



SUSTAINABILITY REPORT 2023

DIESE
DIESE

DIESE Diagnostica Senese S.p.A.
Società Benefit



Dear Readers,

I am pleased to welcome you in reading our Sustainability Report.

Our organisation exists to contribute concretely and positively to patient health through innovative diagnostic solutions for the immune system. We do this whilst generating positive effects on the community which hosts us and on our colleagues, to ensure a better quality of life and work and an inclusive work environment that puts everyone in a position to be able to express themselves at their best.

This is our key goal, which we have reconfirmed and strengthened by adhering to the principles of Industry 5.0 and in particular to the three cornerstones: People, Planet and Prosperity. Fundamental values that guide the activity of our Company, in a new dimension where technology plays the role of supporting man and not of being its replacement, production is respectful of the planet in which we live and the fruit of it generates prosperity for the entire community. 2023 was a memorable year for DIESSE.

As for People and Planet, the DIESSE Biotech Campus (DBC) was finally inaugurated in September, after more than a year of design and two years of construction. The DBC is the largest and most futuristic biotech plant dedicated to IVD (inVitro diagnostics) in Europe, built according to Industry 5.0, Industry 4.0 and Lean Manufacturing criteria, which has finally made it possible to welcome all DIESSE colleagues into a single house.

2023 also saw the launch of the new diagnostic system for the execution of CHORUS EVO immunometric mono-tests, which incorporates elements of strong innovation and differentiation, representing a fundamental pillar for our future. CHORUS EVO was designed to return Prosperity to patients around the world, by carrying out innovative tests in a more accurate and automated way.

Thanks to the support of all our stakeholders, shareholders, employees, the community and local institutions, I firmly believe that we will continue on our growth path with enthusiasm and I can only wish you a pleasant reading, as well as thanking you for your interest in DIESSE.

Massimiliano Boggetti
Chief Executive Officer
DIESSE Diagnostica Senese S.p.A. Società Benefit

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ABOUT US

About us

DIESSE Diagnostica Senese S.p.A. Società Benefit is an Italian Company with headquarters in Monteriggioni (Siena), specialised in fully in-house integrated production of in vitro diagnostic systems. Since its founding in 1980, the Company has developed, manufactured and marketed innovative diagnostic systems in the field of immunometry and automatic measurement of ERS (erythrocyte sedimentation rate), positioning itself in the diagnosis of the immune system.

The headquarters, the DIESSE BIOTECH CAMPUS, with a total area of over 10,000 square meters, is the largest IVD (In Vitro Diagnostic Devices) plant in Italy and one of the largest in Europe. A project entirely based on the principles of lean manufacturing, industry 5.0 and eco-sustainability.

In addition to its headquarters in Monteriggioni, DIESSE also operates in China with a direct branch in Shanghai (DiYaShi Medical Equipment Co. Ltd.) and the recently completed offices in Milan's Mind Innovation District.

Finally, the Company boasts a global presence in over 100 countries through a strong network of business partners. The production area and a research centre are located inside the DIESSE Biotech Campus, where the design and implementation of tests and new automated diagnostic detection tools meet Italian design and cutting-edge technology in the heart of Tuscany.

One of the unique features of the campus is a Grade 3 BioSecurity area (BLS3) for the production of bacterial and viral

biomaterials, 1000 square meters of biotechnological laboratories. A Class III biobank allows the storage of pathogens, viruses and bacteria, and recombinant cells up to the third pathogen safety class, representing a significant contribution to biomedical research and innovation.

The Company, aware that growth and innovation are closely connected and require constant engagement, invests in significant shares of its turnover in R&D each year, in order to make available advanced tests and diagnostic systems that contribute to improving people's health. In 2023, the Company owns 12 patents, 2 more than in 2022.

For DIESSE, however, the concept of innovation is not limited to product innovation alone, with a focus that also includes sensitivity to the territory, the community and the quality of the infrastructure. This is why the Corporate Social Responsibility journey has been launched, which sees the Company committed to a series of objectives to effectively manage the dynamics of social and ethical impact in its areas of business activity. The transformation into a Benefit Company completed in July 2022 shows DIESSE's concrete commitment to take action in a responsible, sustainable and transparent manner, integrating the objectives of common benefit into the objectives of its Statute.

DIAGNOSTIC SOLUTIONS FOR THE IMMUNE SYSTEM

ESR

Infectious Diseases

Biological Drugs

AutoImmunity

Allergy

Serodiagnosis

Stool Antigens





DIESSE Diagnostica Senese S.p.A. Società Benefit

Scope, Mission and Values

Our **Scope**: “We exist to tangibly and positively contribute to patient health through innovative diagnostic solutions for the immune system.

We do this whilst generating positive effects on the community which hosts us and on our colleagues, to ensure a better quality of life and work and an inclusive work environment where everyone can express themselves to the fullest.”

Our **Mission**: “We use our history and expertise in our everyday work, integrating advanced research, Made in Italy production and global marketing, in order to develop – in a sustainable, ethical and transparent way – diagnostic systems in the medicine of the future”

Our **Values** constitute the principles that guide and inspire our conduct, within the corporate vision and mission.

Expertise

We operate with the best set of skills, knowledge and experience in order to ensure the quality of the service offered to the customer and we strive to keep them constantly updated.

Research and innovation

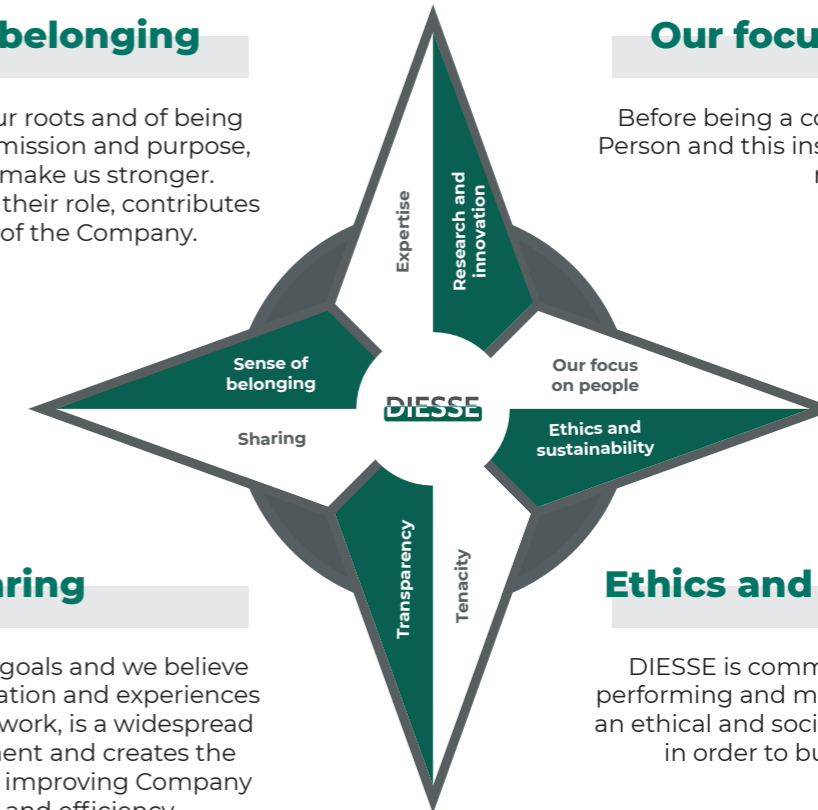
They are part of our DNA and the key to today's and tomorrow's success. We constantly invest to improve our solutions and our services, offering concrete benefits to people's health.

Sense of belonging

We are proud of our roots and of being part of a common mission and purpose, which together make us stronger. Everyone, whatever their role, contributes to the success of the Company.

Our focus on people

Before being a colleague, everyone is a Person and this inspires every decision we make.



Sharing

We have common goals and we believe that sharing information and experiences is the basis of teamwork, is a widespread source of enrichment and creates the ideal conditions for improving Company effectiveness and efficiency.

Ethics and sustainability

DIESSE is committed to carrying out, performing and monitoring its activities in an ethical and socially responsible manner in order to build a better world.

Transparency

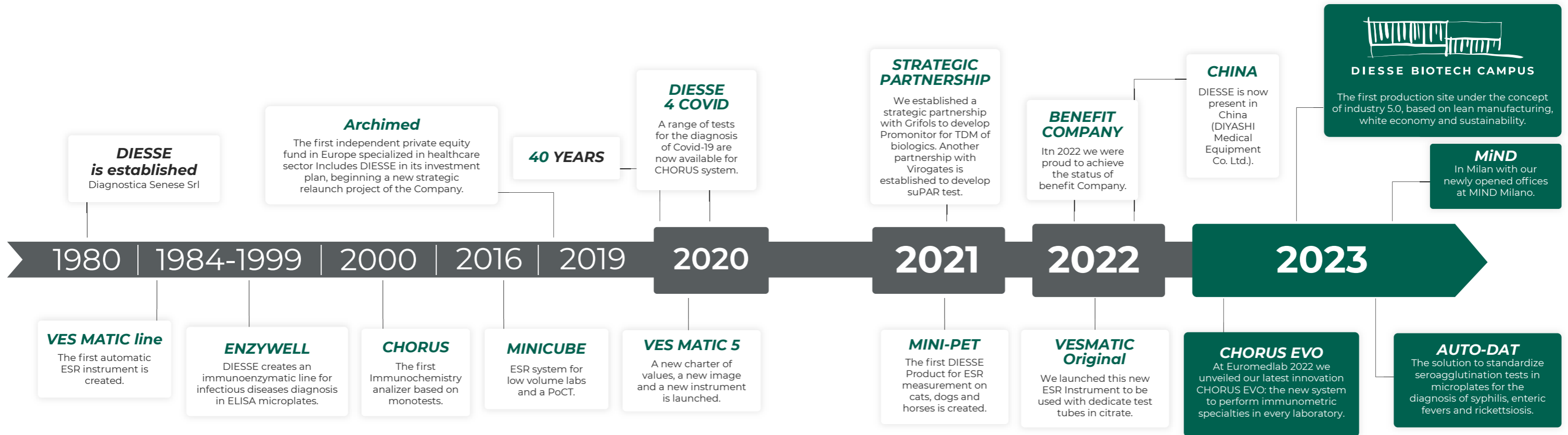
At DIESE, transparency in relations with colleagues, transversal work teams, customers and suppliers is the basis of healthy and sustainable relationships over time.

Tenacity

Nothing discourages us from achieving the goals we set ourselves. We face daily challenges with determination, constantly finding new motivation from these.

Developed in the autumn of 2019 by the middle and top management team, the mission and values are also the basis of a model of skills and behaviours which, acted upon daily by everyone, steer the entire organisation in the same direction and contribute to the growth of the business performance.

Our history



Since its foundation in 1980, the Company has developed, produced and marketed innovative diagnostic systems mainly in the field of immunoassays and automatic ESR measurement, actively positioning itself in the diagnostics of the immune system. One of the key milestones in the Company's history has been the development of the first system in the world for ESR determination in complete automation and the subsequent versions up to the last VES MATIC 5. On the Immunometry front, starting from the development of manual solutions in ELISA, we arrive at the CHORUS TRIO in 2004, the multi-parametric analyser for mono-tests, with the latest innovative tool of the line to be launched in 2023.

DIESSSE becomes part of an important investment plan by ARCHIMED, an independent European private equity fund, specialised exclusively in the Healthcare sector. A new strategic, organisational, productive and commercial re-launch plan for the Company begins.

The onset of the COVID-19 pandemic has seen a strong involvement of DIESSSE through its research and solution development activities, making more than 11 different kits for diagnosing and monitoring SARS Cov-2 available on the market.

2023 brings with it many new results and new beginnings:

- inauguration of the last of the ambitious Company development projects: the DIESSSE Biotech Campus, the new headquarters which is once again characterised by innovation, cutting-edge systems and particular attention to the issue of sustainability and Industry 5.0, expressed in the principles of People, Planet, Prosperity;
- opening of the new offices at the Mind Innovation District in Milan;
- Launch of the new CHORUS EVO and AUTODAT tools, better explained in the chapter.

Among the most important measurements that were made available on CHORUS in 2023, attention should certainly be paid to the increased portfolio of Promonitor tests aimed at monitoring Biological Drugs of predominantly oncological use.

Another specialised diagnostic that can be performed from 2023 on CHORUS, worthy of mention, are the tests for the dosage of folates and vitamin B12 useful in the diagnosis of anaemic states.

One of the key milestones achieved in 2023 is the Audit of the TUV-Sud notified body in June, which certified the new site, allowing us to begin the transfer of production methods, R&D and people to the DIESSSE Biotech Campus.

DIESSE in Italy and in the world

During 2023, revenues from sales of DIESSE products and services exceeded €30 million, an increase of 12% on the previous year.

In 2023, the Italian market accounted for 28% of turnover and consists of both public sector customers (hospitals, universities) and private customers (private laboratories, retailers, OEM resellers), managed directly by our Area Managers and a network of Agencies, for a total of 894 active customers.

The important result is the extraordinary performance of exports, which amounted to over €23 million, up 20% compared to 2022.

The target markets for DIESSE products that contributed to the Company's sales are as follows:

Geographical area	2023	2022
ITALY	28%	33%
EURASIA	24%	23%
AMERICAS	12%	12%
APAC	18%	14%
Middle EAST & AFRICA	18%	18%

The presence in the foreign market has seen a growth trend in the last three years, whereas there is a declining trend in the domestic market, also due to market dynamics and Italy's economic context.

113 distributors operate worldwide through a partnership with DIESSE, with a large concentration in the "EURASIA" area. The main diagnostic areas of Italian sales are those of immunoassays and specifically of autoimmunity and infectious diseases. Abroad, the main diagnostic sales area is ESR, which alone represents about 44%. Abroad, as already mentioned, DIESSE is present in more than 100 countries thanks to a solid network of distributors, which ensures global coverage of customers. In the context of trade relations, in 2023 we highlight our partnership with a new distributor in China, with whom we will work to establish our presence in this market.

Sales by product lines

In terms of the product portfolio, and with regard to the products most relevant to DIESSE, the following should be noted:

ESR	
11.921.818 € Total sales	23,6% vs PY

CHORUS	
18.002.810 € Total sales	8,0% vs PY

The CHORUS line – Diagnostic systems for the determination of immunometric tests.

Sales of the CHORUS line reached €18 million, an increase of 8% on the previous year.

Reagent sales exceeded €14.5 million, up 11%, while instrument sales reached €3.3 million with a slight decrease compared to last year (-3.8%)

The ESR line - diagnostic systems to determine blood erythrocyte sedimentation rate

Extraordinary affirmation of the solutions for the determination of ESR, which have offered a progressive and constant growth throughout the year, reaching a +24% increase compared to last year.

The level of automation, instrumental reliability and flexibility of our VES MATIC 5, CUBE 30 TOUCH and MINI CUBE solutions have affirmed their ability to provide benefits to the various laboratory organisations. This year it became even clearer that the critical factor of success lies in our modified Westergren technology. The authoritative scientific publication that we have distributed confirms that our technology is more accurate in providing qualitatively appropriate diagnoses to patients than those proposed by our main competitors.

Reagent sales exceeded €7.5 million, up 15%, while instrument sales reached €4.4 million, an increase of 40% on the previous year.

It is worth noting that:

- The exception performance of ESR sales is also attributable to a significant affirmation in the Indian market.
- The protagonist of the sales was certainly the medium volume laboratory system, Cube 30 TOUCH, of which almost 600 units were sold, together with the MiniCube systems of which over 1450 units were sold.
- The DIESSE (modified Westergren) technology continues to affirm its analytical qualities, especially for patients with altered ESR.
- Thanks to the launch of the new Ves Matic 5 platform, as well as the renewal of the Cube 30 TOUCH, DIESSE has certainly been able to reinvigorate and introduce further innovations on this important product line.

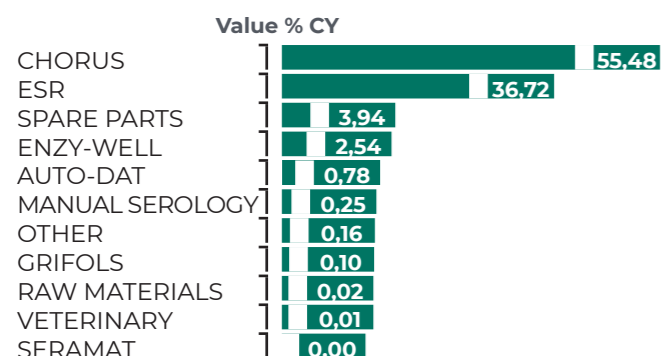
The ENZY-WELL line – ELISA microplate reagents for immunometric test determination

The decline in sales of the ENZY-WELL line continued, reaching €825,000, a 30% decrease on the previous year.

