided with badges and individual codes to further sustainable printing.

In order to reduce the environmental impact of company cars, part of the company fleet has been renewed with hybrid vehicles. The initiative has included the installation of charging stations.

In relation to waste management, the Company introduced reusable containers for waste disposal and rules for the appropriate segregation of waste streams in order to ensure effective separate collection.

Lastly, the Group's facilities continued to adopt low-energy lighting and energy-efficient equipment in order to reduce energy consumption.

#### 9.4 The results

The EHS performance data reported below, with reference to 2020, refer to the DiaSorin Group's companies, both production sites and commercial offices, as specified in the note on methodology of this Report.

Subsidiaries' energy consumptions for electricity, heating and water have been reported, except in cases where data are not available. In these cases - given that the quantity of consumption is negligible vis-à-vis the total consumption - an estimated consumption, where possible, was provided as for small-sized rented premises where such expenses are included in periodic costs and cannot be unbundled.

## Energy consumption

Consumption [GJ]	2018			2019			2020		
	Renewable source	Non-renewable source	Total	Renewable source	Non-renewable source	Total	Renewable source	Non-renewable source	Total
Consumption resulting from combustion of Natural Gas and other fuels	-	75,196	75,196	-	63,056	63,056	-	52,836	52,836
Electricity consumption	24,107	57,178	81,285	22,028	60,732	82,760	13,802	63,797	77,599
Consumption from purchasing of thermal energy	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>24,107</b>	<b>132,374</b>	<b>156,481</b>	<b>22,028</b>	<b>123,788</b>	<b>145,816</b>	<b>13,802</b>	<b>116,633</b>	<b>130,435</b>
<b>%</b>	<b>15.4%</b>	<b>84.6%</b>	-	<b>15.1%</b>	<b>84.9%</b>	-	<b>10.6%</b>	<b>89.4%</b>	-

Disclosure 302-1 Energy consumption within the organization of GRI Standard 302: Energy 2016.

With reference to the data in the table above, the conversion of 2018 and 2019 consumption in GJ was carried out using the conversion factors adopted by the Environment Indicator Protocols published on the Global Reporting Initiative website. Starting from 2020, the conversion factors used were those published by DEFRA- UK Government GHG Conversion Factors for Company Reporting 2020

The data relating to the share of renewable electricity derive from the information available on the energy mix declared by the providers.

The analysis of the data of the last three years shows a continuous decrease of more than 10% in energy consumption.

## Water withdrawals

Source	Withdrawals [m3]		
	2018	2019	2020
Water supplies	49,990	48,109	45,658
Ground water	84,481	62,027	43,836
<b>TOTAL</b>	<b>134,471</b>	<b>110,136</b>	<b>89,494</b>
<b>in water stress areas*</b>	<b>7,427</b>	<b>6,972</b>	<b>10,033</b>

Disclosure 303-3 Water withdrawal of GRI Standard 303: Water and effluents 20187427,71

(\*) The request for disclosure relating to withdrawals from water-stressed areas was introduced for the first time in the 2020 reporting following the update of the reference GRI Standard. Using the World Resources Institute's Aqueduct Water Risk Atlas tool, the location of the production sites of the DiaSorin Group was analyzed to verify their location in areas subject to water stress, or with "Water Stress" values equal to "High" or higher. From the analysis it emerged that the only area located in a "Water Stress" area with a "High" value is represented by the DiaSorin USA, Cypress plant, for which the details of the withdrawals have been shown in the table. Such withdrawals are, in their total amount, related to municipal sources (Waterworks) All other sites are located in areas with lower "Water stress" values.

As anticipated, the DiaSorin Group does not define specific risks relating to the management of water resources since, based on the business in which it operates, the activities do not

involve a significant water consumption. In fact, the water withdrawn is only minimally consumed within the production process for the production of the reagents.

All wastewater discharges take place in full compliance with local laws and regulations, ensuring the quality of the discharged water in accordance with the requirements of the receiving bodies of water.

With regard to the management of water resources, the commitment of the DiaSorin Group to reduce water waste in the last 3 years has led to a significant reduction in water consumption as shown in the table.

## Emissions

The following provides data of the DiaSorin Group emissions classified into two Scopes: Scope 1 (direct emissions from the combustion of fuel to generate thermal energy for heating system or for production process and refrigerant gas emissions<sup>7</sup>) and Scope 2 (emissions connected to electricity consumption from non-renewable sources and purchasing of thermal energy, as well as heating system consumption at facilities that operate in rented premises).

With reference to the data in the tables below, in 2020, consumption of fuels such as methane gas, diesel, petrol and LPG was calculated by applying the emission conversion factors published by DEFRA- UK Government GHG Conversion Factors for Company Reporting 2020. For the conversion of electricity, the reference "International Comparisons 2018" produced by Terna was used as the latest update available. It is also specified that, with reference to the electricity of the commercial subsidiaries - equal to 1.9% of the total Group consumption - the Global Factor was used instead of the national reference factor. For 2019 and 2018, the conversion in tCO<sub>2</sub>eq was carried out using the conversion factors required by the GHG Protocol.

