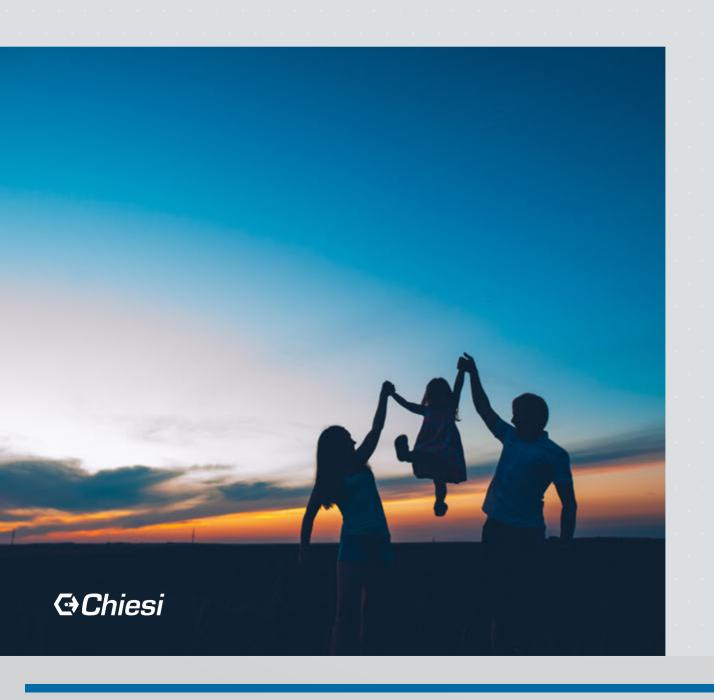
CORPORATE SOCIAL RESPONSIBILITY REPORT





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MISSION AND VALUES

Our Mission

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

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

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

Our Values

Reliable company

A Company that adopts and promotes transparent ethical behaviour at all levels, in line with the norms and regulations that are inspired by CSR principles.

Focus on customers

We aim to continuously appreciate and percieve the needs of our customers, guaranteeing their total satisfaction, through the excellence of our products/services and the passion for developing successful relations in our daily work.

Every one of us is Chiesi

Everyone is an integral part of the Company, creator of its future and advocate of our distinctive values.

Focus on people

Our people are the most valuable asset. We therefore strive to continuously promote and satisfy development needs, paying particular attention to the quality of the workplace and collective well-being.

Value generation

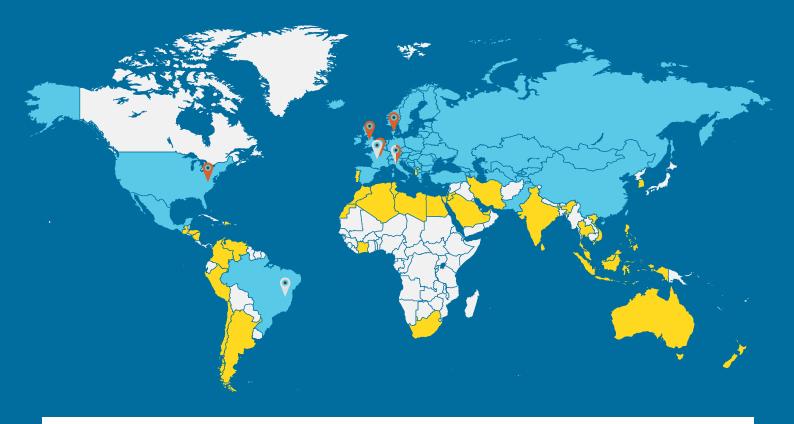
Our driving force is to generate value today and in the future through entrepreneurship and innovation.

Team spirit

Our success will come from the contribution of our people working together as a team where everyone is aware that the team's success is more important than indivual success.