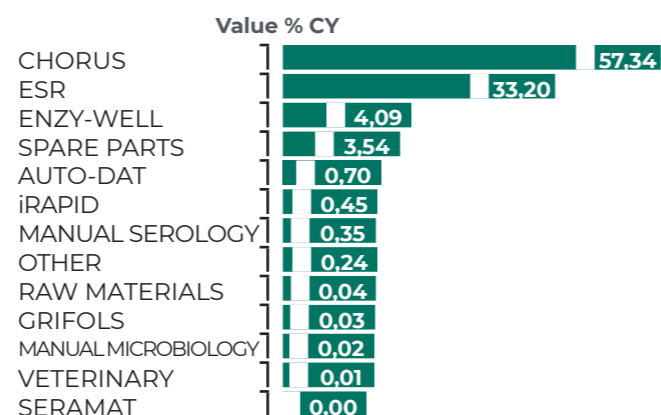
Evolution of turnover by product line

In order to better understand the evolution of the composition of turnover by product line, two diagrams are provided below, relating to the percentage data of sales distribution in 2023 compared to 2022:

2023 Product Mix



2022 Product Mix



As can be seen, sales of diagnostic tools and kits of the first two product lines cover over 80% of the 2023 turnover and both lines recorded a good increase compared to the previous year.

As regards the DIESSE supply chain, our suppliers can be divided into five main types:

1. “critical”: all suppliers of a raw material that impacts on the quality of the finished product, and whose failure to deliver would block the production system, are classified as critical;
2. “fixed”: i.e. all suppliers with whom an on-going supply relationship of various products has been established but without commitment, as the supply can also be found elsewhere on the market after an in-depth research;
3. “maintenance or service providers”: in this case the usual suppliers who operate to maintain our plants and machinery;
4. “suppliers of medical-scientific consultancy”: DIESSE also makes use of fixed collaborations contracted with Framework Agreements, which are then developed into individual Project Contracts, mainly in the field of R&D. We also collaborate with various universities and hospitals to develop and study new kits or for tests and trials on new products;
5. “occasional suppliers”, for purchasing products and services when necessary and not habitually.

At the time of establishing a relationship with a “critical” supplier, whose material has a potential impact on the quality of the DIESSE product, certifications are requested (specifically, ISO 9001 and ISO 13485).

In 2023, over 50 contracts were entered into:

- 7% fixed collaboration contracts;
- 7% occasional collaboration contracts;
- 61% various supply, consultancy and rental contracts;
- 24% consultancy contracts with Hospitals, Universities, Laboratories.

The largest number of DIESSE suppliers is based in Italy, in line with the Company choice to prefer Made in Italy; orders placed abroad are often “critical”, i.e. for products supplied exclusively by specific companies or related to marketing services abroad.

Active suppliers of goods, services and work services	u.m.	2023	2022	2021	2020
No. of Suppliers	no.	315	758	802	812
Overall value of the supply of goods, services and work performed by geographical area	u.m.	2023	2022	2021	2020
Italy	€	85,7%	87,2%	90,9%	90,6%
Europe (excluding Italy)		8,0%	9,0%	6,9%	6,6%
Asia		4,0%	1,8%	1,0%	1,2%
America		2,0%	2,0%	1,2%	1,6%
Total		100%	100%	100%	100%

The main suppliers by turnover to DIESSE in 2023 were:

EVEREX S.R.L.	ALL CLEAN SANEX SRL	ARVAL SERVICE LEASE ITALIA S.P.A.
TANZINI QUINTILIO & FIGLIO	STESOEM DIAGNOSTICI SRL	SVAR LIFE SCIENCE AB
BOMI ITALIA S.p.A.	EUROSPITAL S.p.A.	DE LAGE LANDEN INTERNATIONAL BV
DOGANE	Rete Saihub	
ENEL ENERGIA SPa	Steffens biotechnische	

38.62% of the total turnover value is made up of suppliers:

- **EVEREX**: the partner who supplies us with the instrumentation and most of the spare parts
- **TANZINI**: the contractor which worked on the construction of the new DIESSE Biotech Campus
- **BOMI**: Since 2023, the logistics partner BOMI has been managing the stock and shipping of finished products.

In 2023, orders for the purchase of systems, furnishings, equipment and IT infrastructure for the new DIESSE Biotech Campus were completed.

Investments were made both in cash and through the signing of lease agreements. As part of the changes made with the entry into the DIESSE Biotech Campus, the lunch catering suppliers and break room distributors were also reviewed, with a strong focus on the topic of health and prevention. The new distributors provide a wide selection of organic products (with a wide choice of Vegan, Sugar and Gluten Free products), while daily fruit and up to two servings of vegetables are provided in the canteen catering service.

Acceptance of the Organisation, Management and Control model for the purposes of L. Decree no. 231/2001 and the code of ethics has been included in all new contracts and orders starting from 2021.

Our leadership

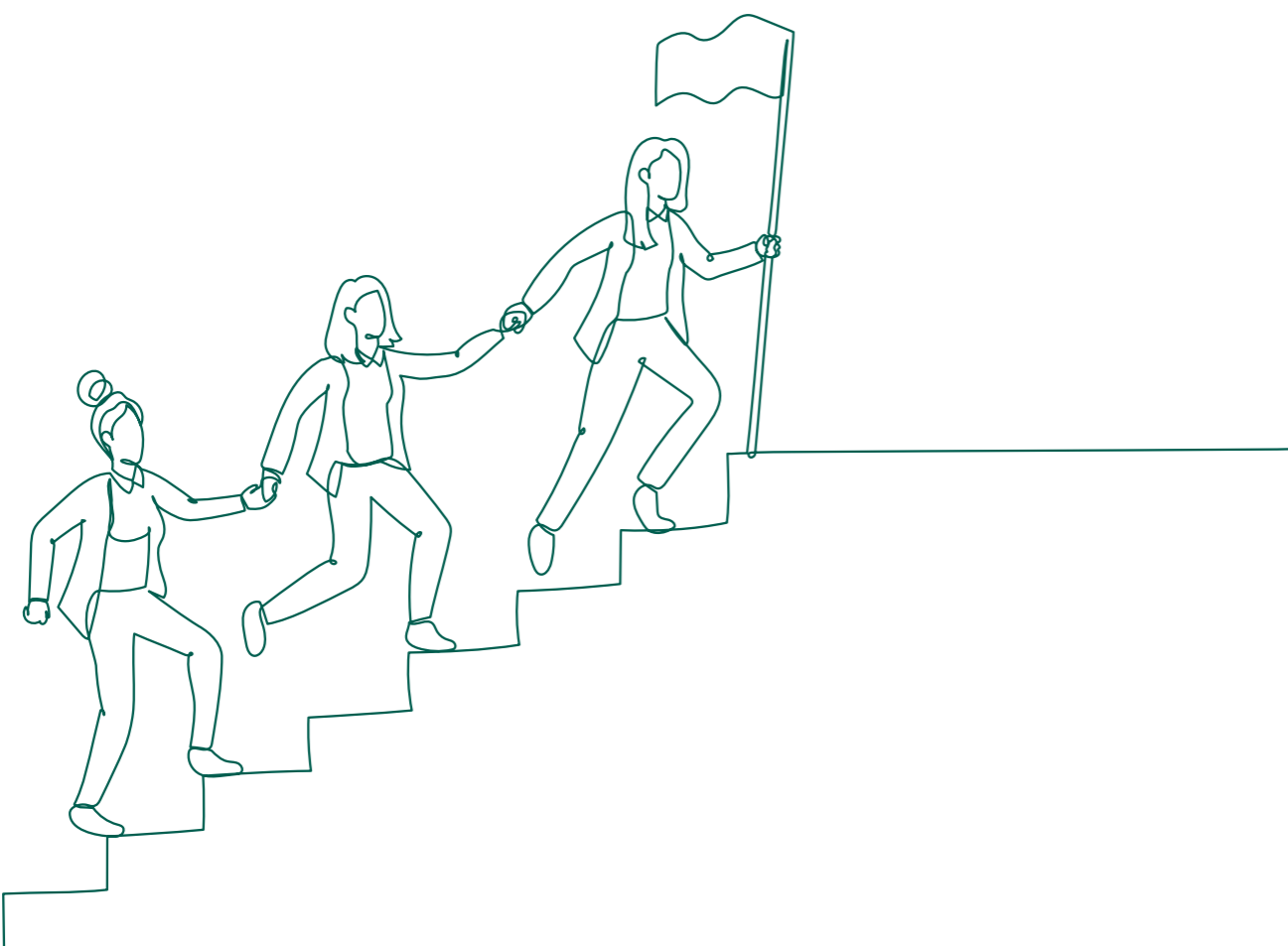
As previously mentioned, ARCHIMED, the first independent private equity fund in Europe specialised in the Healthcare sector, has been investing in DIESSE since 2019.

Minority shares are held by the CEO, by some members of the Board of Directors and by some of the Company executives.

As at 31/12/2023, the Board of Directors is composed of 6 members – 1 of whom is independent - and is involved in strategic issues, corporate development and for everything required by law.

As concerns the BOD, a change in the chair took place in July 2022. The management of the Company is entrusted to the CEO, with the support of the Steering Committee.

DIESSE controls the Chinese Company, Diyashi Medical Equipment (Shanghai) Co. LTD., commercial branch with offices in Shanghai.



Our commitment to creating value

Investments in scientific innovation and activities to preserve the intellectual property of our products in the markets in which we operate continued in 2023.

	Units of measurement	2023	2022	2021
Economic value generated		39.039.202	33.456.093	30.494.511
Production value	€	39.039.202	33.456.093	30.494.511
Income from equity investments	€			
Other financial income	€			
Extraordinary income - specify	€			
Economic value distributed		33.020.034	27.536.155	24.997.691
Operating costs		20.259.408	15.982.645	14.682.794
Costs for raw materials	€	12.071.905	9.135.995	8.347.264
Costs for services	€	7.413.280	6.293.881	5.687.270
Changes in inventories of raw materials	€	(560.178)	(504.920)	(391.021)
Other operating costs (net of taxes)	€	1.334.400	1.057.689	1.039.281
Extraordinary charges - specify	€			
Value distributed to employees		10.139.568	9.316.258	8.586.818
Personnel costs	€	10.139.568	9.316.258	8.586.818
Value distributed to capital providers		1.741.461	988.559	938.096
Interest and other financial charges	€	1.741.461	988.559	938.096
Value distributed to the Public Administration		817.892	1.187.236	719.176
Income taxes (current and former)	€	734.380	1.123.558	662.750
Other operating costs (only the value of taxes)	€	83.512	63.678	56.425
Value distributed to shareholders		0	0	0
Distributed dividends	€	0	0	0
Value distributed to the community		61.705	61.457	70.807
Donations	€	3.915	17.092	20.484
Universities and research centres	€	0	0	10.000
Sponsorships	€	23.000	14.266	12.000
Trade or Professional Associations membership fees	€	34.790	30.099	28.323
Economic value withheld		6.019.168	5.919.937	5.496.820
Profit (or loss) for the year (net of dividends)	€	1.194.188	1.643.053	1.600.142
Depreciation/Provisions/Write-downs/() Revaluations	€	4.726.928	4.494.138	3.786.991
Prepaid and deferred taxes	€	98.053	(217.254)	109.687

Additional economic growth KPIs

The total economic value generated in 2023 exceeded €39 million, with a growth of 16.7% compared to the previous year.

Value Breakdown	2023	2022	2021
Economic value generated	39.039.202	33.456.093	30.494.511
Economic value distributed	-33.020.034	-27.536.155	-24.997.691
Operating costs	-20.259.408	-15.982.645	-14.682.794
Value distributed to employees	-10.139.568	-9.316.258	-8.586.818
Value distributed to capital providers	-1.741.461	-988.559	-938.096
Value distributed to the Public	-817.892	-1.187.236	-719.176
Value distributed to the community	-61.705	-61.457	-70.807
Economic value withheld	-6.019.168	-5.919.937	-5.496.820

*in €

Much of the value generated is distributed between employees and suppliers.

The net financial position as at 31/12/2023 is as follows (in €):

	31/12/2023	31/12/2022	Variazione
Cash and cash equivalents	3.707.312	3.858.513	(151.201)
Other current financial assets (C3)			
Current financial receivables (B3 II within 12 m)			
Current bank payables (D4 within 12 m)	5.887.388	4.285.684	1.601.704
Other current financial liabilities (D, within 12 m)	113.261	115.583	(2.322)
Current financial lease payables			
Net current financial debt	(2.293.337)	(542.754)	(1.750.583)
Bonds and convertible bonds (beyond the next financial year)			
Due to banks (D4 beyond 12m)	16.248.000	15.726.000	522.000
Other non-current financial liabilities (D, beyond 12 m)			
Non-current financial lease payables			
Non-current financial debt	(16.248.000)	(8.046.000)	(522.000)
Net financial position	(18.541.337)	(16.268.754)	(2.272.583)

In order to better describe the financial situation, the table below shows some balance sheet indices, compared with the same indices relating to the balance sheets of previous years.

	31/12/2023	31/12/2022	31/12/2021
Primary liquidity	0,78	0,87	0,87
Secondary liquidity	1,25	1,32	1,42
Debt	3,02	2,89	2,85
Equity-to-fixed-assets ratio	1,09	1,09	1,15

Compared with the previous year, there was a slight decrease in primary and secondary liquidity, as well as in the debt rate, while the asset coverage rate remains stable. All of this is motivated by the large amount of investments being made and the growth rate of the Company's business.





Our approach to sustainability

We embarked on our sustainability journey 4 years ago. The nature of what we do, our patient focus and our commitment to a better world naturally guide us in this direction. For details of the objectives and results achieved in 2023 and of the new 2024 objectives, please refer to the summary table at the end of the document. The B Corp impact assessment available for companies that wish to measure their ESG impact carried out in 2022 saw us obtain a score of 100.1, higher by 28 points compared to the same assessment carried out in 2021 (minimum threshold for B Corp certification 80, maximum score achievable 200). Although the assessment was not carried out in 2023, the trend demonstrates the path taken over recent years and confirms our desire for an ever-increasing impact.

Stakeholders and relevant topics

The stakeholders, identified by a cross-functional team and then validated by the Steering Committee and the board of Directors, have remained unchanged compared to 2021. They are listed below.



The methods of involvement (as required by GRI 2-29), the methods of feedback, and where applicable, the main projects and initiatives carried out, will be detailed for each stakeholder.

The usual methods of relating and discussing with the individual identified stakeholders are reported

Stakeholders	Interaction Mode
Investors	Monthly meeting with updates on business performance and site visits
Costomers/Patients	Two annual meetings with distributors and agents; direct and constant customer care relationship for complaint management
Suppliers	Periodic meetings and sharing of purchasing budgets with "critical" suppliers, telephone/mail relations with others
Employees/Collaborators	Company magazine DFocus, annual Engagement Survey to measure the corporate climate; monthly video with messages from the CEO
Universities and research centres	We regularly host students for theses and curricular and extra-curricular internships, mainly in the R&D field, we work on the design of our instruments with the Architecture Faculty of the University of Florence
Companies, communities and institutions/regulatory bodies	Relationship managed by the Regulatory Affairs and Quality Assurance team and strong involvement of our CEO in institutional round tables;
Scientific community and laboratories	Close collaboration in scientific research projects (e.g. with the Spallanzani Institute on COVID tests, with the University of Padua on developing and testing a new instrument).

With respect to the 7 stakeholders, the 10 material topics identified starting in 2021 were also confirmed. These are relevant to us as they reflect the company's impact on the economy, society and the environment.

The DIESSE Materiality Matrix

The Company has carried out a materiality assessment, in order to identify the most significant non-financial issues, defining a threshold beyond which a topic acquires such an importance as to have to be reported.

DIESSE's materiality assessment was prepared in accordance with the requirements of the GRI (Global Reporting Initiative Standards) and took into account the following factors:

- reasonably estimable economic, environmental and/or social impacts with respect to our business sector;
- the interests and expectations of the stakeholders directly involved in the organisation, such as employees and shareholders, also by means of instruments such as engagement surveys and consultancy provided by a Company appointed by the ARCHIMED fund to guide the Company through the process of defining the CSR;
- contacts and relations with civil society, in particular with the world of universities and of scientific research;
- the main topics and the future challenges of our sector, identified within the corporate associations of Confindustria and specifically of Confindustria Medical Devices;
- main values, policies, strategies, operational management systems, objectives that the organisation has set itself.

The main material topics were defined through:

1. An assessment of information in the Company's possession on economy, environment and people, taking into account the needs of its internal and external stakeholders
2. The identification of potential and actual impacts, both positive and negative, on aspects such as the economy, the environment and people, including impacts on human rights (so-called impact materiality);
3. Finally, through interviews with top management and the heads of various departments, the Company assessed the significance of the impacts identified in order to determine their priority.