Emissions [tCO <sub>2</sub> eq]	2018	2019	2020
	<b>3,891</b>	<b>2,902</b>	<b>2,761</b>

Disclosure 305-1 Direct (Scope 1) GHG emissions del GRI Standard 305: Emissions 2016

Emissions [tCO <sub>2</sub> eq]	2018	2019	2020
	<b>10,438</b>	<b>10,289</b>	<b>8,406</b>

Disclosure 305-2 Energy indirect (Scope 2) GHG emissions of GRI Standard 305: Emissions 2016

(\*) Computation of Scope 2 emissions was improved in 2020, by including the share of electricity purchased from non-renewable sources, thus updating also data of 2018 and 2019 emissions to ensure comparison of data.

## Waste

The following tables refer to hazardous and non-hazardous waste generated by the DiaSorin Group, excluding WEEE (Waste electrical and electronic equipment) that are reported in detail in a specific table.

Waste produced (excluding WEEE) [t]			
Waste by type	2018	2019	2020
Hazardous waste	210	224	199
Non-hazardous waste	1,036	1,410	1,235
<b>TOTAL</b>	<b>1,246</b>	<b>1,634</b>	<b>1,434</b>

7 In its production process, the Group does not use substances that are harmful to the ozone layer: these substances are contained in air conditioning/cooling system, releases to the atmosphere are connected to the maintenance of such systems.

Waste produced (excluding WEEE)			
Waste by destination	2018	2019	2020
Re-use/recycling/recovery	49,6%	51,2%	48,1%
Disposal	50,4%	48,8%	51,9%

Disclosure 306-2 Waste by type and disposal method of GRI Standard 306: Effluents and Wastes 2016

The item "Disposal" includes the following categories in which disposal is intended for use: composting, incineration, disposal, temporary storage, chemical-biological processing.

With reference to the WEEE, the following table provides data on quantities produced and relevant treatment. As provided in the following tables, 100% of WEEE is recovered at authorized facilities.

The data relating to the quantities of waste produced and their destination change over the years. This is mainly due to the impact of building renovations at some of the Group's offices.

Waste produced (RAAE) [t]			
Waste by destination	2018	2019	2020
Recovery	41	31	33
Disposal	-	-	-

### Spills and environmental compliance

In the three-year reporting period, no significant spills occurred nor violation to environmental laws and regulations.

### Occupational Health and Safety

In accordance with GRI Standard on Occupational Health and Safety the following should be noted:

- indicators are calculated dividing both the number of injuries and the number of lost workdays (calendar days) by total hours worked and multiplying that number per 1'000'000;
- injuries included in the data refer to injuries occurred in the Group companies (both manufacturing facilities and commercial subsidiaries). Commuting accidents are excluded;
- in the three-year reporting period, no occupational illnesses nor fatalities occurred in the DiaSorin Group's companies.

In 2020, 8 work-related injuries led to absence while 6 work-related injuries did not lead to absence.

	2018	2019	2020
Number of work-related injuries without workdays lost*	-	-	6
Number of work-related injuries with workdays lost	-	-	8
With serious consequences*	-	-	0
Number of hours worked	-	-	3'487'136
Rates of work-related injuries without workdays lost *	-	-	1.72
Rates of work-related injuries with workdays lost	3.42	2.55	2.29
Rates of injuries with serious consequences*	-	-	0
Percentage of work-related injuries with workdays lost on total employees**	0.61%	0.46%	0.39%
Rate of workdays lost due to work-related injuries	105.28	38.83	41.58

Disclosure 403-9 Work-related injuries of GRI Standard 403: Occupational Health & Safety 2018

(\*) The disclosure of the number and rate of work-related injuries without workdays lost and with serious consequences has been introduced for the first time in the 2020 report, following the update of the reference GRI Standard. For this reason, 2018-2019 data are not available.

(\*\*) Data have been integrated as compared with the GRI 403-9 reporting requirements. The indicator represents the ratio of work-related injuries with workdays lost to total Group employees \*100. The total number of employees used in the computation is provided in paragraph 8 of the Consolidated Non-Financial Statement.

## 10. Relations with local communities

### 10.1 DiaSorin's commitments and reference principles

As provided in the Code of Conduct of the Group "DiaSorin is also committed to contributing effectively to promoting the quality of life and social-economic development of the communities where the Group operates and to the development of human capital and local skills while, at the same time, carrying out its business, on internal and external markets, according to methods compatible with sound business practice".

The Code of Conduct defines the principles to which the Group companies are required to abide by concerning money or in-kind contributions to support educational, scientific, artistic, cultural, social and humanitarian projects.

In particular the Code defines requests for contribution to which the Company may agree and donations that are expressly prohibited (donations to individuals or to profit-making organizations), and the manner by which ensuring full transparency of the donation (the recipient's identity and use of the donation must be clear).

In July 2020, DiaSorin established Fondazione DiaSorin to promote the scientific culture among young people and to support excellence in schools. With a range of action extended to the entire Italian national territory, the DiaSorin Foundation has its own Bylaws that outlines the commitment to initiatives with civic, solidarity and social utility purposes "in the field of scientific education and professional training through cultural activities of social interest for educational purpose".