THE CHIESI GROUP AND THE CHIESI FOUNDATION





Local Partners



Production plants: Parma (Italy), Blois (France), Santana de Parnaíba (Brazil)

Research & Development center and sites: Parma (Italy), Paris (France), Cary (USA), Chippenham (UK), Lidingo & Hillerod (Denmark & Sweden)

Chiesi at a glance









The Chiesi Foundation is a no profit organisation created by Chiesi Farmaceutici in 2005 to celebrate its 70th anniversary, with the aim of pursuing and putting into practice the values which have always characterised the Company's activities. Promoting the health and alleviating the suffering of the patients affected by respiratory and neonatal diseases is the Foundation's mission. This is achieved by supporting scientific research, training and international cooperation projects within the scope of neonatology and pulmonology.

MESSAGE FROM THE CHAIRMAN



The pharmaceutical sector has several particular features, which allow the driving forces behind the Chiesi Group's commitment to Research & Development and Corporate Social Responsibility to be better understood

Medicines relate to people's health and are perceived as a social good.

Research into innovative drugs, aimed at improving the quality of patient care or treating *tout court* patients without effective therapies, has been at the basis of the Company's creation and development.

Drugs are developed for people living all over the world and this necessitates an international presen-

It could be said that from many points of view our Company is naturally committed to working in harmony with the needs and expectations of the local communities in which it is present: we are aware of this and we work hard to ensure our activities contribute to the common good.

Lastly, medicines are naturally subject to strict international provisions, which guarantee thei efficacy and safety, as well as their correct and transparent use: total compliance with these provisions is part of our commitment to social responsibility.

Today more than ever, the bond between the company and the territory in which it operates is crucial to their sustainable development.

The values we believe in are based on our focus on people in particular, whether Company employees or those living in the communities concerned: all the activities described in this report are driven by this profound belief.













CHIESI'S CSR PHILOSOPHY

The Chiesi Corporate Social Responsibility framework is based on three pillars: **PEOPLE, ETHICS & COMPLIANCE** and **ENVIRONMENT & SAFETY**.

By working simultaneously on these three areas, the Chiesi Group and the Chiesi Foundation promote and develop activities and projects that contribute to turning the abstract concept of Corporate Social Responsibility into **concrete actions**:

- Paying careful attention to patients, to their needs and those of their carers, both as a Company which develops high quality therapies and services and as Foundation, whose direct presence in low resource countries assists those in need in the most disadvantaged parts of the world.
- Taking an active part and contributing to the social and cultural development of local communities where the Chiesi Group is present.
- Promoting a harmonious workplace and team spirt and investing in the professional development and growth of our people.
- Establishing and maintaining with ongoing efforts a company culture which encourages ethical and lawful conduct.
- Respecting the environment whilst growing sustainably and promoting health and safety programmes in the workplace.

The international presence of the Group enables it to extend the impact of its CSR activities to all the areas where the Company has a base and also thanks to the efforts of the Chiesi Foundation in countries and regions with limited resources.



PATIENTS

Focus on customers & value generation

EMPLOYEES

Focus on people & team spirit

COMMUNITIES

Every one of us is Chiesi

PATIENTS - Focus on customers & Value generation

Since it was founded, the Chiesi company has striven to contribute to improving health and patient care through research and innovation, with an increasing focus on its core therapeutic areas of activity, which are pulmonology, neonatology, rare diseases and special care: this represents the most important and concrete way through which the Chiesi Group aims to improve to the quality of human life, creating shared value with the society.

The Chiesi Group as a whole also pays attention to patient needs by listening to and supporting **patient associations**, trying to respond to the priorities and needs of families and carers of those suffering from a disease.

Furthermore, the **company** promotes **drug donations** worldwide, with particular focus on situations of extreme poverty or emergency response, working with national and international associations and NGOs dedicated to collecting and distributing donated drugs.



Chiesi Italy and the commitment to patients and their families: RARE DISEASE DAY and WORLD PREMATURITY DAY

Chiesi Italy takes part in **International Rare Disease Day**, since its first launch in 2008, through initiatives aimed at raising public awareness of patient conditions and those providing care. The Rare Disease Day is held on February 29th, the rarest day, and, for this reason, on February 28th in the non leap years. In 2015, on the occasion of the 8th edition, Chiesi Italy invited all the employees to write texts, stories or poems, related to the topic 'living with a rare disease', chosen by *Eurordis*, the organization which launched the Day.