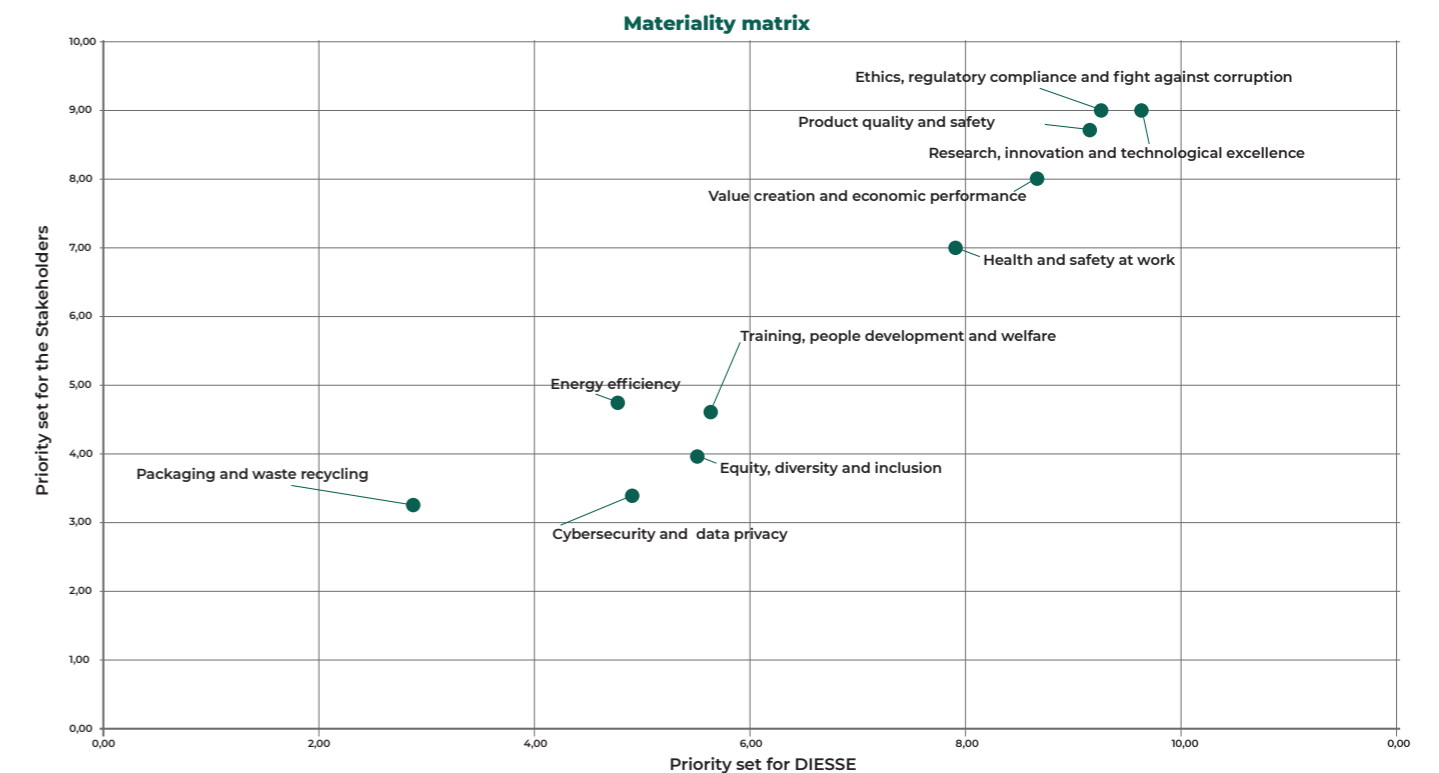
The tables below shows the impacts identified and their classification into the material topics defined by the Company. In the notes/mitigations field, the actions in place to reduce current negative impacts and mitigate potential negative impacts have been described, as well as information relating to current and potential positive impacts.

MACRO-AREA	MATERIAL FACTORS THEME	IMPACTS	POSITIVE / NEGATIVE	CURRENT / POTENTIAL	Notes - Mitigation
Environment	Energy efficiency	Waste associated with the use of electricity	Negative	Current	"Awareness campaigns; installation of the DBC management system using automation, classifiable according to ISO 52120 class A, with a 21% reduction in consumption compared with the traditional system"
		Paper consumption in product kits and when carrying out internal processes and procedures	Negative	Current	"Manual digitalisation and instructions that can be downloaded from the website, for instruments paper documentation has been replaced with a USB stick; progressive elimination of quality control certificates that are paper-based only for CHORUS kits by 2024; WAM project for the digitalisation of the Quality System procedures."
		Use of water resources in the plate production cycle (a process that involves three micro-plate washing cycles)	Negative	Current	Project 2023: reduction of the number of washes and consequent reduction of the volumes of water consumed Project 2023: Future commitment: the water collection project has been postponed due to priority given to other projects. An artesian well was installed in 2023 to serve the DIESSE Biotech Campus
		Production of greenhouse gas emissions deriving from production activity	Negative	Current	"Installation of photovoltaic panels (2021) on the Rigoni site and on the roof of the DIESSE Biotech Campus (first quarter 2024) for renewable energy production DIESSE Biotech Campus electric systems with energy saving features and instruments (see the dedicated paragraph)Replacement of plastic production department presses (2022): reduction of consumption from 10Kwh to 3Kwh per machine. With production change from 2024, the use of an additional press has been reduced by 100%."
	Packaging and waste recycling	Production of hazardous waste in the production process	Negative	Attuale	On-going project to reduce the material destined for disposal (retesting and internal use of expiring kits)
		Promotion of good circular economy practices for waste reduction and correct disposal of materials and packaging	Positive	Current	Internal operating procedures and instructions for the correct management of waste disposal. Communication initiatives on food waste in break areas. Reprocessing and use assignment initiatives for non-compliant or out-of-date materials destined for disposal. Project 2023: procedure and KPI % recovery of total expired or non-compliant material destined for disposal, postponed to 2024
		Reduction of waste and in particular of plastic (CUBE line)	Positive	Current	"The instruments enable avoiding the use of dedicated reagents (and the relative sample collection plastic material), as they work on the primary sample. They are also easily reconditioned and therefore suitable for recycling."
	Respect for the environment and ethics	Safeguarding animal life and the environment	Positive	Current	"Replacement of the hyper-immune goat serum for human IgG with recombinant protein G: already released 3 kits with this replacement (toxoplasma IgA, Brucella IgM, legionella IgM), during 2024 there will be 24 replaced products; replacement in the TPHA test of the native antigen (syphilis) produced in vivo, with recombinant proteins: ongoing feasibility study; use of serum-free soils to eliminate the use of FCS: already adopted in R&D, currently being evaluated in the virology department."
		Use of raw materials of animal origin - such as treponema pallidum - for TPHA testing	Negative	Current	See above, on-going project
		Use of hazardous raw materials in the production process	Negative	Current	"use of raw materials with reduced toxicity (e.g. avoid triton use): in progress on H.PYLORI kits in development (2 kits, predicted release year 2024)"
Social	Occupational health and safety	Promotion of a safe working environment for employees and collaborators of external companies	Positive	Current	Additional health and safety training plans with respect to legal provisions
		Accidents at work due to lack of attention/ failure to disseminate health and safety issues within the Company	Negative	Potenziale	Procedures and processes for monitoring working conditions and environments, for managing near misses and for their prevention. Identification of a clear safety organisational chart, with all team Managers appointed in charge, to strengthen their attention when managing day-to-day operations.
	Training, enhancement and welfare of personnel	Improvement of work-life balance by increasing welfare policies (flexible hours, smart/remote-working...)	Positive	Current	Individual smart working agreements, special permits for school placements, special permits for diagnostic visits for themselves and for family members; flexible start and finish times and for lunch breaks

Social		Development of the skills of all personnel through training programs and individual development plans	Positive	Current	Training catalogue project, containing ad hoc training plans linked to the development of new skills, partly financed through inter-Company funds (fondimpresa, FonExecutives); implementation of individual development plans related to language skills and soft skills."
		Corporate Welfare	Positive	Current	Dwell project with Company welfare platform implementation
		Total transparency in communication and application of procedures for assessing employee career paths	Positive	Current	Performance review process applied to the entire employee workforce
	Equity, diversity and inclusion	ensuring a fair and inclusive working environment	Positive	Current	% of female population at any Company level, integration of discrimination prevention measures into personnel management procedures, integration of OD measures Law 231/2001 and code of ethics
		Incidents of discrimination within the Company and inequalities in personnel and governing bodies	Negative	Potential	"Reduction of inequalities through specific initiatives (internal training) and implementation of policies on Diversity & Inclusion topics"
Governance	Ethics, regulatory compliance and fight against corruption	Non-compliances with the regulatory system within which the Company operates	Negative	Potential	Policy drafting - SB - Specific training
		Stability and Prosperity of suppliers	Positive	Current	Responsible and timely management of supplier payments
		Suppliers potentially not in line with ethics regulations, compliance	Negative	Potential	Cyclical mapping of suppliers and distributors for timely checks on geopolitical risk and corruption
	Cybersecurity and Data Privacy	Possible violations of customer privacy and data loss	Negative	Potential	Adequate IT system to ensure Business Continuity and Disaster Recovery
	Research, innovation and technological excellence	Investments in research and development	Positive	Current	R&D investment rate higher than the market average in the last 3 years
		Placing new products on the market (diagnostic devices)	Positive	Current	4 new kits launched in 2023, 6 changes completed, and 6 new releases in the instrument field, of which 5 software releases
	Product quality and safety	Use of paper instructions to be included in each packaged instrument	Negative	Current	Manual digitalisation and instructions that can be downloaded from the website, for instruments paper documentation has been replaced with a USB stick; progressive elimination of quality control certificates that are paper-based only for CHORUS kits by 2024; WAM project for the digitalisation of the Quality System procedures.
		Use of non-recycled plastic to maintain the quality of the finished product (plastic test tubes)	Negative	Current	First quarter 2024, implementation of modification of CHORUS Device packaging with a reduction of approximately 25.7 t of plastic in 2024 and total reduction of the use of electricity for the dedicated moulding press. The evaluation of the project to reintroduce waste plastic into the presses has not yielded a positive outcome at the moment due to process challenges and economic investments currently postponed.
		possible impact on the quality of the diagnosis, against product quality shortcomings	Negative	Potenziale	Structured post-market surveillance process, with preventive and post-sales laboratory analyses to ensure product quality
		Possible cases of products not complying with regulations and/or self-regulatory codes concerning the impact of products and services on health and safety	Negative	Potential	internal operating procedures and identification of key roles for verifying compliance with sector regulations
		Production of pathogens with potential negative impact on public health in case of theft	Negative	Potential	Biobank with biological security features and high level 24/7 access and surveillance systems

Governance	Creation of value and economic performance	Creation of jobs in the area thanks to the DIESSE BIOTECH CAMPUS and to the Company expansion plan	Positive	Current	Choosing a local supplier, whose subcontracts are all local suppliers
		Creation of economic-financial value	Positive	Current	The growth trend of the Company's economic performance compared to previous years continued in 2023
		Support to Made in Italy, preferring suppliers based in Italy	Positive	Current	85.7% of suppliers are Italian
		Dissemination of scientific culture and solidarity through agreements with universities and support to social initiatives	Positive	Current	Agreements with 4 universities and a high school to host training internships; dissemination of articles in scientific journals, participation in scientific congresses
		Donations, sponsorships and funding	Positive	Current	Support for non-profit charity initiatives, such as Dynamo Camp, Caritas, local initiatives
		Creation of the DIESSE Biotech Campus at the cutting edge of technology	Positive / Negative	Potential / Current	Positive: creation of new opportunities, new jobs Negative: Waste from construction

By ordering the material topics on the basis of their score, it was possible to prepare a graph which takes into account the importance attributed on average to the topics assessed. The result is the "materiality matrix" which shows the order of priority assigned by management on the abscissa and the order of priority expressed by all stakeholders on the ordinate. The topics already identified in 2021 were confirmed, reviewing only a few significant placements, which however did not impact the overall distribution.



Material topics and what they mean to us

ETHICS, REGULATORY COMPLIANCE AND FIGHT AGAINST CORRUPTION

Ethics, regulatory compliance and the fight against corruption represent one of the most significant topics in the DIESSE materiality matrix. The objectives that define DIESSE's commitment in relation to the ethical aspects are given in the Code of Ethics, which contains the basic principles that represent an indispensable and fundamental asset of the Company, which must base its development on a solid reputation, true to these values. DIESSE people, suppliers, customers, candidates for employment and all other possible recipients are required to strictly comply with these principles when carrying out their activities. The general commitment of the organisation in relation to ethical aspects is also reported in the CSR policy; finally, the Organisation, management and control model for the purposes of L. Decree 231/2001 identifies the processes at potential risk of crime, the methods of managing the financial resources, the disciplinary system and the preventive and corrective actions, as well as the measures to be implemented in the area of personnel selection, information and training. The topic is relevant in particular as concerns the fight against corruption due to the potential impact on the community, as it is part of the business developed with the public administration, mainly in Italy.

CYBERSECURITY AND DATA PRIVACY

The protection of the data of all stakeholders and IT security are relevant topics and in the limelight particularly in relation to the recent and continuous episodes of crimes on the matter at a global level.

The scope of their potential impact concerns employees, sensitive business data and data relating to customers and suppliers. Ensuring data security and privacy means avoiding negative impacts on these areas.

RESEARCH, INNOVATION AND TECHNOLOGICAL EXCELLENCE

Research, innovation and technological excellence constitute the most relevant topic in DIESSE's materiality matrix. Starting from 2020, the Company has invested approximately 10% of its revenues in research and development every year, a percentage that is almost double the market average (6%). Scientific research represents one of the strategic pillars of growth and differentiation. We also see this as the main road through which to significantly create value on the patient's health, through innovations and the continuous offer of cutting-edge diagnostic solutions. For this reason, the in-house R&D team has also grown in recent years and will continue to do so over the coming ones. Since Siena is one of the world's centres of excellence in the research and production of vaccines, we consider our contribution to the development of the territory and to the wealth of scientific knowledge present therein to be significant. The scope of impact is therefore extended to the scientific community, universities, our customers, the patient.

VALUE CREATION AND ECONOMIC PERFORMANCE

The topic is relevant with respect to the economic and financial impact, which mainly concerns investors-shareholders, but also transversally impacts the well-being of our employees and collaborators, of the community and of the territory in which we operate and, finally, scientific development and innovation, also carried out thanks to the possibility of allocating part of the profits to research activities.

PRODUCT QUALITY AND SAFETY

The quality and safety of the product are an essential aspect for DIESSE, which guarantees these through a system of procedures and operating instructions aimed at clearly defining responsibilities and at ensuring controls during all production phases. A surveillance system of the product placed on the market allows assessing the performance of the products, carrying out their risk assessments and improving their design. Another aspect that contributes to monitoring quality and production safety is the management of the "changes" of the diagnostic test, i.e. changes to an existing product or production process which allow the essential requirements to be kept unchanged. The topic is extremely relevant due to the nature of our products and to the impact they could generate in the field of diagnosis and ultimately in patient care and health.

TRAINING, ENHANCEMENT AND WELFARE OF PERSONNEL

People are the key to the success of everything we do. Strong schooling, especially in the scientific field, diversity of gender and of generations characterise the human capital of DIESSE. Long life learning, continuous study, contamination of skills represent how we carry out employee training, which includes the training necessary to ensure product quality and safety, but also soft skills courses aimed at increasing the culture of collaboration and of corporate management. Enhancement includes both internal communication initiatives aimed at highlighting projects and events, and a widespread performance management process, which enables recognising and rewarding merit and steering the organisation towards common objectives.

In recent years, employee well-being has been one of the highest cared-for areas, whose pinnacle is represented by the DIESSE Biotech Campus, DIESSE's "new home". Initiatives to raise awareness towards topics of health, prevention, nutrition and sport have been carried out both with internal communication tools and by involving the Company doctor in prevention campaigns, not just on the COVID issue.

It is worth mentioning that over the last two years agreements have been activated with the three Tuscan universities and with technical schools in the area to facilitate the entry into the world of work of young high school graduates and recent graduates. The main impact of the topic therefore refers to employees and to the local community and schools.

EQUITY, DIVERSITY AND INCLUSION

The relevant aspects for our Company with respect to this topic can be traced back to 3 elements: gender, generation, inclusion of people with different skills and expertise.

Lastly, inclusion means attention towards different forms of flexibility, types of duties, special permits that allow everyone to best express themselves.

OCCUPATIONAL HEALTH AND SAFETY

When carrying out its activities, DIESSE considers human health, environmental protection and occupational safety an indispensable duty, a continuous commitment and a constant component of its mission. The topic of occupational health and safety is relevant due to the impact it has on our most important resource, human capital, and is therefore totally integrated into our conduct and business management models.