### 10.2 The instruments adopted

In compliance with the principles of the Code of Conduct, DiaSorin actively supports the community in which it operates, with a special focus on Italy and Piedmont, through a series of Corporate projects. These projects are part of the Corporate Social Responsibility (CSR) framework developed at Corporate level.

In order to set the "Corporate Social Responsibility" projects developed at Corporate level, DiaSorin has defined three Pillars around which the CSR projects should drape. Therefore, during the analysis and selection of requests received from external parties or of projects developed inside the Company, DiaSorin verifies that such initiatives are related to at least one of the following pillars: projects that aim at furthering passion for science, supporting talent and achieving a positive impact on the environment and people.

The same is applied to the initiatives developed locally by the Group's subsidiaries worldwide, in order to homogeneously manage and set the initiatives at Group level.

All Corporate projects need to be assessed and approved by the DiaSorin Group CEO.

As already mentioned, in order to further increase the positive effect arising from the projects supporting talent and science, in July 2020 the Group established Fondazione DiaSorin, of which DiaSorin S.p.A is the primary sponsor. The Foundation, which was set up following the great success of the Mad for Science project, aims at investing in the relationship between science and young people, supporting students and encouraging them to approach science (especially life sciences), by stimulating their interest in science and promoting talent.

### 10.3 The results

The following provides a description of the main CSR initiatives developed at Corporate Level in 2020.



#### Mad for Science

The purpose of the project is supporting passion for science and research in the youngest at school, right where their first meeting with science takes place, and making Italy a flagship for excellence in the scientific field.

Following the great success of the previous editions, the competition went nationally, involving hundreds of Italian scientific high schools: in 2020, 167 high schools submitted their applications to the competition.

The competition asked the Italian scientific high schools to take part with a team of 5 students and a science teacher, presenting a list of 5 educational experiences to be developed within their own laboratory. The theme of the 2020 edition was “Mens sana in corpore sano” and required teams to reflect upon three UN objectives of the 2030

Agenda (SDG2 “end hunger, achieve food security, improve nutrition and promote a sustainable agriculture”, SDG3 “ensure healthy lives and promote well-being for all and for all ages” and SDG6 “ensure availability and sustainable management of water and sanitation facilities for all”).

Participants also had to draw up a budget for their biolab implementation for a maximum amount of 50,000 euros and a maximum ceiling of 5,000 euros per year for 5 consecutive years for the supply of consumables. An external jury and, subsequently, an internal DiaSorin jury (made up of Research and Development experts), evaluated over 160 ideas (also in terms of applicability over the entire five-year high school period) and selected the 8 finalist teams competing during the “Mad for Science Challenge”, which was held on October 14, 2020, live streaming on the Facebook channel of the project. While schools participated remotely, DiaSorin jury and top management were in attendance at the Turin Auditorium in order to ensure maximum safety and compliance with the rules implemented in Italy in response to the COVID-19 pandemic.

The jury, made up of authoritative members of the scientific community, academia and communication, officially announced the high schools ranking in the first 3 positions.

“Filippo Buonarroti” Scientific High School in Pisa won the first prize of the Mad for Science Challenge 2020. The school was awarded a prize of 50,000 thousand euros for the implementation of its own biolaboratory and 5,000 thousand euros per year for the following 5 years for the supply of consumables.

“Leonardo da Vinci” Scientific High School in Trento ranked second and was awarded a prize of 25,000 thousand euros for the implementation of its own biolaboratory and 2,500 thousand euros per year for the following 5 years for the supply of consumables.

DiaSorin supported winners purchasing the instruments and equipment for the biolab implementation and will provide the first and second-place winners (winning 50,000 thousand euros and 25,000 thousand euros, respectively) with a five-year supply of materials for their own biolabs.

During the Final a Special Prize for Communication, amounting to 12,500 euros, was awarded to the school that best integrated the environmental sustainability concept within the 5 laboratory experiences proposed. The amount -earmarked for the implementation of the existing laboratory - was awarded to the “Failla-Tedaldi” High School in Castelbuono (PA).

Finally, DiaSorin, to reward the enormous effort made by the finalist schools in such a complex context as the one generated by the COVID-19 pandemic, also awarded a “Finalist Award” of 10,000 euros to the high schools ranking from fourth to eighth position. The winners were: “Filippo Lussana” High School in Bergamo, “Italo Calvino” High School in Genoa, “Giovanni Battista Ferrari” High School in Este (PD), “Laurana-Baldi” High School in Urbino and “Enrico Fermi” High School in Aversa (CE).

DiaSorin is aware of the key role of science and technology for social progress and the educational mission of school, therefore the company has been investing in talent of young people and in schools for several years through the Mad for Science project. In 2020, on the basis of the experience gained in Mad for Science along with the constant dialogue with the teachers taking part in the project, and firmly believing that school is a breeding ground for new generations (as well as for future scientists), DiaSorin has decided to expand its initiative, turning Mad for Science from a social responsibility project to DiaSorin Foundation's flagship project. A fresh start built on a four-year legacy that will enable the Foundation to broaden and enhance its initiatives, maintaining its initial aim: nurturing passion for science in young people.



Fondazione DiaSorin is the tangible commitment of DiaSorin to young people and schools and through its Mad for Science project it aims to foster scientific culture, by developing and supporting projects that actively engage students and teachers in science.