In 2015, the company also participated in **World Prematurity Day**, held since 2011 on November 17th, with the support of the *European Foundation for the care of newborn infants*, and whose aim is to promote knowledge about prematurity and neonatal diseases and enable the families of premature babies to make themselves heard.

To take part in this day, in 2015, Chiesi Italy produced a theatrical play in Parma, the proceeds of which went entirely to the Chiesi Foundation to show the support for patients in communities both locally and elsewhere.

Drug donations, patients and patient associations support



Drug donations



Patient associations support

2015

more than **40,000**

items donated in the past 3 years (2013-2015)

more than **100,000** €

by Chiesi in Italy to support 24 patient associations.

more than **700,000** \$

by Chiesi USA to provide significant support for associations within the therapeutic areas in which the company operates

The CHIESI FOUNDATION

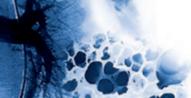
Together with providing access to quality therapies and services for patients living in both developed and emerging countries where the Group is directly present, Chiesi also pays particular attention to population living in less-developed countries, where the **Chiesi Foundation** operates.

Founded in 2005 by Chiesi Farmaceutici, the Foundation is an organization whose mission is to promote health and alleviate the suffering of patients affected by respiratory and neonatal diseases, by supporting scientific research, training and international cooperation initiatives.

The Chiesi Foundation promotes projects combining two essential components: *Ethics*, one of its founding values and *Knowledge*, inherited from its founding Company in the scientific areas of neonatology and pulmonology, which are also the Chiesi Foundation's main focal fields of activity. The same DNA forms a bond between Company and Foundation, whose main programmes are to support scientific research and international cooperation projects, to reach the patients most in need in disadvantaged areas.



PROMOTE THE ACCESS TO ADEQUATE NEWBORN CARE IN LESS DEVELOPED COUNTRIES: the NEST Project – Neonatal Essential Survival Technology







Neonatal Essential Survival Technology

The NEST – Neonatal Essential Survival Technology- Project was launched in 2014 after considerations were made regarding the inequality of access to quality newborn care in different parts of the world. In countries with limited resources, interventions must be carefully planned and as far as possible be effective and suited to local needs, in order to help improve the quality of newborn care and potentially reduce newborn mortality rates.

For this reason, the Chiesi Foundation decided to use its experience and networks to develop the NEST Project, working on three aspects:

- **basic medical equipment** for the care of neonates, suited to local contexts;
- the development of protocols for the correct use of essential drugs for neonates already present in hospitals;
- training programmes for local staff, with particular attention to promoting the professional role of the neonatal nurse.

In order to ultimately develop a comprehensive and transferable model for the setting up of a neonatal care unit in low resource contexts, the NEST Project was initially run with pilot studies in 3 African hospitals: the Saint Camille Hospital in Ouagadougou, Burkina Faso, the Saint Jean de Dieu Hospital in Tanguietá, Benin and the Ngozi Hospital in Burundi.

Moreover, support is provided for training programmes in Azerbaijan and Mongolia, which are intended for local healthcare professionals, in order to improve and promote skill specialization in neonatal care.

For more information \(\bigoplus \text{ www.chiesifoundation.org} \)

Chiesi Foundation figures (past ten years and 2015)

SCIENTIFIC RESEARCH: In the last 10 years, more than **€1,500,000** donated as unrestricted grants for scientific research and PhDs for young researchers.

€339,000 donated in 2015

From 2005 to 2015, **30** scientific research projects financed in the fields of pulmonology and neonatology, aimed at finding new methods for patient management and better understanding patient needs and the psychological aspects of their care.

INTERNATIONAL COOPERATION: In 10 years, more than **€500,000** allocated for **international cooperation** initiatives in the healthcare sector, aimed to promote and fulfil the right to health of those patients most in need, with specific focus on **newborn health**.

In 2015, more than €100,000 was invested in the NEST Project, aimed at improving the quality of newborn care in countries with limited resources.