PACKAGING AND WASTE RECYCLING

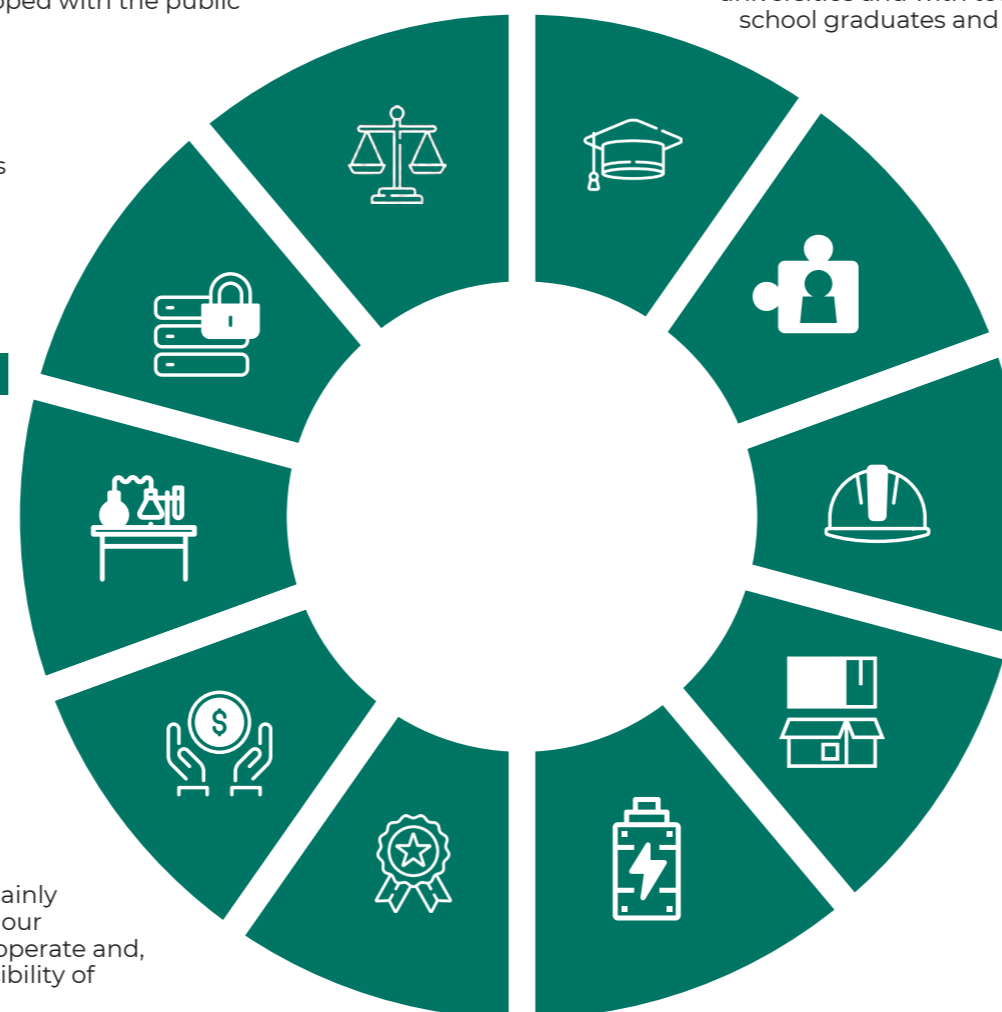
The issue of packaging and waste recycling is especially relevant from the point of view of environmental sustainability and of the possible impacts that the activity that DIESSE carries out could have on the environment. In the field of waste disposal and recycling, we are compliant with current legislation and promote virtuous behaviour with internal communication initiatives.

The topic is relevant due to the potential impact of the type of potentially dangerous waste and production material on the community and on public health in view of the type of products, as well as to the contribution that we feel we can provide as a Company and as a group of individuals to the objectives of the UN 2030 agenda.

ENERGY EFFICIENCY

The relevance of the topic of energy efficiency is linked to the desire to reduce the impact of our production activities in terms of energy procurement and consumption.

The DIESSE Biotech Campus, under construction since 2021 and due for delivery at the end of 2022, represents the largest investment in this sense, since it will combine the latest generation plant engineering and lighting with a photovoltaic system (installed power 600 kW), which together with the one already installed at the Righi site will almost totally cover our energy needs (monitoring and KPIs will be defined once the transfer to the new site has taken place). Consideration is also being given to an internal water supply system, through an artesian well and bio-lake which will channel rainwater and from which the water subsequently used for services to support the business will be drawn.



Our contribution to the United Nations Sustainable Development Goals

At the time of the transformation into a Benefit Company, we made specific commitments in our articles of association:

“As a Benefit Company, the Company will therefore have to operate in a responsible, sustainable and transparent manner towards its stakeholders and specifically towards investors, employees and collaborators, the scientific and university world, the community, regulatory bodies and institutions, suppliers and in general towards stakeholders in order to pursue the following purposes for the common benefit:

- (i) To operate towards developing the human person in the social organisation and towards developing social inclusion aimed at the effective achievement of integration, according to a line of gradual, possibly harmonious growth, the elimination of any discrimination and of any unjustified distinction;*
- (ii) To generate sustainable economic growth, for the benefit of all its stakeholders;*
- (iii) To operate to guarantee access to justice for all, create effective, responsible and inclusive institutions at all levels, encouraging and supporting cultural, social and charitable initiatives, even if they have a profit-making purpose, which undertake to disseminate education for disease prevention and a healthy life and which encourage respect for the environment and its more conscious use as a health factor;*
- (iv) To operate to promote and disseminate a culture of ethics, compliance and anti-corruption at all levels and towards all stakeholders;*
- (v) To operate to make the workplace healthy and safe for employees and collaborators and for the employees of investee or associated companies, so as to promote the harmonious development of the person in the workplace;*
- (vi) To operate in order to reduce the environmental impact of operations, but also to positively influence customers and investee or associated companies to behave responsibly towards the environment.*
- (vii) To contribute to scientific progress and to the treatments available for the patient, by means of adequate research and innovation activities in the business area, in order to have a positive impact on health and well-being, with a particular focus on the quality of the products.”*

In the CSR Policy, we have identified the 5 sustainable development goals of the United Nations 2030 agenda on which we believe we have a significant impact. For DIESSE, all the material topics can be included in one of the five objectives of the 2030 agenda and are consistent with what is indicated in the Benefit Company articles of association.



- Corporate wellness initiatives;
- Investments and training in occupational health and safety
- Medical monitoring on major risk factors
- Contribution to the fight against emerging infections
- Research, development and production of tests that aim to improve patient care



- Transparent and fair HR processes
- Investment in training
- Managerial development pathways
- Climate surveys
- Flexibility and work life balance policies
- Value generated and distributed to stakeholders



- Construction of DIESSE Biotech Campus for a more responsible production
- Education projects aimed at responsible consumption
- Revision of instruments in the production field, to reduce the use of paper/cardboard



- Photovoltaic installation and expansion
- Campaigns to disseminate good individual consumption practices
- Choice of planet friendly materials and technologies in the construction of the DIESSE Biotech Campus



- Second level corporate agreement
- Involvement of the corporate workforce in social and solidarity initiatives
- D&I focus
- Close collaboration with scientific institutions and the world of associations and universities
- Collaboration with educational institutions for reimbursement to facilitate entry into the world of work





GOVERNANCE AND BUSINESS

Our approach

DIESSE Diagnostica Senese S.p.A. undertakes to conduct, carry out and monitor its activities in an ethical, socially responsible and transparent manner to ensure respect for and preservation of the environmental, cultural and social heritage, safeguarding the current generation and future generations.

The principles that inspire DIESSE are clearly defined in its Code of Ethics, whose observance is required by the corporate bodies, its employees and all those who cooperate in any capacity in the pursuit of the Company goals. DIESSE, in fact, wishes to state its firm conviction of basing its behaviour not only on compliance with laws and regulations, but also on compliance with the moral principles which govern all aspects of civil coexistence, all relationships between individuals, private and public companies and institutions.

The definition of the aforementioned CSR corporate policy dates back to 2020, has been disseminated internally and to stakeholders on the Company website and, as reported in the previous paragraph, focuses on five main objectives, among the 17 defined by the UN 2030 Agenda.

The Company monitors its progress towards these objectives also thanks to constant monitoring with ad hoc reporting in which all the companies of the Archimed fund participate.

This new culture of responsibility and civic sense is integrated into a quality management system, which aims to monitor all business processes, promoting continuous improvement. All the activities that make up the various business processes are aimed at maximum customer satisfaction and are planned and implemented by DIESSE in compliance with the major standards for quality management systems, ensuring traceability, transparency, maximum quality of its processes, products and services. To date, in fact, the Company is certified in accordance with UNI EN ISO 9001:2015 and EN ISO 13485:2016, also in compliance with the MDSAP Program (Medical Device Single Audit Program).

In addition, all products are CE marked.

The tools for a responsible business management

Our Governance

The ISO 9001:2015 standard defines our governance model, attributing a central role to Leadership; the quality management system is integrated with the corporate processes.

Leadership in DIESSE is assumed by the Board of Directors, with the support of the Board of Statutory Auditors and takes on the central role of planning, verifying and improving processes.

As at 31/12/2023, the Board of Directors is composed of 6 members – 1 of whom is independent. The members of the BoD are also involved in the boards of other companies that operate in the healthcare sector and have a specific expertise profile for managing companies in the reference sector.

The 6 members are male, 2 are in the 30-50 age group, the remainder over 50 years of age.

The board of statutory auditors is made up of 3 members, all three are male and all are over the age of 50. There are also 2 alternate members, male and over 50 years of age. Massimiliano Boggetti holds the office of Chief Executive Officer (CEO) on behalf of the BoD, with a renewable 4-year mandate. The CEO of DIESSE has in turn appointed a Management Representative for the Quality Management System within the corporate governance.

The Steering Committee, made up of department managers, manages the Company operationally, together with the CEO and based on the defined strategies. Gender mix (43% men, 57% women), diversified skills, seniority and backgrounds ensure a fruitful dialogue with a view to continuous improvement and a highly performing team.

Governance is responsible for::

- Strategic planning and quality policy: Governance plans and Quality Assurance carries out the activities envisaged by continuous improvement in order to implement the Quality Management System and to adapt it to the internal organisational context and to the requirements set out in the mandatory standards and regulations for DIESSE products. Governance and Quality Assurance work to ensure the conservation and integrity of the Quality Management System.
- Management of the quality policy and Company goals: the Governance defines and approves the Company quality policy and the objectives of the Quality Management System.
- Convening the Management Review, whose purpose is to periodically verify that the Quality Management System is always suitable, adequate, efficient and produces the planned results.



The Organisation, Management and Control Model

In addition to the Code of Ethics, DIESSE has adopted the Organisation, Management and Control Model as an instrument for awareness-raising and ethical training for all those who operate in the name and on behalf of the Company, so that they behave correctly and linearly when carrying out their activities, thus preventing the risk of committing the crimes envisaged by L. Decree 231/01. This is because the Company is sensitive to the need to ensure a correct and transparent conduct when carrying out its business and corporate activities, to protect its position and image, the expectations of its shareholders and the work of its employees and is aware of the importance of adopting an internal control system suitable to prevent its directors, employees, collaborators, representatives, partners and agents from acting unlawfully. Furthermore, DIESSE has set up a Supervisory Body with the task of supervising the operation, effectiveness and observance of the Model itself, as well as of taking care of its updating.

The Model consists of:

- a “General Part”, which describes the relevant legislation and the general operating rules of the Model and of the Supervisory Body;
- a “Specific Part”, focused on the areas of activity and the instrumental processes deemed “sensitive”, the rules of conduct and the other control instruments deemed relevant in relation to the crimes to be prevented.

Anti-corruption

In line with the provisions contained in L. Decree 8/06/2001, no. 231 and after having identified the corporate areas at risk of crime by mapping its activities and processes, the Company has prepared the Organisational, Management and Control Model. DIESSE has also established the Supervisory Body (hereinafter SB) for a period of 3 years, composed of two professionals, business consultants experienced in L. Decree 231. In order to prevent crimes relating to ethics, integrity and the fight against corruption, the external supervisory body conducts two audits a year to verify the model's integrity.

As a further commitment, top management and next in line employees also carry out specific training sessions on the code of ethics and on the organisation, management and control model.

During the reporting period, no episode of corruption by employees or business partners was ascertained and therefore no dismissals or contractual terminations were made due to violations related to this aspect.

Whistleblowing

Starting from 15 December 2023, as required by law, DIESSE has implemented the procedure for managing Whistleblowing, a practice for reporting violations of laws or regulations, crimes and cases of corruption or fraud, as well as dangerous situations for public health and safety. Implementation of the procedure was carried out in collaboration with an external partner and its platform that meets regulatory requirements.



Cybersecurity and Data

DIESSE has a GDPR compliant Privacy Policy that ensures compliance with the regulations on the protection of personal data of natural persons pursuant to art. 13 of Regulation (EU) no. 2016/679 (hereinafter, "GDPR"), as well as to L. Decree no. 196/2003 amended by L. Decree no. 101 of 10 August 2018. In support of the above, the Company has also created a set of operational instructions describing Privacy by design, Methods for providing information regarding the processing and management of personal data pertaining to natural persons, Methods for the processing and management of personal data pertaining to natural persons, Methods for the protection of personal data pertaining to a natural person, Method for dealing with a Data breach.

As regards cyber security, in addition to having an information document describing what is forbidden to do to maintain the integrity of DIESSE data, a "Root DataSI 2021-03-31" file is also available, where the limitations of access to the various folders and any additions are included. This allows for greater security of the data, as access is limited to a small number of people.

An internal procedure (POI 11-02) is also available, which describes the authentication criteria and access limitations (to ensure the protection of employee privacy and the security of corporate information, all Company protection criteria is managed by the Microsoft Active Directory service), the method of assigning/revoking accesses, the data protection methods and the back up and data security implemented based on two different approaches: physical and logical security.

By physical security we mean all the activities aimed at ensuring continuity of service (electricity, data transmission, logic) while by logical security we mean a backup structure built to protect the virtual machines and the data contained therein. Through diversified backup lines, the risk of data loss is minimised and rapid recovery times are guaranteed (veeam, robocopy, vm explorer software).

Data restoration methods and virus prevention are also described. Corrective actions are monitored thanks to the existence of a dedicated procedure in which the methods and timeframes for logging and managing non-conformities are defined. Timing differs depending on the severity of the non-conformity. In the event of a data breach related non-conformity, the non-conformity will be classified as major (these are classified as major, allowing for one day for detection and a maximum of one day for logging the data breach). The action planning to resolve the cause and prevent a non-compliance from reoccurring must be performed within one month of it being logged.

To ensure their monitoring, the Quality Assurance Manager holds a meeting every 15 days to monitor their progression. Instead, to eliminate the root cause of a potential non-compliance, in order to avoid it from reoccurring, or to eliminate



the cause of another potential undesirable situation, DIESSE resorts to preventive actions. These are recorded within one week of detection and are monitored on a quarterly basis by the Quality Assurance Manager. As further monitoring, a weekly meeting is held each week, during which the progression of non-conformities is monitored according to their priority. Complaints are monitored thanks to the Salesforce management system, where feedback and complaints are logged that can come from anyone with direct or indirect reports with the Company, wishing to express satisfaction or dissatisfaction with a device, tool or service offered by DIESSE. Communications are received by email or phone. All feedback is entered into the Salesforce management system, opening a new case. Feedback is then classified and investigated. If the feedback appears to be a complaint, it must be classified according to the appropriate risk classes and the Supervisory process must be activated for complaints falling in class 1-3.

Annex 1 "DIESSE PROCESSING REGISTER Rev 2" and Annex 2 "List of Appointments of Authorised Persons Rev 6" describe the responsibilities regarding data protection processing. The IT department and the CEO are responsible for data protection. The IT department is responsible for Data Backups and Security, System Restores and Virus Prevention.

The evaluation of the effectiveness of the measures implemented to protect data security did not detect deviations and non-compliance with regulatory requirements.

During the reporting period, we received no complaints from external parties and regulatory bodies regarding the violation of customer privacy.



**PEOPLE
IN DIESSE**

Our approach

As already described in the previous chapters, the corporate values, our CSR policy, the code of ethics and the organisational model (MOG231) according to L. Decree 231/2001 are the basis of the processes that support our management of human resources. An internal procedure defines the operating methods in all phases of corporate life, defining principles that ensure fair treatment and clear and transparent rules. The structure of the selection process guarantees the principles of diversity and non-discrimination and the involvement of multiple actors in the selection phases during the insertion of new resources, to ensure diminishing the subjective factor and identifying the best resources for the organisation, also ensuring regulatory compliance and for the purposes of 231/2001.

We have also integrated into the procedure the provisions regarding foreign citizens, child labour, potential conflicts of interest of the candidate, as per the organisational model (MOG231) of L. Decree 231/2001.

Loyalty, correctness, professionalism and independence of judgment are the principles on which we base the activities carried out by the HR Department, the consultants and the external collaborators involved in the search for personnel.

Training is a fundamental aspect for occupational health and safety but also for supporting the development of the personnel's technical skills and soft skills and in 2022 a very extensive training program was implemented within the organisation, which has been successful.

A job description, updated periodically, clearly defines the responsibilities of each person within the organisation.

An integral part of our Code of Ethics is the topic of human rights. All our employees undertake to know and respect this Code during the hiring phase, as provided for in the Organisational, Management and Control Model (OMC) for the purposes of 231/2001. Our code of ethics and the OMC Model have been implemented since 2020; both documents are available on the Company website: www.DIESSE.it.

Finally, it is worth mentioning the collaborative and constructive dialogue with the workers' representatives, a dialogue which in 2021 enabled renewing the second-level contract, containing various measures to support the well-being of employees and improvements with respect to the provisions of the national collective bargaining agreement.



PEOPLE IN DIESSE

In 2023, the number of DIESSE employees increased by 18 compared to 2022. Hiring was mainly concentrated in Research and Development, Commercial Operations and Production.