### Talenti Project

The purpose of the project is promoting local excellence and celebrating talent in all its forms. In 2016-2018, DiaSorin asked the Italian Federation of Paralympic Winter Sports to select talented athletes to represent Italy at the 12th Winter Paralympics in PyeongChang -South Korea- from March 9 to March 18, 2018, in the same venue of the 12th Winter Olympic Games. Italian athletes achieved important results: the Italian national team won giant slalom and slalom (2 gold), snowboard cross and super G (2 silver) and downhill (1 bronze). It was a great success if compared with the previous editions of 2014 Sochi Winter Games, where



Italian athletes won no medals.

For this reason, DiaSorin decided to support again this project in the 2019-2022 four-year period, along with the talented athletes that the Italian Federation of Paralympic Winter Sports will select and train to represent Italy in the 2022 Paralympic Games in Beijing.

In 2020, despite the pandemic, FISIP continued training in compliance with the rules applied to contain the spread of the COVID-19 pandemic without being able to participate in national or international competitions.

### Pinocchio Project

The aim of the project is to improve the quality of life in hospitals supporting the little patients in all the areas of their everyday life: education, medical care, diagnostic exams.

DiaSorin has supported the Pinocchio Project, active in three Piedmont Hospitals, since 2015. In 2015, DiaSorin undertook to provide 60 active teachers operating in Piedmont and their students with a supply of tablets. This initiative aims at creating a bridge between the healthcare and school systems.

In 2016, the partners involved in the project financed the aesthetic and chromatic restyle of the CT Scan room in the Regina Margherita hospital. The room has been transformed into a cozy, colorful environment, also thanks to the use of sophisticated films on diagnostic machinery. The aim is helping children to feel a bit less frightened when approaching such a delicate procedure. With surprising results, there was a decrease in cases where sedation was required for the radiological procedure.

In 2019, DiaSorin financed the restyling of the pediatric MRI room at Istituto Giannina Gaslini, popularly known as the Gaslini Hospital in Genoa.

Disney contributed to the project decorating the MRI room with characters of Toy Story 4 by Disney-Pixar.

In 2020, DiaSorin completed the third humanization project for pediatric hospitals in Italy. DiaSorin and Progetto per gli Ospedali & Infanzia donated "Doctor Giraffe", a customized portable X-ray machine depicting a friendly giraffe to make diagnostics a more child-friendly experience. Doctor Giraffe will replace obsolete machines and will improve the X-ray approach to young patients in COVID wards.



## Projects worldwide

Consistently with Corporate CSR criteria to support local initiatives, again in 2020 the Group's companies implemented several CSR initiatives in local communities, giving priority to actions having a positive impact on people's health and well-being in local communities where the Group operates.

With respect to the CSR pillar involving passion for science and knowledge, the Group supported several scientific events and symposia aimed at improving medical research.

Lastly, as to CSR Pillar focused on supporting people talent, DiaSorin implemented specific projects to support scientific talents' education at universities and research poles.

Due to the spread of the COVID-19 pandemic, many annual initiatives have changed their format and objectives in terms of support to local communities. Group companies actively engaged in supporting local communities that have been hit hard by the pandemic.

## USA

DiaSorin's subsidiaries in Stillwater (Minnesota) and Cypress (California) actively engaged in fundraisings to support local communities' needs and fostered, at the same time, different scientific projects at local High Schools. The following provides a summary of the initiatives in the U.S.:

### 1. DiaSorin Inc. Stillwater, Minnesota USA

- "Boo Bash 2020 - Habitat for Humanity e Children Cancer Research Center": fundraising to support local communities in need and research on childhood cancers. The main objective of the 2020 project was to support the scientific research of local and state teams engaged in the development of projects having a positive impact on children with cancer and on their families.
- "Feed our Heroes": during the first phase of the COVID-19 pandemic, DiaSorin Inc., together with the Stillwater community, supported frontline workers in the fight against the virus by sponsoring meals for healthcare professionals in hospitals and clinics.
- "Valley Outreach Food & Fund Drive": Valley Outreach, Stillwater's charity, organizes the biggest statewide food and fund drive each year, involving local companies and community. DiaSorin employees organized multiple teams to participate in the challenge. Although the competition was interrupted by the first wave of the pandemic, the teams managed to collect more than 690 kg of food as well as cash donations that were extremely important due to the crisis the community was experiencing.
- "Community Thread Holiday Hope Event": donation to the Community Thread association. During Christmas holidays, low-income families, older adults and adults with disabilities are matched with sponsors who provide individually chosen gifts and a holiday meal.
- "Youth Service Bureau": donation to support the "Youth Service Bureau", an association which helps youth and families learn the skills they need to be more successful at home, in school and throughout the community. For families dealing with social, emotional and behavioral issues, the Bureau is recognized as the best primary support body. The association is intended to keep children and teens out of the court system and prevent school dropout by involving parents, schools, police, judiciary and local communities.
- "Speed STEM and DaVinci Fest": active employees' participation in the events involving local middle high school students and adults. In 2020, an experiment was developed to

measure the luminescence intensity of fluorescent bracelets. The aim of the experiment was to familiarize participants with the techniques that are commonly applied to DiaSorin business, introducing “STEM” disciplines through a direct experience. In addition to the employees who actively participate in the event as experiment promoters or judges, DiaSorin was also one of the sponsors of the event, which involved more than 300 students, 83 volunteers and 700 members of the Stillwater community.