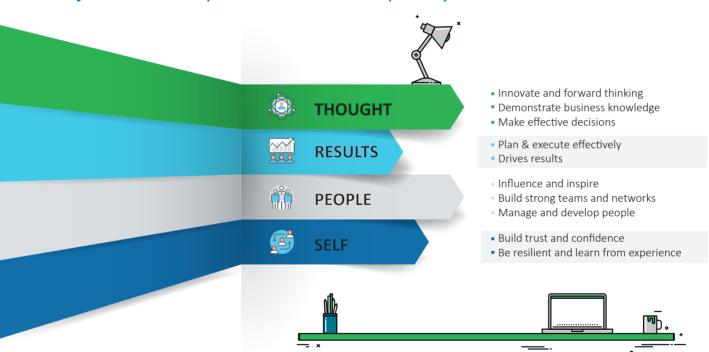
EMPLOYEES - Focus on people & team spirit

Employees are the Company's most valuable asset as they play an active role in its growth. Therefore, the Company strives to continuously promote their professional development, with particular attention to the quality of the workplace and encourages team spirit, as the success of the Company is dependent upon individual professionals who are able to work together as a team.

This is why Chiesi invests in the professional growth of all its people, by updating and developing training programmes and promoting people care initiatives to ensure collective wellbeing.

In 2016, for the eighth consecutive year Chiesi was certified Top Employer in Italy and for the fourth time Top Employer et European level, by receiving the award in France, Germany, Poland, Spain and UK, thanks to the strategies and policies developed by the Company, which aim to create an optimal working environment and to promote training of talents at all levels. For the first time, also in the USA Chiesi has been recognized a Top Employer.

Professional development: the Chiesi Competency Model



Following the approval of the 2020 Strategic Plan, the Company has set itself important objectives which will involve new challenges. People are once again the asset that will make the difference: every employee will be an active part of the Group's growth thanks to the efforts and skills they invest in their daily work.

The aim of the new Competency Model is to share throughout the whole company the key competences needed to enable Chiesi to reach its 2020 objectives and drive the professional development of all those working for the Group. The model therefore takes into account the different cultures and contexts in the countries where the Group operates.

It is a Model which is thus able to integrate and enhance diversity.

Inclusion & Diversity

As an international Group, Chiesi respects **diversity**, allowing everyone to express their potential to the full, with the aim of promoting heterogeneous, multicultural and united teams.

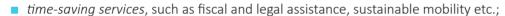
Chiesi in France and Chiesi in Brazil are examples of the attention paid to issues such as diversity and inclusion in the workplace. Chiesi in France actively participates in HandiEM – Handicap Entreprises du Médicament, branch association for disabled workers in the pharmaceutical industry. In 2015 Chiesi in Brazil

launched a project called *My New World*, which focusses on the inclusion of people with disabilities. This 3-year project involves at least 7 employees with visual impairment in various company functions. It was a gradual process which other employees also took part in, and for which they received special training to facilitate the inclusion of their new colleagues, who were introduced to the company culture and its main activities to then begin a regular working routine during 2016.

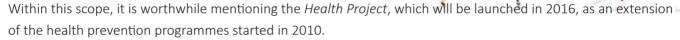
People Care

The wellbeing of its people is central to the Group's policies.

In Italy, three different programmes are underway to promote the **home-work balance**, some of which have been running for over 10 years:



- flexible actions, including part-time to facilitate the return from maternity leave
 and other specific circumstances, flexi-time, smartworking, teleworking etc.;
- People Care initiatives, including concessions for summer camps, workshops on topics such as parenting and care for the elderly, programmes to promote physical and mental wellbeing, healthcare and social security assistance.



Through the project, the company, which takes note of indications made by community and national organisations and those in current health and safety at work regulations, will offer its employees a programme based on an analysis of several parameters for the prevention of pathologies such as COPD, cardiovascular diseases and neoplasia.

Training: total invested at Group level 2014 2015 11,4 millions euro Growth of 13,6% Gender diversity Gender diversity 45,8% 47,5% % of women compared to men in Italy

Chiesi Chiesi

LOCAL COMMUNITIES – Every one of us is Chiesi

Chiesi invests in the development of local communities, to promote shared and sustainable growth.