Employees by qualification divided by gender	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	no.	2	2	4	2	2	4	2	2	4
Middle management		9	12	21	9	10	19	7	11	18
Office workers		37	74	111	32	66	98	31	64	95
Workers		40	48	88	38	47	85	37	47	84
Total		88	136	224	81	125	206	77	124	201

Employees by qualification divided by gender	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	%	2	1	2	2	2	2	3	2	2
Middle management		10	9	9	11	8	9	9	9	9
Office workers		42	54	50	40	53	48	40	52	47
Workers		45	35	39	47	38	41	48	38	42
Total		100	100	100	100	100	100	100	100	100

Employees by qualification divided by age groups	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Executives	no.	0	1	3	0	1	3	0	1	3
Middle management		0	14	7	0	12	7	0	11	7
Office workers		18	70	23	16	58	24	9	61	25
Workers		19	40	29	15	38	32	16	39	29
Total		37	125	62	31	109	66	25	112	64

Employees by qualification divided by age groups	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Executives	%	0	1	5	0	1	5	0	1	5
Middle management		0	11	11	0	11	11	0	10	11
Office workers		49	55	37	52	53	36	36	54	39
Workers		51	32	47	48	35	48	64	35	45
Total		100	100	100	100	100	100	100	100	100

Minorities (e.g. protected categories) If applicable	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	no.	0	0	0	0	0	0	0	0	0
Middle management		0	1	1	0	1	1	0	1	1
Office workers		2	2	4	2	2	4	2	2	4
Workers		3	4	7	3	4	7	3	4	7
Total		5	7	12	5	7	12	5	7	12

Minorities (e.g. protected categories) If applicable	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	%	0	0	0	0	0	0	0	0	0
Middle management		0	14	8	0	14	8	0	14	8
Office workers		40	29	33	40	29	33	40	29	33
Workers		60	57	58	60	57	58	60	57	58
Total		100	100	100	100	100	100	100	100	100

The trend that sees the female workforce superior to the male workforce continues for all qualifications (except managerial roles, where men and women are found in equal numbers).

Over the last three years, the new recruitment policy has preferred direct contractual forms, with a sharp drop in the number of personnel on agency leasing contracts compared to the past and an increase in open-ended hires and the conversion of fixed-term contracts into open-ended ones.

The corporate population is well balanced in terms of diversity, particularly with respect to gender and generation aspects. The code of ethics, the organisation, management and control model, internal procedures for personnel management, guarantee – right from the selection phase – measures to prevent discrimination and in general to mitigate conscious and unconscious cognitive biases which could impact on the choices made. Diversity, equity and inclusion aspects have been the focus of training for all Company employees. From an inclusive perspective towards disabled workers, following the transfer to the new Company headquarters in 2023, the Company organised a social transport service in collaboration with a local association, aimed at those disabled workers who were not able to reach the workplace independently. The service is a great source of support for these workers.

Employees broken down by employment contract	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Open-ended contract	no.	82	131	213	72	121	193	69	115	184
Fixed-term contract		6	5	11	9	4	13	8	9	17
Total		88	136	224	81	125	206	77	124	201
Contracts converted from a fixed-term type to an open-ended one		6	2	8	1	4	5	0	3	3

In general, we prefer guaranteeing a greater peace of mind through direct contracts and, where sustainable, directly with open-ended ones. The portion of fixed-term contracts relates to the physiological need for flexibility in the production sector. Over the past few years, various apprenticeship contracts have been launched for the training and development of young new graduates in the Company.

Employees broken down by employment contract	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Full-time	no.	84	113	197	77	102	179	73	97	170
Part-time		4	23	27	4	23	27	4	27	31
Total		88	136	224	81	125	206	77	124	201

DIESSE supports parenthood and the needs of caregivers through part-time contract forms tailored to personal needs, without prejudice to the compatibility with the job performed. The number remains unchanged in 2023 compared to 2022.

Employees broken down by educational qualification	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Bachelor's degree/Master's degree	no.	28	60	88	22	51	73	22	49	71
High School Diploma/Qualification		47	53	100	44	50	94	40	51	91
Middle school diploma		13	23	36	15	24	39	15	24	39
Total		88	136	224	81	125	206	77	124	201

The number of graduates is higher in all directions and has grown significantly in 2023 (40% of total employees vs. 36% in 2022). In particular, scientific innovation is also supported by the entry of various specialisations and PhDs.

Employees + collaborators	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Employees	no.	88	136	224	81	125	206	77	124	201
Personnel on agency leasing contracts		0	2	2	1	1	2	0	0	4
Other types of contracts		0	0	0	1	0	1	1	0	1
Total		88	138	226	83	126	209	82	124	206

The number of workers on agency staff leasing has been drastically reduced over the past few years, in favour of direct forms of contracts. Currently, agency leasing is only used if the identified candidate, mainly in the production/supply chain, already has a permanent contract with a temporary work agency and prefers to keep this type of contract in place.

The link with the territory in which the Company operates is strong and allows us to attract the local human capital, contributing significantly to the employment of those who live in the province of Siena and more generally in Tuscany, providing job opportunities to highly specialised figures in scientific areas and the possibility of finding a job in their region of origin. On the other hand, over the last 3 years we have also attracted people from elsewhere, who have embraced the DIESSE project and its evolution and are now living in Tuscany.

The recent opening of the offices in Milan's Mind Innovation District will provide the opportunity to expand the search pool for new employees in the future.

Employees by region and gender	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
North	no.	1	0	1	1	0	1	1	0	1
Centre		87	136	223	80	125	205	76	124	200
South and Islands		0	0	0	0	0	0	0	0	0
Total		88	136	224	81	125	206	77	124	201

The workforce is all concentrated in Italy's central region, in correspondence to the Company's headquarters. An exception is a single resource present at a branch office located in Northern Italy.

Employees hired (by age groups)	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Employees hired	no.	17	18	0	17	11	1	18	20	1

Employees hired (by gender)	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Employees hired	no.	15	20	35	15	14	29	18	21	39

In 2023, the trend of hiring resources under 30 continued, consistent with an age management policy and a containment of the increase in the average age, whose value in 2023 stands at 43 years compared to 44 years in 2022. The hiring trend by gender shows a higher value for women, and the overall number of female resources in the Company is still considerably higher than that of the male resources. All hiring is carried out in Central Italy, as the main office is located in the municipality of Monteriggioni. Some of the figures hired actually operate the other regions/geographical areas.

Employees terminated (by gender)	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Employees terminated	no.	6	10	16	7	8	15	6	5	11

Turnover rate (by gender)	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Turnover by gender	%	6,8	7,4	7,1	8,6	6,4	7,3	7,8	4,0	5,5

Turnover rate by age	u.m.	2023			2022			2021		
		< 30	30-50	> 50	< 30	30-50	> 50	< 30	30-50	> 50
Turnover by age group	%	13,5	4,9	9,7	6,5	9,2	4,5	16,0	1,8	7,8

The turnover trend has declined since 2022 and also includes some retirements. Even in a provincial context, we believe that the current turnover rate is healthy and physiological for a normal turnover within the organisation.

Categories of vulnerable resources are present in the workforce of workers, office workers and managers.

The number of employees in 2023 increased by 18, in line with the evolution of the Company's business and with the creation of new positions, especially in R&D and in the Commercial business unit. In 2024, headcount growth will be lower, as the focus will be on optimising processes and increasing production efficiency, including through a Lean Manufacturing project. We will continue to host students and graduates as part of internships and experimental thesis within the Company.

Average age	u.m.	2023	2022	2021
Average age	no.	43	44	44

The average age in the Company has remained unchanged

Internships	u.m.	2023	2022	2021
Number of interns	no.	21	20	13

The number of internships (which includes extra-curricular internships, curricular internships and thesis internships) increased in 2023. The agreements in place with the University of Siena, the University of Florence, Pisa, Perugia, the Vita Foundation and the Employment Centre allow us to provide training experience as internships, providing the opportunity of carrying out thesis internships or of obtaining ECTS Credits, or of implementing training and orientation projects in the post-graduate employment market. It is a source of great pride for us to be able to host young resources, still in an orientation phase.

We promote the enhancement of human capital

The centrality of people is one of our values. We are committed every day to ensure that the choices in defining Company strategies and policies reflect this value, ensuring fair treatment and the inclusion of all collaborators.

During 2023 there were various initiatives to support the professional and personal growth of DIESSE resources.

In particular, we mention the Learning Deck 2023, an initiative, along the lines of what was already implemented in 2022, which made it possible to provide a significant number of training hours in the soft skills and hard skills fields, and thus strengthen the cultural and professional background of the our people.

Wellness and sustainability courses have also been included in the catalogue.

Out of the total corporate employees, 100% took at least one training course during the year 2023.

2023 can be summarised and described from a development and training point of view with the data indicated below*:

- 37 training initiatives on soft skills, languages & IT, and well-being, involving 102 participants. 10 soft skills initiatives not carried out will be subject to review and new planning if necessary
- 2 training and team building courses involving the Steering Committee 7 training initiatives on hard skills involving 15 managers and another 32 non-manager resources

*safety courses attended by Prevention and Protection Service Managers are excluded from these numbers.

Average training hours completed by professional category and gender	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	h.	102	203,5	306	42	48	90	17	20	37
Middle management		254	537	791	353	475	828	175	388	563
Office workers		1343	3357	4700	746	7.25	4.12	698	4.16	15.54
Workers		3310	843	4153	18.59	993	19.52	668	825	9.13
Total		5008	4941	9949	6.40	17.02	23.42	10.18	9.09	19.27

Employees in training by professional category and gender	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	no.	2	2	4	2	2	4	2	2	4
Middle management		9	12	21	9	10	19	7	11	18
Office workers		37	74	111	31	67	98	31	64	95
Workers		40	48	88	39	46	85	37	47	84
Total		88	136	224	81	125	206	77	124	201

Average training hours per year	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Executives	h.	51	101,8	76,4	21	24	22,5	8,5	10	9,3
Middle management		28,2	44,8	37,7	39,3	47,5	43,6	25	35,3	31,3
Office workers		36,3	45,4	42,3	24,1	48,7	40,9	22,5	18,7	19,9
Workers		82,7	17,6	47,2	125,6	21,6	69,3	18,1	17,6	17,8
Total		56,9	36,3	44,4	74,6	38,3	52,5	20,2	19,6	19,8

The number of hours of training delivered in 2023 shows a slight decrease compared to 2022, above all for the operator category, reflecting a mix of recruitment and therefore onboarding in favour of employee categories. The figure confirms the Company's attention to training. The learning deck training hours were in fact added to the training hours. In 2023, with the transfer to the DIESSE Biotech Campus, all employees were involved in training sessions on the processes and procedures implemented.

From 2022, the annual Performance Review process was extended to the entire white collar population. This provides for continuous manager-collaborator exchanges throughout the year, so as to guide performance and the conduct adopted to achieve this. To support the extension of the process, workshops were also organised in 2023 with sharing initiatives involving both Managers and Collaborators, with a view to better understanding and implementing the process in everyday life. Individual development is also supported by an IDP (Individual Development Plan), a sort of journal, shared between the collaborator and his/her manager, through which to identify areas of strength and potential areas for improvement, and the actions with which to support their growth. Overall, support for the Company's cultural evolution through training, development and performance reviews continues.

Hours of training by training area	u.m.	2023	2022	2021
Managerial	h.	661	469	470
Assurance		2.123	808	748
Safety/Technical		4.563	7.455	2.711
Linguistics		330	253	-
IT/Technology		1.248	8	25
Other		1.075	1.830	33
Total			9.949	10.822

Legend:

Management training: paths for the development of people management skills, aimed at managers and top managers

Quality: all training related to the procedures and instructions required for product and process quality, as well as training related to process/product changes

Safety/Technical: on-board training and cyclical refresh of the technical skills for the position held

IT/Technology: training on the use of IT instruments

The increase in training on quality issues has been linked to the need to provide all resources with the tools necessary to perform their work in the correct manner and in a situation of absolute security, as part of their relocation to the new headquarters. During 2023, the training course in the linguistic field started in 2022 was also continued, supported by a training course in the IT field, to which hours will also be dedicated over the next year, with the aim of responding more and more professionally to the needs of a growing and increasingly international business environment.



Expenses and investments for training	u.m.	2023	2022	2021
Expenses and investments for training	€	69.158	46.484	63.774

During 2023, we had access to various training funding opportunities and were therefore able to partially cover some of the costs incurred mentioned above.

Delivery mode of the training	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
E. learning training hours	h.	437	780	1216,5	557	6.22	15.39	767	896	12.03
Hours of mixed training		120	31	151	123	7.20	9.23	-	-	-
Hours of classroom training		4452	4131	8582	11.00	3.20	14.20	802	9.39	7.21

After the pandemic, classroom and in person training began to be the preferred method for more effective interactions. In addition, the opening of the DIESSE Biotech Campus allowed, from September 2023, to also take advantage of the new meeting rooms for this purpose.

As far as health and safety training is concerned, we have continued our commitment towards providing not only the mandatory courses required by law, but also courses with an impact on risk mitigation in daily operations, especially in the manufacturing area.

The information campaigns and the dissemination of good practices in the areas of health, nutrition and well-being also continued.

Among the internal communication and dialogue initiatives with collaborators, we mention “Col Capo (With the Boss)”, a series of appointments with the CEO, in which anyone who signed up for the initiative was able to have a chat over breakfast about strategies, projects, Company initiatives.

Engagement initiatives such as breakfasts with the CEO, celebratory events of those who contributed most to the transfer from the old plants to the DIESSE Biotech Campus, the dissemination of the climate survey at the end of October 2023, highlight the value that the Company places on its people and the continuous dialogue.



DIESSE
ACADEMY

In 2023, the technical and scientific training **Academy**, managed by the Customer Care team (Commercial Operations Department), provided 27 product training sessions over the course of the year. It has also developed digital training material, which has been added to the onboarding of new resources.

We promote diversity and equal opportunities

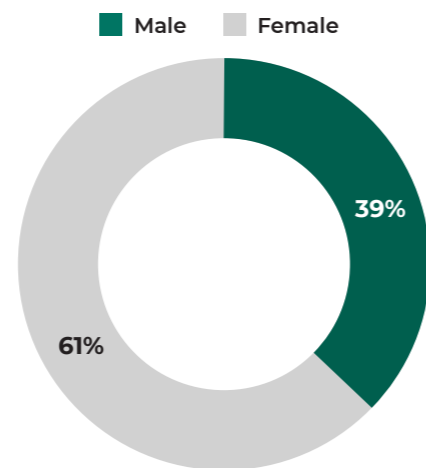
The topic of equal opportunities and of diversity and inclusion in general is strongly felt and experienced in our organisation and permeates corporate life and our main management documents (Code of Ethics, OMC Model, CSR policy, personnel management regulation).

Dignity and equality are principles enshrined in our Code of Ethics, which clearly bans any discrimination based on age, language, gender, sexual orientation, state of health, race, nationality, political opinions and religious beliefs. We uphold respect for the personal dignity, privacy and personality rights of each individual.

We concretely promoted these principles in 2023 through some of the courses of the Learning deck initiative, intended for managers and collaborators. We monitor the evolution of distribution KPIs on a monthly basis by gender, age and education level, in order to guide the organisation on the topic and take any necessary actions. In 2023 the distribution by gender again shows that, from the point of view of equal opportunities, **61%** of resources consists of women, in contrast with the Italian landscape. This percentage grows in the managerial range.

Distribution by gender and average age by gender as at 31.12.2023:

DISTRIBUTION BY GENDER



AVERAGE AGE BY GENDER



The analysis of salaries by homogeneous levels of responsibility does not show significant gaps between men and women. The annual total compensation ratio, calculated as the ratio between the highest salary and the median of all other workers, is 12.58. The lower value in 2023 compared to 2022 is due to the median of wages, which have been affected upwards by increases in the National Collective Labour Agreement and meritocracy. In order to favour the work-life balance, DIESSE has work time schedules based on flexible start and end times (with the possibility of ending the working day by 4.30pm and by 3.30pm on Fridays) and for the lunch break. The data on women's vs. men's part-time contracts show that this request still comes mainly from women, not only for childcare but also, and increasingly, as caregivers for family elders. Smart working has continued since April 2020, and concerns around 45% of DIESSE resources.

In relation to the strong growth in the workforce, the Company will need to include a few more disabled workers in 2024 compared to those currently present. In the field of age management, the previously mentioned curricular and post-curricular internships allow meeting young high school/university graduates with a progressive recruitment into the Company.

We protect the health and safety of our workers

In pursuing its activities, DIESSE Diagnostica Senese S.p.A Società Benefit considers human health, environmental protection and occupational safety an indispensable duty, an on-going commitment and a constant component of its mission, the keystones of the Safety Policy (as required by the ISO standard 45001 - point 5.2)

The focus is on awareness and information not only for the DIESSE people, but for all the collaborators of external companies who come into contact with us, on the need to comply with the safety and hygiene standards applicable to site activities, on training collaborators to intervene in anomalous and emergency situations, to minimise any consequences.

The RAD (Risk assessment document) document defines the objectives to be pursued in the field of prevention and control of accidents and injuries, for the protection of workers, the population and the environment.

The Annual Safety Report drawn up by the prevention and protection service manager, attached to the Annual Meeting (art 35 of L. Decree 81/08), shares the progress of activities, the KPI monitoring and any action plans with all safety managers; everything is also reported in the Management Review document drawn up by Quality Management in accordance with the ISO 9001 and ISO 13485:2016 IVD Quality Certifications and with the next certification planned for 2023, ISO45001.

DIESSE shares with its people the goal of maintaining conditions for health and safety in the workplace and its mission takes the form of a commitment to ensure working methods that promote a culture of safety in the workplace, by effectively implementing a health and safety management system that complies with the requirements of the model promoted by the Ministerial Decree of the Minister of Labour and Social Policies of 13 February 2014, as an instrument for medium and small businesses, in order to incorporate the obligations referred to in art. 30 of L. Decree 81/2008 and the codes of conduct adopted pursuant to the provisions of art. 6 of L. Decree no. 231/01.