- MN Science Quiz Bowl & Science & Engineering Fair”: educational project to support Education of Excellence in collaboration with Minnesota Academy of Science (MAS). Every year MAS organizes 2 regional science competitions in Minnesota; specifically, the first competition is for middle school students and the second is for High Schoolers. In qualification competitions, teams of students are required to solve technical problems and answer fast-paced questions about science and math, like in tv shows. Winning teams will represent Minnesota in the “National Science Bowl” competition, promoted by the U.S. Energy Department in Washington, D.C.
- “New Richmond Science Program”: sponsorship of the local high school science program, through the purchase of materials, with the aim of promoting “STEM” disciplines.
- “The Partnership Plan”: sponsorship of the project supporting remote teaching of “STEM” subjects. The project is managed by the “The Partnership Plan” association, an active organization in the promotion of learning tools through first-hand experiences for young people in the community.
- “Stillwater High School Scholarship Program”: sponsorship, along with other local companies, of a total of 115 scholarships to support the most deserving first-year university students. In 2020, DiaSorin, Inc. awarded 3 scholarships to high school students who stood out for their academic results and their commitment to the community to support STEM first-year students.
- “Stuff the Bus: Community Thread & United Way”: program to support scientific education in Stillwater schools involving DiaSorin Inc. employees through a fundraising for scientific school departments. Due to the pandemic, the team developed an online donation site for the 2020 edition, thanks to which DiaSorin employees could donate and offer their support to Community Thread to help them prepare and organize donations – according to the different age of children- so that they were picked up ready at a special “Drive-in”.
- “Stillwater High School Science Engineering Program”: sponsorship of a robotics program aimed at strengthening the interest and involvement of high school students in “STEM” disciplines. In particular, the Stillwater Science and Engineering High School team participated in the “NASA Human Exploration Rover Challenge”, designing and building a human-powered vehicle.
- “Mounds Park Academy”: sponsorship of a robotics program at the Mounds Park Academy school, with the aim of bringing high school students closer to “STEM” disciplines.

## **2. DiaSorin Molecular, Cypress California, USA**

- “Hope for the Holiday”: a volunteering project that involved local DiaSorin employees, coordinated by the company that informed all employees about the initiative. The Company collected employee donations and delivered gifts to the association. The association Orange County Community Action Partnership - CapOc promoting the initiative aims to end poverty in Orange County. Every year, during Christmas holidays the “Hope for the Holidays” initiative help people celebrate Christmas time. In a year like 2020 where poverty increased dramatically, DiaSorin employees chose two families hit by COVID-19, both from an economic and health point of view. Gifts were given to each

family member and cash donations were collected for each family.

- “American Red Cross”: setting up of a blood collection and donation unit at the headquarters of DiaSorin Inc. during the peak the COVID-19 pandemic, when there was a serious shortage of blood bags due to lack of donations.

### China

In China, in accordance with the Talent Pillar, DiaSorin supports the most deserving students providing scholarships to the Shanghai Jiaotong University.

In addition, in 2020, DiaSorin financed and organized “ToRCH Webinar”, a public educational seminar on prenatal diseases, in collaboration with the Beijing KangHua foundation for the development of traditional Chinese medicine. The foundation is a non-profit association that aims at promoting health education and disseminating the best practices in the health sector. One of its objectives is the development of healthcare companies.

### France

- “ESAT (Etablissement et Service d’Aide par le Travail”): in 2020, the French branch of the DiaSorin Group signed a contract with ESAT, an organization providing assistance to people with disabilities through employment. The organization promotes their social inclusion by delegating the delivery of employee payrolls to their staff. In this way the Company contributed to the organization’s activity, which aims at encouraging the independence of people with disabilities, through training or, where necessary, through adjusting jobs to the specific needs of the person with disabilities.

### Poland:

- In 2020, the Polish branch of DiaSorin made various in-kind and financial donations to support the local community during the pandemic. In particular, donations of PPE or equipment were made at the beginning of the pandemic, when there was acute shortage of such equipment.