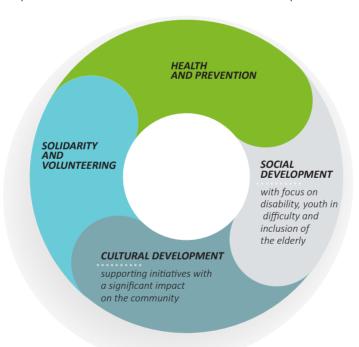
All those working for the Group are ambassadors of this message and accountable for ensuring that Chiesi acts as a corporate citizen in all the territories in which it operates, improving local areas and supporting initiatives which can contribute to their social and cultural development.

The Committee for Social Activities and Community Development and the Chiesi Group Guidelines on Social Responsibility

The **Committee for Social Activities and Community Development (CSACD)** has redefined the governance of decisional processes relating to the Company's CSR activities, in particular regarding its social commitment to the local communities in which it operates. Its functions are to monitor and manage philanthropic and social activities and also decide on focal areas, priorities and partners to promote the development of initiatives in the local territories concerned.

So as to create a shared vision of what Corporate Social Responsibility means for Chiesi, the **Chiesi Group Guidelines on Social Responsibility** have been published to outline ways to engage and involve local communities.

In these Guidelines, the areas prioritised for intervention have been identified in order to focus and make effective the Company commitment on the communities where it operates.



The Employee Volunteer programme at the heart of the celebrations for Chiesi's 80th and the Chiesi Foundation's 10th anniversary

2015 was the year in which celebrations were held for 80 years of Chiesi and 10 years of the Chiesi Foundation. The celebrations for these two important milestones centred on CSR themes. **Corporate Volunteering** was introduced for the first time in the Company: employees have become ambassadors of

Chiesi's Values, providing practical help for local communities and spreading a message to get actively involved and promote inclusion where the company is based. In Italy 250 volunteers were involved in various kinds of activities with 14 associations in Parma. This message was also shared and put into practice in the other countries where the Company is present, with the aim of making it a new Group tradition.





ETHICS & COMPLIANCE

A reliable company



The ethical component is a fundamental value for the Chiesi Group, which is committed to its application in all areas of the business and places it alongside lawful conduct as a guide for its activities.

For this reason, in addition to the requirements set out by current laws and regulations, the company has also defined commitments and ethical responsibilities to guide the business activities. In 2002 Chiesi adopted a **Code of Ethics and Conduct**, as an instrument to define the commitments and responsibilities which govern the Company's activities, and in 2012 implemented the **Chiesi Group Guidelines on Ethics and Compliance**, with the aim of providing a common framework of rules to follow and align governance processes and systems with, ensuring that all key risks are identified and managed effectively.

The process of managing and implementing business ethics is currently underway in the areas where the Group is present, and is supported by the **Corporate Compliance Committee**, whose task

is to ensure the Group properly interprets and adopts the guidelines and to monitor their implementation.

In Italy the Company's Vigilance Body continued its monitoring activities regarding the adequate and effective implementation of law 231, adopted some time ago by Chiesi Farmaceutici. More specifically, training activities for the Organisational, Management and Control Model (relating to law 231/2001) were implemented, with the aim of providing more information about the law and how to apply it.

Moreover, the responsibility for compliance was formally assigned to an independent and autonomous function, which issued two important corporate documents in 2015: the **Group Guidelines on HealthCare Interactions**, aimed at establishing and adopting common rules for relations between employees and healthcare workers and organisations, and the **Group Anti-Bribery and Corruption Guidelines**, which are intended as a framework to avoid improper and undesirable business practices.



"..our goal is to combine commitment to results with integrity, operating in a socially and environmentally responsible manner" The commitment to operate whilst respecting the environment is a fundamental premise of Chiesi's mission. The growth of the Group is accompanied by an increasing focus on the theme of sustainability as it aims for continuous improvement in terms of carefully controlled use of resources and attention to the health and safety of people.