Furthermore, where possible, voluntarily, further measures deemed necessary even in the absence of legislative obligations are applied to:

Furthermore, where possible, voluntarily, further measures deemed necessary even in the absence of legislative obligations are applied to:

- promote every initiative to prevent, in every activity, the occurrence of accidents, whether significant or not, which could compromise the safety of collaborators and of neighbouring communities; promote a transparent and collaborative relationship with public and private entities and local communities;
- provide the resources necessary to ensure a Security Management System appropriate to the reality of the Site;
- sensitise and inform all employees and collaborators of external companies on the need to comply with the safety and hygiene standards applicable to the activities of the Site;
- train collaborators to intervene in anomalous and emergency situations to minimise any consequences;
- pursue continuous improvement of the Site's safety management, also by identifying the risks associated with the activities carried out and defining
- the objectives for their reduction, in accordance with the development plans and with the available budget;

All risk assessments aim to allow the necessary measures to be taken to safeguard the health and safety of workers and/or of other people present in the workplace as well as the necessary measures to protect the environment.

The processes and methods for identifying possible workplace hazards and the related risk assessment are:

- hierarchy of controls - Supervisors, Workers' Health and Safety Representative, Prevention and Protection Service Manager, Company doctor (Organisation Chart and Appointments); reporting of situations of danger by email to the Prevention and Protection Service Manager, inspections and reporting by the Prevention and Protection Service Manager, the Company doctor and the Workers' Health and Safety Representative;
- incident investigation, specific near-miss procedure, recording, trend and statistics, with final report inclusive of improvement actions;

It should also be noted that the identification of potential hazards is generally developed through some survey instruments, such as for example:

- checklists;
- verification of compliance with the regulations in force;
- check of compliance with the criteria of good technique;
- compliance with the general precautionary rules (art. 15 of L. Decree 81/08);
- systematic techniques and methodologies

An internal "Near miss" procedure is available, constantly updated, which provides information on the manner in which near misses/accidents are reported.

The procedure is designed to define in detail the communication flow of the incident report up to its resolution, with a view to participation and involvement.

The specific tasks and responsibilities are indicated for each of the incident management phases:

- drawing up/registration/filing of involvement
- verification
- approval
- implementation

The Safety Management System documentation is updated for each process, just as the training of individual managers and collaborators is constantly implemented as a crucial element for keeping a high level of control over health and safety.

Beyond the specific procedure for managing near misses, there are specific procedures, included in the quality system, for managing emergencies from chemical, biological, environmental risks and related to events such as fires, earthquakes, attacks, bombs (according to the emergency and evacuation and first aid plans).

The occupational health service carries out a set of health checks, performed on site by an appointed Company doctor, aimed at protecting the health and safety of workers. Their frequency and type are diversified according to the risk factors and the reference environment.



A special area has been set up in the DIESSE Biotech Campus dedicated to periodic visits and specific checks necessary for particular cases. The Company doctor also carries out an annual inspection, to check the working environments, with a focus on PPE and ergonomics of the workstations, evaluation of the new working environment with particular attention to microclimate and lighting to ensure an optimal working condition.

In 2023, 222 health visits were carried out, during which, in addition to what is required by law, other elements that impact the health and well-being of workers were monitored:

- physical activity carried out
- smoking habit
- use of alcohol by gender
- vaccination status of the worker (vaccinations and boosters carried out as well as antibody coverage checks, depending on the risk related to the job; the Company has also implemented a vaccination campaign for seasonal flu for all workers and family members).
- treatments received by workers.

The worker has the right to request a medical examination; planning is in any case scheduled to ensure the frequency established by the health protocol for all collaborators.

In order to strengthen the monitoring of prevention, health and safety activities, a Prevention and Protection Service Officer was added in 2023 to support the Prevention and Protection Service Manager.

The CEO, the HR Director, the Prevention and Protection Service Manager and the Prevention and Protection Service Officer meet periodically to assess the progress of prevention activities in the health and safety area and to define any actions regarding the problems encountered.

All training is carried out as per the state-regions agreement for all workers. The training is carried out partly internally and directly by the Prevention and Protection Service Manager (first aid, in his/her capacity as a doctor, and specific training on biological risk and the use of laboratory equipment for safety) and partly by external training agencies. The Prevention and Protection Service Manager meets the criteria for the qualification of trainers as established by law (permanent qualification as Instructor and relative updates – Interministerial qualification of March 2013). By obtaining the specific certificate, the Prevention and Protection Service Manager holds the position established by the Decree of the Ministry of Labour and Social Policies and the Ministry of Health dated 06 March 2013 (Official Gazette no. 65 of 19 March 2013), in force since 18 March 2014.

According to State-Regions Agreement, the Prevention and Protection Service Manager carries out some specific courses:

- Course on the use of laminar flow hoods (biological safety cabins)
- Biological risk course and specific emergency safety procedures
- Risk course for nitrogen and cryogenic containers
- Course on centrifuges and use of safety containers for centrifugation
- Course for selection and used of PPE (with specific training for masks and half masks)

For all people who join the Company on internships, agency leasing contracts, students of educational institutions, new hires and any other figure classified as a worker pursuant to L. Decree 81/08, training is carried out directly by accredited training agencies.

Updates of the First Aid Courses have been regularly carried out for the year 2023 by the Prevention and Protection Service Manager in his capacity as a Doctor Registered with the Medical Association of Siena and as a qualified teacher (Instructor Qualification Course - IQC) for the BLS-D.

For some courses, High and low risk workers, Supervisors, Managers, Workers' Health and Safety Representatives, Prevention and Protection Service Manager updates, Work at height courses, Elevating Work Platforms, Courses for electricians (PES and PAV), Forklift driver courses, Firefighting courses are carried out with external personnel or Accredited training agencies.

Training is recorded in a specific file, thus ensuring traceability for each worker and is updated with each new training and information session.

In 2023, approximately 56% of the Company's population took one or more of the following courses:

- Safety L. Decree 81
- Forklift Traffic Management
- Use of first, second and third category PPE
- Load handling
- Work at height
- Supervisors BLS-D updating
- Safety Management Training
- Elevating Work Platforms Workers' Health and Safety
- Representative updating

Compared to 2023, all mandatory safety courses have been carried out as per L. Decree 81, with a 100% attendance rate.

On a voluntary basis, the employee can activate the Faschim health insurance, which allows discounted rates or partial reimbursement for accessing health and preventive health services which go beyond the specific needs of the Company health protocol. The Company makes the annual flu vaccination campaign available to all workers free of charge, as well as any boosts for all mandatory vaccinations for new hires and employees. In the internal Company magazine - Dfocus - space is dedicated throughout the year to articles focused on topics such as nutrition, prevention and well-being.

Our Organisational, Management and Control Model pursuant to L. Decree 231/01 provides in "Point 4.2 Specific management protocols" the management methods and obligations both in the occupational health and safety field, as well as in relations with public bodies and the Ministry of Health in response to complaints and reports.

Two injuries were recorded in 2023, both involving women. However, the total number of days was limited as these were mild events. There were also two accidents while commuting.

All the assessment of workplace hazards (identification and actions taken) are reported in the "RAD prevention expansion 2023" in section 3, point 2.

Accidents	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Total hours worked by employees	h.	152.59.00	211.17.00	364.16.00	129.42.00	208.29.00	338.11.00	122.42.00	198.32.00	321.14.00
The number of accidents* at work (enter the type of accident in the note)	no.		2	2	-	-	-	-	1	1
The number of occupational accidents with serious consequences (excluding deaths)	no.			-	-	-	-	-	1	1
Number of days of absence due to accidents	g.	-	12	12	-	-	-	-	49	49
accidents	no.			-	-	-	-	-	-	-
Number of employees	no.	88	136	224	81	125	206	77	124	201

Indexes	2023			2022			2021		
	men	women	total	men	women	total	men	women	total
Incidence rate	0	1,471	0,893	0	0	0	0	1,61	1
Severity rate	0	0,058	0,034	0	0	0	0	0,26	0,16
Recordable occupational accident rate	0	9,65	0	0	0	0	0	5,22	3,24
Rate for occupational accidents with serious consequences (excluding fatalities)	0	0	5,67	0	0	0	0	5,22	3,24
Rate of deaths resulting from accidents at work	0	0	0	0	0	0	0	0	0
Number of employees	88	136	224	81	125	206	77	124	201

Accidents	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
Total hours worked by self-employed workers	h.	0	4146	4146	3747	1076	4822	7423	8158	15581
The number of accidents* at work (enter the type of accident in the note)	no.	0	0	0	0	0	0	0	0	0
The number of occupational accidents with serious consequences (excluding deaths)	no.	0	0	0	0	0	0	0	0	0
Number of days of absence due to accidents	g.	0	0	0	0	0	0	0	0	0
Deaths	no.	0	0	0	0	0	0	0	0	0
Number of workers who are not current employees as at 31 December 2023	no.	1	1	2	4	2	6	2	3	5

Accidents	u.m.	2023			2022			2021		
		men	women	total	men	women	total	men	women	total
accidents while commuting	no.	1	1	2	0	1	1	0	0	0

Main prevention measures:

- Presence of specific classification assessment, reporting
- Presence of specific procedures indicating PPE, emergency and indications for access
- Periodic training
- Instruction before each job in case of special hazards
- Recording and verification by state of the art audits or verification by external consultants.

Initiatives also continue to raise awareness of health prevention issues through our Dfocus magazine.

As an example, the October edition focused on mental health, on the occasion of its World Day, sharing information about factors that positively influence our mental health, and some good practices.



CONSIGLI UTILI PER PRESERVARE LA PROPRIA SALUTE MENTALE

- 1 Cerca di fare regolarmente esercizio fisico per contrastare lo stress e fare il pieno di endorfine. L'attività sportiva è un'ottima fonte di sensazioni di benessere e soddisfazione
- 2 Prenditi cura del tuo sonno: stabilisci delle abitudini non solo per dormire a sufficienza, ma anche per riposare bene
- 3 Lavora sulle tue capacità di gestione dello stress e di risoluzione dei problemi
- 4 Coltiva una rete di sane relazioni: relazioni familiari ed amicali sono una risorsa preziosa
- 5 Prenditi cura di te e dedica sempre un momento della giornata a ciò che ti piace. Aumenterai i pensieri positivi!

The Health and Safety document system is being migrated to software that will simplify and automate the entire process of planning visits, scheduling and recording training and information.

Another goal for 2023-2024 is the single certification, Quality, Safety, Environment – ISO 45001 Certification.



ENVIRONMENT

DIESSE 4 PLANET



Saturday **November 18** from **10 to 12**

📍 **Castellina Scalo** public park

(meeting point Via Giuseppe di Vittorio parking lot, no. 24)

In collaboration with **Legambiente Circolo Siena** and with the patronage of the **Municipality of Monteriggioni** we will clean the park and the playground for a moment of togetherness



DIESSE



Our approach

Our Organisational, Management and Control Model pursuant to L. Decree 231/01 provides in Point 4.2.10 Sensitive activities no. 23: Management of activities and processes relevant for environmental purposes also in relation to third parties. The effectiveness of the management model is verified through audits by the Supervisory Body, generally with two cycles each year.

In 2023, no health, safety and environmental audits were carried out by the Supervisory Board, which had audited the area in 2022. It will therefore be reasonable for a new audit to be carried out during 2024.

The initiatives in favour of a cultural and behavioural change in the protection of the environmental heritage have continued. For the first time, DIESSE in collaboration with Legambiente, has organised the cleaning of a playground located in the municipality of Monteriggioni, joining the *Let's clean the World initiative*.

THE DECALOGUE FOR PROPER DISPOSAL OF GLASS



THINGS TO DO ...

ONLY BOTTLE AND JAR FOR RECYCLING PERFECT!

It is essential that only bottles and jars are placed in the separate glass collection, in order to make recycling more effective, efficient and economical in the production of new glass packaging.

EMPTY, UNSCREW AND SEPARATE!

After consumption, we check that we have emptied them of any food residue and make sure that we have removed all the packaging accessories (e.g. metal caps, collars, sleeves).



AND REMEMBER TO ALWAYS TAKE THEM OUT OF THE BAG!

It is important to remove glass bottles and jars from any plastic bags used to carry them, before placing the glass packaging into the separate waste collection bin.

SEPARATE WASTE COLLECTION NEVER GOES ON HOLIDAY!

It can happen, for example, that when we go on holiday we find separate waste collection models that are different from those we are used to. Let's remember to read the instructions provided by the Municipality carefully.



... AND THE MISTAKES TO AVOID !



THE LABELS WON'T COME OFF? LEAVE THEM THERE!

We avoid prolonged washing or other complicated systems for removing labels or other accessories that are part of the packaging, if they are difficult to remove.



IT'S NOT PACKAGING? THEN NO, THANK YOU!

Only bottles and jars should be placed in the separate glass collection. Plates and all those glass objects that are not packaging (bottles and jars) must be sent to the waste separation and recycling area.



MIXING GLASS AND CRYSTAL IS NEVER A "BRIGHT" IDEA...

Crystal owes its brilliance and sound to the lead present within it, up to almost a third of the components. Glasses and crystal objects must be placed in the unsorted waste!



... AND CERAMIC IS INDIGESTION TO RECYCLING!

Just one piece of ceramic and porcelain is enough to choke up the recycling process. Ceramic and porcelain must be placed in the unsorted waste.



BOROSILICATE GLASS LOOKS LIKE COMMON GLASS, BUT IT'S NOT!

Thanks to its special chemical composition (borosilicate), it is a "false friend" of glass because it melts at a higher temperature than that of normal glass packaging.



OTHER MATERIALS TO BE KEPT SEPARATE FROM GLASS

Bulbs, lamps (filament lamps), neon and mirrors contain substances that are hazardous to the environment and are not compatible with glass recycling. Bulbs, neon and mirrors must be thrown into the unsorted waste!



An internal awareness-raising activity on glass recycling was also carried out, through an article published in the June 2023 edition of Dfocus.

Before proceeding with the disposal of semi-finished materials that have expired, if possible, a retesting is carried out, which allows assessing an extension of the expiry date of the material (in line with the internal organisational procedure POI 09-04 for semi-finished products).



Insights on the DIESSE Biotech Campus (DBC)

Internal lighting: an automation system with KNX-Da-li protocols has been adopted. The system consists of installing sensors that detect both the brightness in the environment and the presence of people in rooms equipped with windows. The lamps, all with a LED light source, are equipped with Da-Li drivers that allow dimming the light flow. Energy saving is obtained both by switching off the lights when no presence of people is detected, and by regulating the lighting according to the light coming in from outside. In rooms without an opening, the sensors only detect presence, turn on the lights and turn them off with a delay time to allow fully exiting the area in safety. The lighting is also connected to the burglar alarm system, which, via a second control, switches off all the lights when it is turned on. In the event of an alarm, the system switches on automatically.

External lighting: an automation system with KNX-Da-li protocols has been adopted. The lamps switch on via a command from the web server, where an astronomical clock is installed with sunrise and sunset set every day by software. The lights come on after sunset, in order to ensure a correct use of the area and they stay on at most for the working hours. They undergo an initial reduction (20-30%), to be agreed with the management, at the end of the work schedule and are then reduced again after midnight. Shutdown is automatic at dawn.

Power factor correction: an automatic power factor correction system has been inserted to contain costs, avoiding the penalties imposed by ENEL and lowering consumption.

Primary air exchange: the primary air system is equipped with a frequency-adjusted inverter, which reduces the power of the motor according to both people and working hours. In the morning, the system becomes active before working hours to allow “cleaning” the premises before occupation and then it is modulated during the day, with an almost complete shutdown at night and weekends.

A heat recovery system with cross-flow exchanger and damper for the free cooling system has been implemented, with automatic operation controlled by the BMS for night cooling.

Control of the distribution pumps: the dripping pumps of the secondary circuits have been divided into several circuits and are all equipped with automatic regulators with variable flow rate for varying the heat transfer fluid, ensuring both a saving of traction energy and of generation fuels. Temperature control completes the efficiency improvement. By means of energy storage, the system avoids a non-continuous operation of the generator, preventing the reduction of yields.

BMS: the entire mechanical ventilation part of the laboratories is controlled by a BMS supervisory system which, in addition to ensuring compliance with the parameters required for production, also implements shutdown and speed variation interventions that allow energy savings.

Office heating/air conditioning system: The system used is the VRF type with 4 pipes (independent heating/cooling in each room) connected to a heat pump; it envisages local temperature control in all closed rooms and in the open space, with on and off control managed by an automation system via the web server (with control also on the BMS). The system also allows activating the possibility of in-presence control (in small offices and meeting rooms) using the information from the sensor used for lighting. This feature will not be implemented for the time being.

Building materials: the embankment of the car park and the ground floor of the Biotech Campus have been filled with recycled material from other construction sites; the floors of the external areas (terraces and internal cloister) are in certified recycled “Novawood” material; the roof is made entirely of aluminium, 100% recyclable. The project includes a 920 m² photovoltaic system, with an estimated production of 225 MWh, which adds to the 1476 m² already installed on the adjacent building which generated a production of 322 MWh in 2022.