## Correlation table with legislative decree 254/16 and material topics

Topic as per Leg. Decree 254/2016	Material Topic	Risks identified	Policies adopted	Indicators
Environmental	Environmental management (waste management, energy efficiency, management of water resources)	See chapter 3 "Identification of risks and opportunities", paragraph 3.7 "Topics concerning environmental management"	See chapter 9 "Environment, Health and Safety"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>GRI Standard 302 "Energy 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 302-1: Energy consumption within the organization</li> </ul> <p>GRI Standard 303 "Water and effluents 2018":</p> <ul style="list-style-type: none"> <li>- Disclosure 303-1: Interactions with water as a shared resource</li> <li>- Disclosure 303-2: Management of water discharge-related impacts</li> <li>- Disclosure 303-3: Water withdrawal</li> </ul> <p>GRI Standard 305 "Emissions 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 305-1: Direct (Scope 1) GHG emissions</li> <li>- Disclosure 305-2: Energy indirect (Scope 2) GHG emissions</li> </ul> <p>GRI Standard 306 "Effluents and Waste 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 306-2: Waste by type and disposal method</li> <li>- Disclosure 306-3: Significant spills</li> </ul> <p>GRI Standard 307 "Environmental Compliance":</p> <ul style="list-style-type: none"> <li>- Disclosure 307-1: Non-compliance with environmental laws and regulations</li> </ul>
Social	Relations with local communities	See chapter 3 "Identification of risks and opportunities", paragraph 3.6 "Social issues and respect for human rights"	See chapter 10 "Relations with local communities"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>Even though the Group does not report figure-based indicators and/or associated with GRI Disclosure on this matter, the document describes qualitatively the most relevant initiatives that are developed/promoted by the Parent Company and subsidiaries in the three-year reporting period and having a positive impact on local communities where the Group operates.</p>

## Reporting scope

Data collection and reporting include all Group's companies, including commercial subsidiaries. Subsidiaries data for consumption and waste are included in the scope of consolidation, except where data are not available because they are included in service expenses or as for small sized rented premises where such expenses are included in periodic costs and cannot be unbundled.

The scope of data collection on social initiatives was extended to all Group companies, in addition to Corporate initiatives

The Group reported the most relevant local initiatives developed by Group's companies, on the basis of the CSR criteria that have been defined at central level to support local initiatives.

## Details on the methodology and any omissions as regards GRI requirements

Disclosures 302-1 / 305-1 / 305-2:

- Energy consumption data (Disclosure 302-1) have been prepared using conversion factors adopted by the Environmental Indicators Protocols issued by the Global Reporting Initiative
- Emissions data (Disclosure 305-1 and 305-2) of manufacturing facilities have been prepared using conversion factors adopted by the GHG Protocol Standard
- Computation of Scope 1 emissions includes direct emissions from the combustion of fuel to generate thermal energy for heating system or for production processes, for vehicles and refrigerant gas emissions.
- Computation of Scope 2 includes emissions connected to electricity consumption from renewable and non-renewable sources and purchase of thermal energy, as well as heating system at the Italian headquarter where such expenditure is included among common costs. Electric consumption from renewable sources were integrated in the computation starting from 2020, thus updating 2018 and 2019 data vis-à-vis past reporting periods
- Electric consumption was broken down between renewable and non-renewable sources, on the basis of the composition of the energetic mix used for the electricity produced from suppliers (where expressly indicated in the electricity bill).

Disclosures 303-3:

Data on water consumption have been collected from information provided in the electricity bills or, where available, from communication by owners of premises and /or bodies responsible for managing common expenses. The disclosure concerning withdrawals from water-stressed areas was introduced for the first time in the 2020 reporting following the update of the reference GRI Standard. For this reason, 2018-2019 data are not available.

Disclosure 306-2:

- Compared to the Reporting Requirements of the Disclosure GRI, details on total weight of hazardous/non-hazardous waste by destination are not provided.

The percentage of waste by "Re-use/recycle/recovery" and "Disposal" categories was calculated on the basis of available information on disposal methods (information provided by transporters and waste disposal operators on the waste destination and, where applicable, indications contained in the accompanying documents).

N/A

## Correlation table with legislative decree 254/16 and material topics

Topic as per Leg. Decree 254/2016	Material Topic	Risks identified	Policies adopted	Indicators
Social	Research, innovation and technological excellence	See chapter 3 "Identification of risks and opportunities", paragraph 3.4 "Topics concerning research, innovation and technological excellence"	See chapter 7 "Research, innovation and technological excellence"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>Number of outstanding projects at December 31 of each reporting year are classified in the following areas: immunodiagnostics, molecular diagnostics, instruments and in the 4 development phases (pre-feasibility, feasibility, validation, industrialization).</p>
Social	Customer satisfaction	See chapter 3 "Identification of risks and opportunities", paragraph 3.3 "Customer satisfaction"	See chapter 6 "Relationship with customers and customer satisfaction"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>Even though the Group does not report figure-based indicators and/or associated with GRI Disclosure on this matter, the document describes qualitatively initiatives to "listen to" customers in 2020 and those scheduled for 2021.</p>
Social	Quality of products and processes	See chapter 3 "Identification of risks and opportunities", paragraph 3.2 "Quality of products and processes"	See chapter 5 "Quality of products and processes"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>Number of audits on critical suppliers in the three-year reporting period classified into Corporate audits and Local audits and related results (possible identification of significant non-compliance in the audit report summarizing audit results).</p>

**Reporting scope**

**Details on the methodology and any omissions as regards GRI requirements**

The scope of data includes all Group's projects in the reference period.

Data in the table are based on the projects classification within the Product Development Master Plan (PDMP) and documents detailing the different stages of the project development.

The scope includes all Group's companies

N/A

The scope of data includes manufacturing facilities, where products/services having a direct impact on end product compliance are purchased.