In 2015 the company published the **Corporate HSE (Health, Safety and Environment) Guidelines**. The purpose of these guidelines is to ensure a common approach within the Chiesi Group concerning:

- environmental management and responsible use of resources;
- maintaining safe conditions in the workplace and safeguarding the health of employees;
- business continuity and selection of partners and suppliers.

The guidelines are addressed to all the entities of the Group and issued in three versions: for the manufacturing sites, R&D centres and non-production sites (i.e. sales and logistics).

Environment

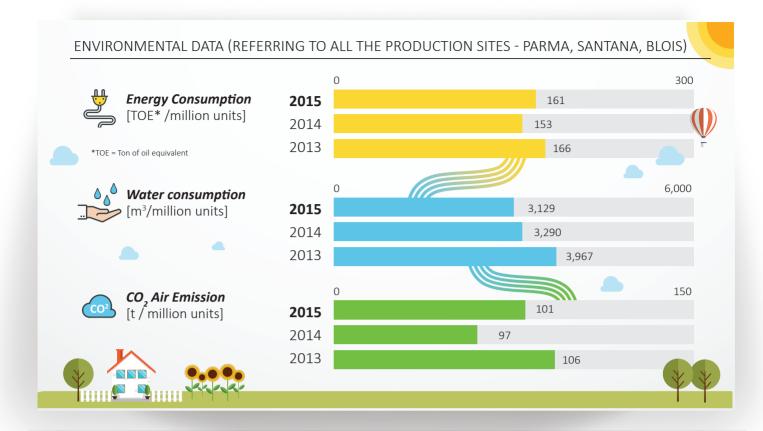
The Company's environmental programmes are constantly updated, in order to balance continuous growth in production with careful management of resources used.

In 2015, two new production sites, Nexthaler in France and Curosurf in Italy, caused an increase in **resource consumption**. Work continues on **energy saving**, with audits at the Italian and French sites to assess their performance and introduce measures to improve efficiency.

A further important activity regards the study of greenhouse gas emissions (carbon footprint), during the life-cycle of Chiesi's main products expressed in CO₂ equivalent, in order to reduce the resulting negative impacts. During 2015, Chiesi analysed and measured the carbon footprint of the main products in accordance with ISO provision

14067, and quantified the greenhouse gas emissions in the phases of the product life cycle from the raw materials and production processes to transportation, use and final disposal, with the aim of obtaining the certification in 2016.





Chiesi's commitment to the environment in the Netherlands

Chiesi in the Netherlands has demonstrated a particular commitment to the environment by establishing the 'Clean Air for Everyone' Foundation in 2012, to jointly address the issue of air pollution in cooperation with scientists, the government, the industry and local no-profit organisations.

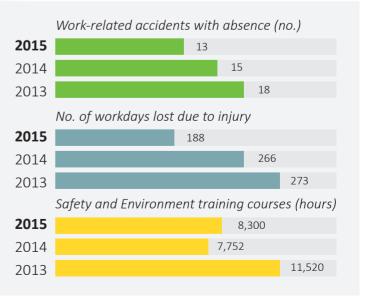
In 2015, in cooperation with the Lung Alliance Netherlands (LAN), the Foundation organised an expert meeting on work-related lung diseases and actions aimed to decrease the risk related to bad air quality at work. In addition, the National Air Congress was jointly organised with the Dutch Ministry of Infrastructure and Environment with the aim of discussing future actions to be taken to improve air quality in the Netherlands, together with scientific organisations, business and national or regional policy departments.

www.cleanairforeveryone.nl

www.schoneluchtvooriedereen.nl

Safety

Focus on people is one of the Company's values and this also means safety. Various awareness, control and improvement programmes have been implemented to ensure the safety of employees. These include BBS – Behaviour-based Safety, a safety programme based on promoting safe behaviour, making employees responsible for the choices made in implementing safety in different working environments.



TOP EMPLOYER CERTIFICATIONS

















PARMA SITES

BS OHSAS 18001:2007



CERTIFIED SAFETY MANAGEMENT SYSTEM

ITALY



UNI EN ISO 14001:2004



CERTIFIED ENVIRONMENTAL MANAGEMENT SYSTEM

FRANCE





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