Instrumentation and production machines: replacement of 14 latest generation fridge-freezers, with disposal of the old F/G class fridge-freezers; replacement of 5 presses with 3 new generation presses with greater efficiency - consumption of old presses 10 KWh vs. consumption of new presses 3 KWh. Furthermore, thanks to the replacement of the moulds, we have achieved an optimisation of the hourly cost and overall it has been possible to decommission 2 presses without the need for replacement, for the same production.



The DIESSE Biotech Campus was inaugurated with an event dedicated to employees and, subsequently, an event attended by social partners, local, regional and national institutions, and representatives of the industrial world.

In order to accompany staff in the transition from the old offices and operating methods to the new spaces, in particular for staff who moved from the logic of closed offices or an open space, a training course was created (New ways of working), aimed at helping employees accept change and ensuring greater personal well-being in the new spaces.

In the lobby at the entrance, we find the three key words characterising Industry 5.0, which have become our guide and on whose principles the DIESSE Biotech Campus was conceived and built: PEOPLE, PLANET, PROSPERITY.

The three paintings were created through a team building activity that involved the entire corporate population.



Commitment to reducing environmental impacts

The DIESSE Biotech Campus (DBC) undoubtedly represents a significant step forward in terms of reducing the environmental impacts related to production and in general to the corporate life of DIESSE.

In renewing our commitment to environmental sustainability, in autumn 2023 we carried out our first carbon footprint assessment. Based on the results, an action plan will be developed in the first quarter of 2024, with the aim of identifying projects to reduce our impact in scope 1, 2 and 3.

As far as water consumption is concerned, today the DIESSE Biotech Campus is served by the water network of the Fiora aqueduct for internal services, while an artesian well provides water for irrigating the garden.

From 2020, the instructions for use of our products have been made available in digital version on our website and no longer printed and inserted in product packaging, with the aim of reducing paper consumption and therefore of having a lower environmental impact. As far as instruments are concerned, paper has been replaced with USB sticks. In 2023, this generated a saving of about 616 kg of unprinted paper.

From 2021, all the boxes for moving the semi-finished products between sites have been replaced by reusable containers, a measure that has allowed the multiple reuse of the transport boxes and the reduction in the use of cardboard. Containers now play the same role in DBC's internal handling.

In 2023, the modification of a mould in the Plastic Moulding department resulted in a saving in plastic consumption of 3850 kg/year.

Energy efficiency and emissions containment

According to ISO 52120 tables, the automation introduced in the management of the lighting, heating and cooling systems of the DIESSE Biotech Campus, provides an energy saving of 21% compared to non-automated systems for the same surface areas.

Potentially infected liquids, linked to the production cycle, are collected and disposed of by third-party providers, in line with the internal waste management procedure and with legal provisions. To date, there is no monitoring and management system for water resources, nor the involvement of providers on the subject. 2024 will be the first year in which all production will be completely carried out at the DIESSE Biotech Campus. This will make it possible to have a consumption parameter as the basis for defining further efficiency KPIs.

Diesel consumption is mainly attributable to the Company vehicle fleet, while methane consumption refers to use for production activities.

Direct energy consumption (offices and sites)	u.m.	2023	2022	2021
Non-renewable	m3	22.641	26.854	29.178
- Methane (room heating)		22.641	26.854	29.178
- Other (specify)				
Renewable				
Total		22.641	26.854	29.178

Direct energy consumption (Company cars)	u.m.	2023	2022	2021
Non-renewable				
- Methane	kg			
- Other				
- Petrol	l.	3.535	6.133	
- Diesel	l.	38.467	31.705	40.341
- LPG	l.			
Renewable				

We have implemented a monthly monitoring of the consumption of the Company vehicle fleet, which remained substantially unchanged compared to 2022.

	u.m.	2023	2022	2021
Total direct energy consumption	GJ	2.483	2.551	2.778

Indirect energy consumption	u.m.	2023	2022	2021	
Electricity	Kwh	1.904.459	1.358.162	1.597.630	
<i>from renewable sources*</i>		896.429	631.545	732.034	
Heating					
<i>from renewable sources</i>					
Cooling					
<i>from renewable sources</i>					
Steam					
<i>from renewable sources</i>					
Total indirect consumption of energy			1.904.459	1.358.162	1.597.630
Total indirect consumption of energy from renewable sources			869.429	631.545	732.034

During the switch over period there was an overlap between the old systems still in operation and the DBC; for this reason an impact can be noticed on overall annual consumption.

In 2023, the photovoltaic system installed on the roof of the existing building in Rigoni produced 288752.84 kWh of energy reinjected into the national electricity system.

Total energy sold	u.m.	2023	2022	2021
Electricity sold	Kwh	288.753	322.794	-
Heating energy sold				
Cooling energy sold				
Steam sold				
Total energy sold		288.753	322.794	-

Note: Energy data produced and sold is collected through the energy production monitoring platform, provided by the photovoltaic system providers. The electricity and gas data comes directly from the invoices provided by suppliers. The data on cars in the fleet is monitored on a monthly basis by the controlling Company, with support from the report provided by Arval, our main supplier of cars to the Company fleet.

Total energy consumption	u.m.	2023	2022	2021
Total direct energy consumption	Gj	1.575	1.484	1.620
Total indirect energy consumption		3.227	2.273	2.635
Total energy sold		1.039	1.162	-
Total energy consumption		3.763	2.596	4.255

The continuous reduction in total energy consumption, which has been observed since 2022, is related to the active contribution of the energy production by the photovoltaic plant. As mentioned above, the growing trend in 2023 was affected by a period of overlap during the switch over, during which the old plants were still active and the new ones were already in operation, as well as the opening at the end of the year of the new headquarters in Milan at MIND.

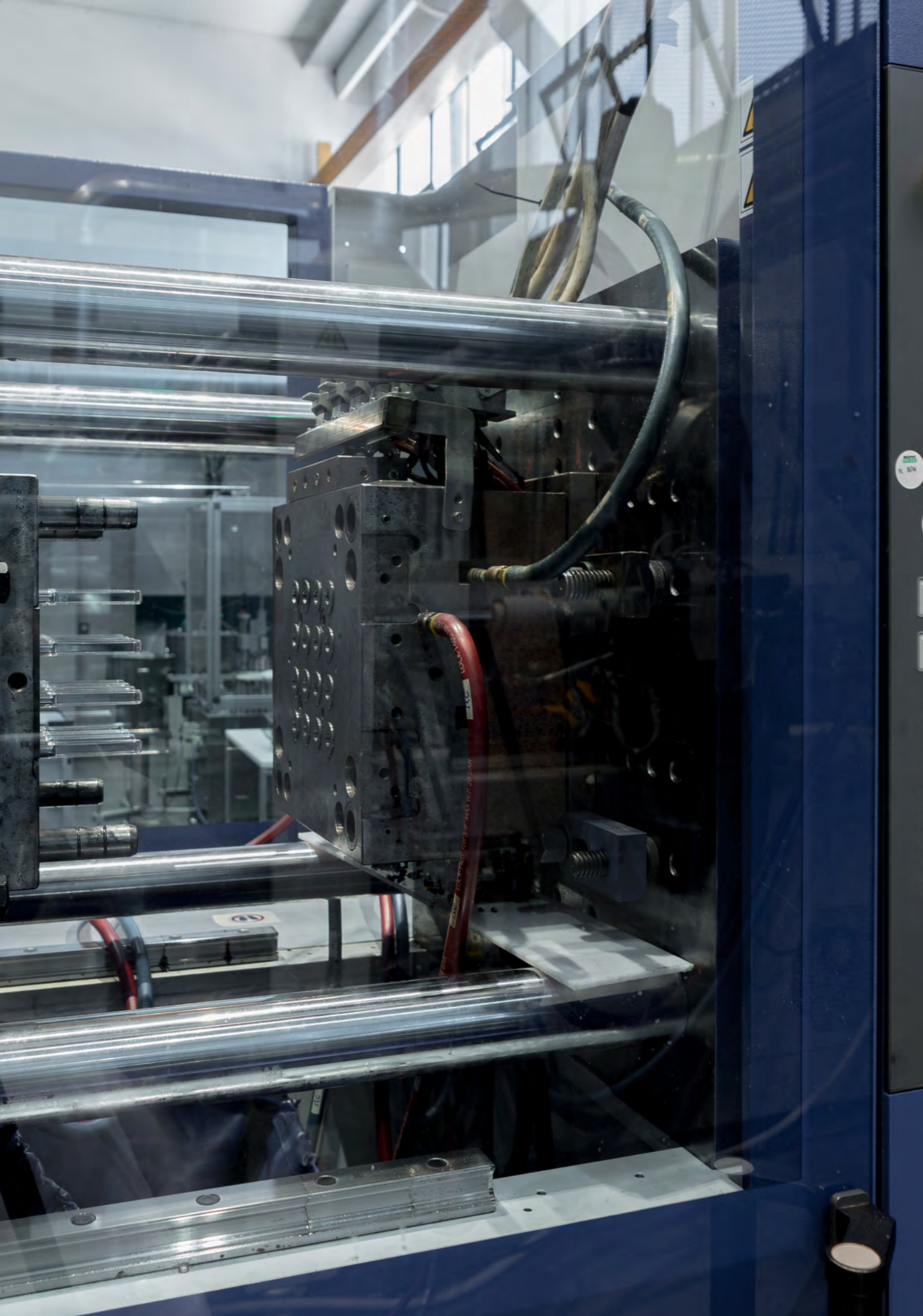
Scope 1 emissions	u.m.	2023	2022	2021
Total emissions from Offices and Headquarters	kg CO2e	46.151	54.281	58.979
Total emissions from Company cars		104.045	93.106	101.350
<i>of which petrol</i>		7.414	13.453	-
<i>of which diesel</i>		96.631	79.653	101.350

Conversion source DEFRA

Scope 2 emissions	u.m.	2023	2022	2021
Scope 2 - Location Based	kg CO2e	317.529	228.884	272.663
Scope 2 - Market Based		460.236	331.751	395.205

Location Based Conversion Factor - Terna
Market Based Conversion Factor

There are no monetary penalties related to violations of environmental laws and regulations during the reporting period.



Waste management

The waste management activity is structured to ensure that different types of waste are managed in accordance with the law, based on the characteristics of the waste. An internal operating instruction has been defined and is in force which establishes the management of each type of waste produced in the Company from the moment of arrival - in the case of raw material or packaging - to the moment of disposal. Downstream of the process, all the companies involved in the collection and disposal issue a specific form as required by law.

The entire process is managed by the Share Services department through a database, which contains all the information and is constantly updated and monitored throughout the year.

By management we mean the activities of collection, handling inside the Company, storage in temporary deposit and subsequent disposal of the waste produced, including the control of the aforementioned operations.

The rationalisation operations for managing the waste generated within the Company can be summarised as follows:

1. minimisation of risk for the operators carrying out the disposal, for public health and for the environment;
2. minimisation of the amount of waste production; separate collection according to the type of waste characterisation;
3. recycling through a third party.

Waste can be divided into two categories:

- hazardous: deriving from research, production and quality control laboratories;
- non-hazardous: this is municipal waste that originates in the canteens and offices and is subject to separate collection.

For all other waste, the disposal, loading and unloading register and the relative annual Environmental Declaration Form are available.

In addition to the ordinary waste generated within the DIESSE organisation and production, there are other types of products which we dispose of such as:

- material purchased from a supplier, stored in the warehouse, partially used and no longer usable by the department because it has expired;
- internally produced semi-finished product that is disposed of because it is not compliant for the final transformation into kits (semi-finished products that have not passed quality control);

- internally produced semi-finished product that is not transformed into a finished product and has expired;
- finished products that have reached their expiry date due to not being sold;
- instrumentation that is returned at the end of leasing to a customer and which initially undergoes a disinfection process, subsequently it is reallocated as a “used” instrument; if it is considered obsolete and unusable, before proceeding with disposal, its components are recovered and classified as spare parts (in line with internal procedure POI 13-02).

For waste management we make use of authorised companies according to the type of waste characterisation (European Waste Code).

All companies involved in waste management undergo precise checks of the certifications required by law, as well as concerning their expiry. The legal requirements with respect to the means of transport used are also verified.

The EWC 180103 code is taken into account: in case of exceeding 333 kg per disposal, we turn to a consultant specialised in ADR (European Agreement that regulates the transport of dangerous goods and waste on public roads) who annually draws up a report which establishes how to label, move, handle potentially infected waste according to the legislation (Decree no. 35 dated 27/01/2010, relating to the implementation of Legislation 2008/68/EC, according to art. 11 paragraph 5.)


The MUD (Unique Environmental Declaration Model) is drawn up annually in collaboration with an external supplier and indicates the quantity and type of waste we produced and/or managed during the preceding year.

The process of disposing of expired materials, semi-finished products that are non-compliant for transformation into end-of-life kits and instruments is managed in line with an internal operating procedure. Before proceeding with the disposal, the Supply Chain Department will carry out an analysis with Production, Quality Control and R&D to assess whether the material can be recovered; this allows a potential partial recovery and therefore a lower generation of waste.

Composition of waste		u.m.	2023			2022			2021		
Code CER	Description		Waste produced	Waste recovered	Waste disposed	Waste produced	Waste recovered	Waste disposed	Waste produced	Waste recovered	Waste disposed
080318	Finished printer toner		0,15	0,15	-	0,08	0,08	-	0,13	0,13	-
080318*	Finished printer toner		-	-	-	0,01	0,01	-	-	-	-
120105*	Filing and shavings of plastic materials		-	-	-	3,54	3,54	-	-	-	-
130208*	Gear oils		-	-	-	1,26	1,26	-	-	-	-
130802*	Other motor oils		0,13	0,13	-	1,35	0,69	0,66	-	-	-
150101	Paper and cardboard		21,92	21,17	0,75	11,50	11,55	-	9,31	9,31	-
150102*	Plastic packaging		9,55	9,55	-	13,11	13,11	-	14,08	14,08	-
150103	Wood		5,79	5,79	-	-	-	-	0,95	0,950	-
150106	Mixed packaging		61,58	60,80	0,78	37,13	36,43	0,70	31,70	31,70	-
105107	Glass packaging		-	-	-	-	-	-	-	-	-
150110*	Packaging containing substance residues		0,46	0,41	0,06	0,45	0,45	-	0,31	0,31	-
150202	Absorbent materials		0,13	0,13	-	0,10	0,10	-	0,46	0,46	-
150202*	Filter materials		-	-	-	0,02	0,02	-	-	-	-
160104	End-of-life vehicles		-	-	-	-	-	-	-	-	-
160211* a mirrored	Discontinued equipment containing chlorofluorocarbons		2,53	2,53	-	0,19	0,19	-	1,84	1,84	-
160213*	Discontinued equipment containing hazardous components		-	-	-	0,06	0,06	-	0,10	0,10	-
160213* a mirrored	Electrical and electronic equipment (PCs, monitors, etc.)		-	-	-	0,10	0,10	-	-	-	-
160214*	Electrical and electronic equipment with hazardous components		13,30	13,30	-	4,35	4,35	-	6,70	6,55	0,15
160504*	Gases in pressure vessels containing hazardous substances		0,22	0,22	-	0,06	0,06	-	-	-	-
160601*	Lead-acid batteries	T	0,02	0,02	-	0,01	0,01	-	0,09	0,09	-
160601* a mirrored	Lead-acid batteries		-	-	-	0,29	0,29	-	-	-	-
160506*	Laboratory chemicals		1,16	-	1,16	0,76	-	0,76	0,85	-	0,85
170202	Glass		0,17	0,17	-	-	-	-	-	-	-
170204*	Glass, plastic and wood containing hazardous substances		-	-	-	-	-	-	-	-	-
170301*	Bituminous mixtures containing coal tar		0,25	0,25	-	-	-	-	-	-	-
170405	Iron and steel		11,49	11,49	-	18,11	18,11	-	7,76	7,76	-
170409*	Mechanical waste contaminated by substances		-	-	-	-	-	-	0,01	-	0,01
170603*	Other insulating materials		0,15	-	0,15	0,09	-	0,90	4,00	-	4,00
170603* a mirrored	Other insulating materials		-	-	-	0,02	0,02	-	-	-	-
170604	Different insulating materials		7,26	7,26	-	0,01	0,01	-	-	-	-
170802*	Gypsum-based building materials		1,20	1,20	-	0,02	0,02	-	-	-	-
170904	Mixed construction and demolition waste		0,28	0,28	-	-	-	-	-	-	-
180103*	Potentially infected waste		38,43	-	38,43	41,26	-	41,26	44,51	-	44,51
180111	Waste paints and varnishes		0,07	0,07	-	-	-	-	-	-	-
070514	Waste other than 070513		1,20	0,65	0,55	1,97	-	1,97	2,69	2,05	0,64
200121*	Fluorescent tubes		0,01	0,01	-	0,01	0,01	-	3,20	-	3,20
200304	Septic tank sludge		-	-	-	-	-	-	2,90	-	2,90
Total waste			177,45	135,57	41,88	135,86	90,47	46,25	131,59	75,33	56,26

The EWC codes identified with an asterisk (*) are classified as hazardous waste.

As shown in the table, the amount of waste destined for recovery increased significantly in 2023 compared with the previous year, to 76.4% (66.6% in 2022).