The Non-Financial Statement data are determined according to audit plans both at Corporate and local level and audit reports providing audits results

## Correlation table with legislative decree 254/16 and material topics

Topic as per Leg. Decree 254/2016	Material Topic	Risks identified	Policies adopted	Indicators
Employees	Employee training and development  Employee well-being  Diversity and Inclusion	See chapter 3 "Identification of risks and opportunities", paragraph 3.5 "Employee-related topics"	See chapter 8 "Employee management"	<p>GRI Standard 102 "General Disclosures 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 102-8: Information on employees and other workers</li> </ul> <p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>GRI Standard 404 "Training and Education 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 404-1: Average hours of training per year per employee</li> <li>- Disclosure 404-3: Percentage of employees receiving regular performance and career development reviews</li> </ul> <p>GRI Standard 405 "Diversity and Equal Opportunities 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 405-1: Diversity of governance bodies and employees</li> <li>- Disclosure 405-2: Ratio of basic salary and remuneration of women to men</li> </ul> <p>In addition to the above GRI indicators, the DiaSorin Group provides a staff breakdown by education.</p>
Employees	Employment and dialogue with the social partners			<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>GRI Standard 102 "General Disclosures 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 102-41: Collective Bargaining Agreements</li> </ul> <p>GRI Standard 401 "Employment 2016":</p> <ul style="list-style-type: none"> <li>- Disclosure 401-1: New employee hires and employee turnover</li> </ul>

## Reporting scope

Data collection and reporting is extended to all Group companies.

## Details on the methodology and any omissions as regards GRI requirements

Disclosure 102-8:  
Figures on Company's employees refers to the total workforce at 12/31 of each reporting year. Points a) and c) are reported.

Disclosure 404-1:  
Average training hours are determined as the ratio between training hours provided and employees at 12/31 of the reporting year.

Disclosure 404-3:  
The indicator refers to employees that have a part of variable compensation (i.e., MBO, Incentives), managed through the PMP LEAD program and, more generally, to all employees subject to a formal periodic assessment of the performance.

The abovementioned process includes employees hired in the last months of the year even though they have yet to be assessed.

Disclosure 405-1:  
Reporting data by gender and age are provided for Group's employees only (information on corporate bodies is provided in the Corporate Governance Report and ownership structure) broken down in the three professional categories. Data are reported in absolute value

Disclosure 405-2:

- The ratio of women/men salary was computed adding the monthly wages of the Group's Companies' employees (except for small-sized commercial branches, as staff is composed only of men) converted into euros according to the average exchange rate in local currency in 2020 and divided by the number of employees by professional categories. Then it was calculated ratio of men salary to women salary.
- Compared to the Reporting Requirements of GRI Disclosure 405-2, the report provides only the ratio of women/men basic salary. Data apply only to White Collars and Blue Collars.

With respect to non-GRI indicator concerning employees by education, data have been collected on the basis of information and documentation provided by employees upon hiring.

Disclosure 102-41:  
Figures were calculated as the ratio of employees covered by collective bargaining agreement to total Group employees. It should be noted that the issue is not applicable to all countries where the Group operates.

Disclosure 401-1:  
Rates of new employee hires and employee turnover are determined as the ratio of employees who left and employees who entered the company in the 01/01-12/31 period to the workforce at 12/31 of the year under consideration for Companies in the scope multiplied by 100. Rate of new employee hires is presented at Group level. As to expired employee contracts, the table provides the turnover rate, not data in absolute value. The indicator is not broken down by geographical area.

## Correlation table with legislative decree 254/16 and material topics

Topic as per Leg. Decree 254/2016	Material Topic	Risks identified	Policies adopted	Indicators
Employees	Health and safety		See chapter 9 "Environment, Health and Safety"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>GRI Standard 403 "Occupational Health &amp; Safety 2018":</p> <ul style="list-style-type: none"> <li>- Disclosure 403-1: Occupational health and safety management system</li> <li>- Disclosure 403-2: Hazard identification, risk assessment, and incident investigation</li> <li>- Disclosure 403-3: Occupational health services</li> <li>- Disclosure 403-4: Worker participation, consultation, and communication on occupational health and safety</li> <li>- Disclosure 403-5: Worker training on occupational health and safety</li> <li>- Disclosure 403-6: Promotion of worker health</li> <li>- Disclosure 403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</li> <li>- Disclosure 403-9: Work-related injuries</li> </ul> <p>In addition to the GRI indicators reported above, the DiaSorin Group also provides the total number of occupational diseases registered by the Group during the year.</p>
Respect for human rights	N/A	See chapter 3 "Identification of risks and opportunities", paragraph 3.6 "Social issues and respect for human rights"	See paragraph 3.6 "Social issues and respect for human rights" sub-paragraph 3.6.2 "Respect for human rights"	

**Reporting scope**

The scope of the data includes all Group companies

**Details on the methodology and any omissions as regards GRI requirements**

Disclosure 403-9:  
Injury rate and lost day rate indicators are calculated dividing both the number of injuries and the number of lost workdays (calendar days) by total hours worked and multiplying that number per 1'000'000. Commuting accidents are excluded.

As described in the paragraph, human rights-associated risks are not deemed relevant for the DiaSorin Group with respect to both company's employees and external collaborators. For this reason, the Group does not report figure-based indicators and/or associated with GRI Disclosure on this matter. Nevertheless, the paragraph describes the principles contained in the Group Code of Conduct concerning this issue. The Code of Conduct defines relationships with employees, external staff and the supply chain.

## Correlation table with legislative decree 254/16 and material topics

Topic as per Leg. Decree 254/2016	Material Topic	Risks identified	Policies adopted	Indicators
Fight against corruption	N/A	See chapter 3 "Identification of risks and opportunities", paragraph 3.6 "Social issues and respect for human rights"	See paragraph 3.6 "Social issues and respect for human rights" sub-paragraph 3.6.2 "Respect for human rights"	<p>GRI Standard 103 "Management approach 2016"</p> <ul style="list-style-type: none"> <li>- Disclosure 103-1: Explanation of the material topic and its Boundary</li> <li>- Disclosure 103-2: The management approach and its components</li> <li>- Disclosure 103-3: Evaluation of the management approach</li> </ul> <p>GRI Standard 205 "Anti-corruption":</p> <ul style="list-style-type: none"> <li>- Disclosure 205-2: Communication and training about anti-corruption policies and procedures</li> </ul>
Transversal			See paragraph 1.2 Reporting Standard	<p>GRI Standard 207 "Tax"- "Management approach"</p> <ul style="list-style-type: none"> <li>- Disclosure 207-1: Approach to tax</li> <li>- Disclosure 207-2: Tax governance, control, and risk management</li> </ul> <p>Disclosure 207-3: Stakeholder engagement and management of concerns related to tax</p>

**Reporting scope****Details on the methodology and any omissions as regards GRI requirements**

The scope of the data includes all Group companies.

Disclosure 205-2:  
Starting from 2019, as to DiaSorin S.p.A, fight against corruption training, that is concerning the MedTech Code and Model 231, is included in the induction session for new hires and therefore included in "Disclosure 404-1: Average hours of training per year per employee".

Figures for other Companies include employees involved in communication activities and formal sharing of the principles contained in the Group's Code of Conduct or other documents relating to anti-corruption (i.e., Commercial Code of Conduct). The indicator is presented in absolute value and is not broken down by geographical area.

The scope of data includes all Group companies.

Disclosure 207-1: Reported the aspects in points a. i., ii., iii.

Disclosure 207-2: Reported the aspects in points a. i., ii., iii.

Disclosure 207-3: reported the aspects in points a. i.

Disclosure 207-4: The Group shall integrate this indicator starting from 2021.



**DIASORIN SPA**

**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED  
NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,  
PARAGRAPH 10, OF LEGISLATIVE DECREE NO. 254/2016 AND  
ARTICLE 5 OF CONSOB REGULATION NO. 20267 OF JANUARY  
2018**

**YEAR ENDED 31 DECEMBER 2020**



## **Independent auditor's report on the consolidated non-financial statement**

*pursuant to article 3, paragraph 10, of Legislative Decree No. 254/2016 and article 5 of CONSOB Regulation No. 20267 of January 2018*

To the Board of Directors of DiaSorin SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5 of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the consolidated non-financial statement of DiaSorin SpA and its subsidiaries (the "Group") for the year ended 31 December 2020 prepared in accordance with article 4 of the Decree, presented in the specific section of the Report on Operations and approved by the Board of Directors on 11 March 2021 (the "NFS").

### **Responsibilities of the Directors and the Board of Statutory Auditors for the NFS**

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016, and updated to 2019, by the GRI - Global Reporting Initiative (the "GRI Standards"), with reference to a selection of GRI Standards, indicated at paragraph "Note on methodology" of the NFS, identified by them as the reporting standards.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary to ensure an understanding of the Group's activities, its performance, its results and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for the identification and management of risks generated or faced by the Group.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

### **PricewaterhouseCoopers SpA**

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### ***Auditor's Independence and Quality Control***

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, competence and professional diligence, confidentiality and professional behaviour. Our audit firm adopts International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains an overall quality control system which includes processes and procedures for compliance with ethical and professional principles and with applicable laws and regulations.

### ***Auditor's responsibilities***

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFS with the Decree and with the GRI Standards, with reference to a selection of GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. The standard requires that we plan and apply procedures in order to obtain limited assurance that the NFS is free of material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and consisted in interviews, primarily of company personnel responsible for the preparation of the information presented in the NFS, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFS relating to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, in order to assess their compliance with the Decree;
3. understanding of the following matters:
  - business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
  - policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
  - key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under point 4 a) below;



4. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of DiaSorin SpA and with the personnel of DiaSorin Inc (USA) and DiaSorin Iberia SA (Spain) and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a group level,
  - a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
  - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information;
- for the following companies, DiaSorin SpA, DiaSorin Inc (USA) and DiaSorin Iberia SA (Spain), which were selected on the basis of their activities, their contribution to the performance indicators at a consolidated level and their location, we carried out meetings and interviews during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the key performance indicators.

### **Conclusions**

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of DiaSorin Group for the year ended 31 December 2020 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards, with reference to the selection of GRI Standards included in the NFS.

Milan, 31 March 2021

PricewaterhouseCoopers SpA

*Signed by*

Stefano Pavesi  
(Partner)

*Signed by*

Paolo Bersani  
(Authorised signatory)

*This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2020 translation.*