**RELATIONS
WITH THE
TERRITORY
AND LOCAL
COMMUNITIES**



Our approach

The forty-year history of DIESSE has developed in the “world cradle of vaccines”, Siena. For the Company, the territory represents a wealth of skills from which to draw and at the same time a basin to whose development we contribute from the point of view of giving back.

We are aware of our important role in the entrepreneurial and social fabric of the area and are committed to a profitable development. This year the Company's commitment, also and above all with the contribution of its people, has also extended into the world of social and environmental issues.

Local communities and the territory

The territory and local communities represent a value for DIESSE and our relationship with them continues to develop along three axes: the relationship with the world of research and universities, the relationship with higher education and technical schools, the relationship with non-profit associations.

The dynamics of exchange, collaboration and feedback started in recent years continue with each of these stakeholders.

Involvement of local communities

In the university field, we have entered into 4 agreements: three with the Tuscan universities of Siena, Pisa and Florence and one with the University of Perugia. The collaboration with the ITS Vita Foundation – the Higher Technical Institute for the new technologies of life, whose purpose is the training and practical application of learning in the two branches of study relevant to us, bioqualtech and biomedtech, also continues. In this context, we have continued our Company presentations to make DIESSE activities and production processes better known and to initiate the young resources to a better understanding of our Company dynamics. In 2023, we hosted 7 students in internships to complete their ITS Fondazione Vita schooling and two of them are continuing their training with an apprenticeship.

We regularly host undergraduate Research & Development students for their theses. With the same aim, we actively participate in Career Days organised directly by Universities/University Departments. In 2023 an industrial doctorate was launched, giving one of our collaborators the opportunity to carry out their studies within the Company.

During 2023, the Company continued its social commitment, with charity initiatives, partly through Company contributions and partly with employee participation, in particular with involvement in the Medical Device Challenge and a clothing donation campaign in collaboration with Caritas.



At the end of the year, an initiative was organised under the Let's clean the world umbrella, with Legambiente and DIESSE collaborators and family members working to clean up a playground in Monteriggioni.

The doors of the DIESSE Biotech Campus also opened on the occasion of the researchers' day at the end of September, with the organisation of creative and educational workshops in the scientific field open to our collaborators' children.



Management of relations with the community, particularly with respect to social initiatives, is based on the desire to give back and to make a liberal contribution to initiatives with a strong social value.

In terms of relations with Universities and technical schools, we have worked to increase our collaboration, making our managers available for lessons and presentations at Universities and the Fondazione Vita Technical school. In particular, in spring DIESSE collaborated with the department of business and legal studies to create a project work for students in Management, with an award for the best project, which took place at the end of May.

In 2023 DIESSE was among the Ambassador companies of the "Ingenio al femminile" initiative, a scholarship intended for young graduates in engineering and STEM subjects.

	u.m.	2023	2022	2021
Value distributed to the community	€	61.705	61.457	70.807
<i>Donations</i>	€	3.915	17.092	20.484
<i>Universities and research centres</i>	€	0	0	10.000
<i>Sponsorships</i>	€	23.00	14.266	12.000
<i>Trade or Professional Associations</i>	€	34.790	30.099	28.323



Message
Load devices in Loading Rotor as shown in map. Press CONTINUE when done.

CHORUS EVO

 **PRODUCT**

Our approach

The in-vitro diagnostics sector is a highly regulated sector: in order to place a new product on the market, it is necessary to obtain its registration from the Authorities in charge of authorising its distribution in the different countries:

Within the European Union

placing in-vitro diagnostic products on the market is governed by European Regulation 2017/746.

- The 98/79 EC Directive is no longer in force, but the CE marked in-vitro diagnostic products – which complied with it before 26 May 2022 - can remain on the market according to the timeframe defined in the 2022/112 Regulation.
- This new regulation does not change the requirements of Regulation (EU) 2017/746 in substance, but does change its transitional provisions (art. 110). With this document we are moving towards a progressive introduction of Regulation (EU) 2017/746 which, depending on the risk class of the device, proposes a time span of a further 5 years.
- In accordance with the activities planned in 2021 and 2022, the Regulatory Affairs and Quality Assurance departments have adapted the Quality Management system and the technical documentation of 13 products belonging to risk classes A, B and C. As a result, in June 2022 the TÜV-SUD certification body issued the IVDR certificate code V12 for products belonging to risk classes B and C, valid until 26-06-2027, and in July 2022 the IVDR certificate code V11 for class A sterile products, valid until 18-07-2027.

Outside Europe:

- in the United States of America, the body in charge of approving the marketing of diagnostic products is the FDA (Food and Drug Administration); in Canada it is Health Canada and in the UK the body in charge is the Medicine and Health Care Products regulatory agency.
- The registrations in these markets were managed directly by the Regulatory Affairs department except for the UK where there was the intermediation of a “UK Responsible Person”.
- We also managed the registration activities for over 100 countries including 5 countries participating in the MDSAP project (Medical Device Single Audit Program): Australia, Brazil, Canada, Japan and the USA.

The performance of the activities described, indispensable for the business, involve maintaining a certified Quality Management System. And DIESSE acts in accordance with the UNI EN ISO 9001:2015, EN ISO 13485:2016 standards, including the MDSAP programme.

In 2023 the TÜV-SUD Notified Body certified the DIESSE Biotech Campus in compliance with the ISO 9001:2015 and ISO 13485:2016 standards, including the MDSAP program and related surveillance audits in compliance with Regulation (EU) 746/2017. In July 2022, the unannounced audit was also carried out, according to Directive 98/79 EC.

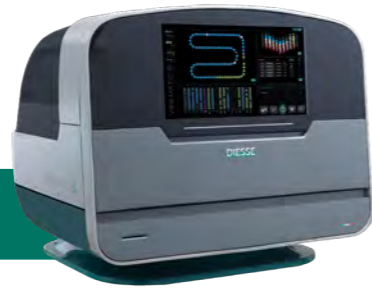
Finally, DIESSE maintains compliance of a Quality Management System for “Korea Good Manufacturing Practices of In-Vitro Diagnostic Devices” and for “Taiwan Good Manufacturing Practice”.

Our products



High quality standards, continuously improving, combined with Made in Italy design and innovation.

VES MATIC 5



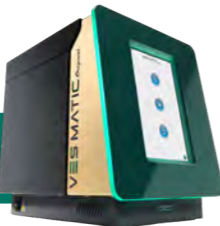
Automated system for the determination of ESR performed in blood count tubes with modified Westergren method. Loading up to 18 racks simultaneously and results in less than 30 minutes. Environmentally friendly with an innovative graphical interface, IoT with internal cameras for advanced remote assistance. Manufactured to ensure compatibility with the different types of cell counter racks on the market. Test performed on closed test tubes: no consumption of the blood sample, no reagents required, no production of waste liquids, maximum safety and operator protection. In 2022 the VES MATIC 5 instrument was selected as a finalist of the ADI Design Index 2022 award and will therefore participate in the selection for the Compasso d'oro award in 2024.

CUBE 30 TOUCH



Instrument for determining ESR in EDTA. Guarantees 30 results in 25 minutes with the modified Westergren method. No dedicated test tube, simple and easy to use, environmentally friendly. Test performed on closed test tubes: no consumption of the blood sample, no reagents required, no production of waste liquids, maximum safety and operator protection.

VES MATIC *Original*



Automatic instrument for direct determination of ESR with dedicated tube in citrate. Allows analysing up to 30 samples simultaneously. Automatic mixing of the samples for complete inversion. Automatic barcode reading and integrated printer.

MINI-CUBE



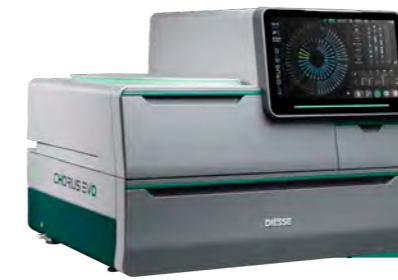
The smallest instrument for determining ESR with the modified Westergren method: maximum performance in mini format. It does not require dedicated test tubes, simple and easy to use with maximum safety and operator protection. Environmentally friendly and the ideal solution for small routines.

MINI-PET



Portable instrument for carrying out the ESR measurement in veterinary medicine. A simple but important test for animal health: the innovative solution for measuring ESR in dogs, cats and horses. A new simple test, able to check the clinical and physiological conditions completely automatically, ensuring the quality level of the DIESSE products.

CHORUS EVO



Automatic random access system for immunometric dosing based on ready-to-use single-test devices. Thanks to the level of automation achieved, the instrument offers maximum flexibility to the analysis laboratory and, integrating three different reading technologies – ELISA, CLIA and MACROARRAY –, allows the execution of routine parameters and special diagnostic tests. The large panel of tests available in the different diagnostic areas allows the consolidation of tests on a single platform

CHORUS TRIO



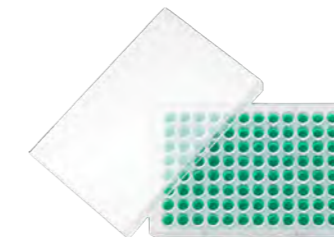
The immunoassay system is based on ready-to-use and single determination diagnostic devices. The ease of use and the broad choice of tests available on the market (infectious diseases, autoimmunity, endocrinology and tumour markers, allergy, bone metabolism, inflammation) make it the ideal instrument for performing small series diagnostic tests ensuring maximum flexibility in the organisation of the clinical laboratory workflow.

AUTO-DAT

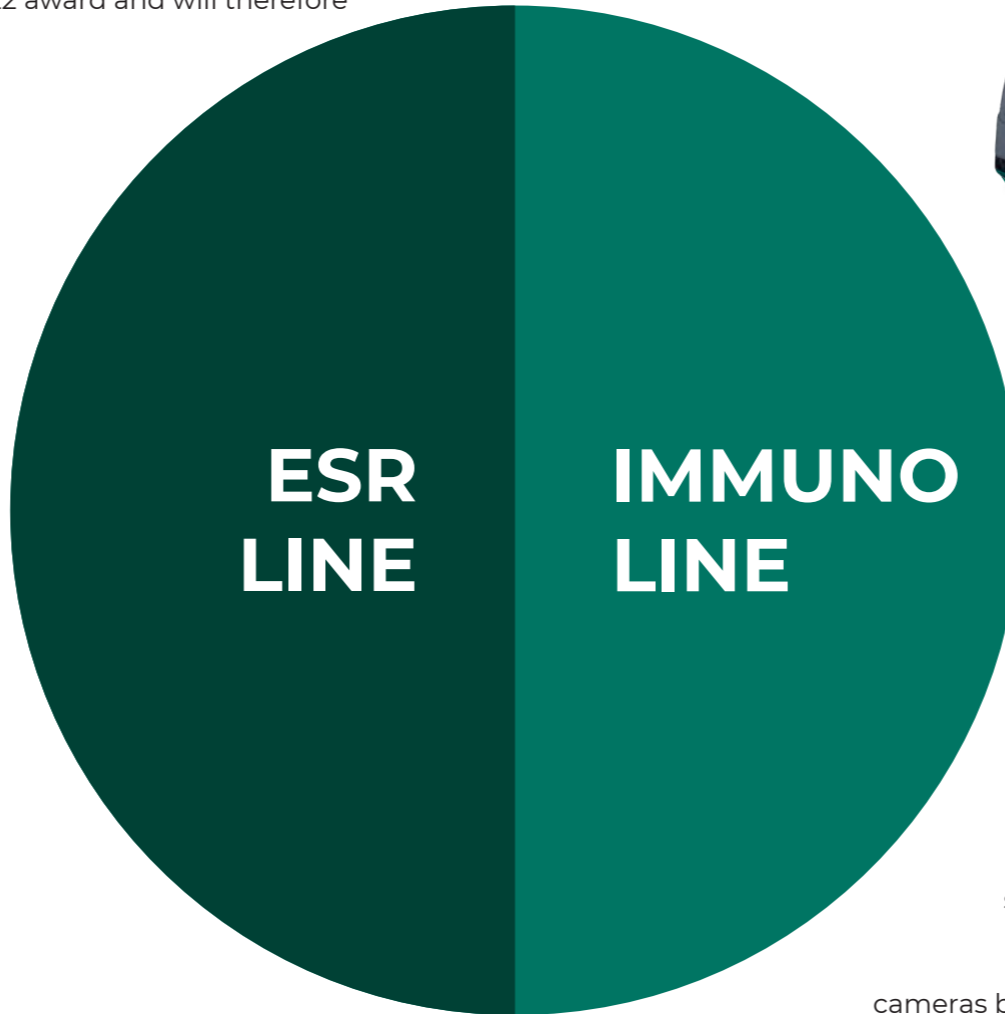


Fully automated solution for serum agglutination testing. The system performs direct serum agglutination tests previously performed manually and interpreted with the naked eye, standardised and traceable. The simplified procedure makes it possible to determine the antibody titre on a single well, avoiding repeated dilutions. The results, obtained by processing the images taken by internal cameras by the integrated software, are objective and avoid any interpretation errors.

ENZYWELL



The ELISA line for serological diagnosis of infectious diseases was developed with automation processes in mind. Compliance with ready-to-use liquid reagents and methods makes it easy to apply our kits to all ELISA processors on the market. The “in-house” production of all the critical components of the kits, natural and recombinant antigens and monoclonal antibodies, creates added value, as does the continuous quality control along the entire production chain, from the raw material to the finished kit.



The products marketed by DIESSE, divided by market sector, are:

ESR.

The erythrocyte sedimentation rate (VES-ESR in English) is a simple blood test, used to highlight an inflammatory state in the body. The test measures the sedimentation rate of red blood cells in anti-coagulated blood inside a test tube, in a pre-set period of time and the result is expressed in millimetres per hour.

The higher the ESR value measured, the higher the inflammatory state (e.g. rheumatoid diseases, orthopaedic infections and Hodgkin's lymphoma, infectious, inflammatory, malignant and autoimmune diseases).



The instrument launched in 2021, the **VES MATIC 5** offers strongly innovative solutions in its field, with elements of Artificial Intelligence, internal cameras for facilitated remote access, improvement of the correlation with the references of the Westergren method through new calculation algorithms. In 2022 the VES MATIC 5 instrument was selected as a finalist of the ADI Design Index 2022 award and will therefore participate in the selection for the Compasso d'oro award in 2024.

Immunochemistry

- **CHORUS** line, multi-parameter analyzers for the diagnosis and management of infectious diseases, autoimmune diseases, allergies, hormones, tumour and endocrine markers through ELISA immunoenzymatic tests.
- The CHORUS system is based on ready-to-use and single determination diagnostic devices that adapt to the needs of any clinical analysis laboratory.

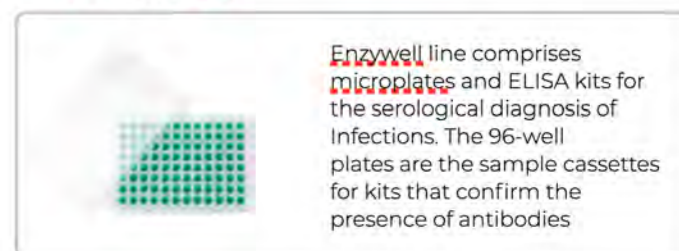


AUTO-DAT



Instrument for infectious diseases which performs direct agglutination tests, together with incubation and reading of the results.

ENZYWELL



- **AUTODAT** Analytical system for diagnostic investigation with seroagglutination technique in microplates. This system allows performing direct agglutination tests in a standardised and traceable manner.
- **ENZY-WELL** line, ELISA kit for the serological diagnosis of infectious diseases.
- All the components of the kits are produced "in-house" and this, together with an accurate quality control along the entire production line, represents an important added value.

With regard to laboratory instrumentation, DIESSE carries out the research and design activities, the final inspection and marketing of instruments whose production is outsourced to external partners, according to defined instructions and specifications.

Product safety

To ensure the quality and safety of the product, an internal operating procedure defines the process of tracking and tracing the product at all stages of its realisation, starting from the raw material up to the product distributed on the market to customers or distributors.

The correct traceability and trackability of the product depend on a complete identification of all phases of the manufacturing and distribution process. The identification aim is to ensure that products and manufacturing and distribution process steps are correctly identified with regards to production, change and quality status. The identification serves to mitigate the risk of cross-contamination of products, parts or materials of different origins or with different statuses.

Traceability allows tracing and monitoring the manufacturing and distribution process of the product starting from the raw material up to the customer.

Trackability, on the other hand, allows tracing:

- the origin of materials and components; the history of its realisation;
- the distribution and location of the product or service after delivery to the customer.

These processes are essential to ensure proper product recall from the market and/or to segregate the identified non-compliant product before or after delivery to the customer.

In the reporting period, no cases of non-compliance with regulations and/or self-regulatory codes regarding the health and safety impacts of products and services were found, and therefore no fines, sanctions or warnings were received.

In accordance with its internal Post Market Surveillance and Vigilance procedures, DIESSE periodically reviews complaints and non-compliances and verifies any requirements necessary for notifying the event to the competent authorities and also for “field safety corrective action” type actions, which were not carried out however due to the absence of the requirements (vigilance is activated only for class 1-3 complaints).

Quality KPIs 2023

In 2023, 426 checks were carried out on raw materials and semi-finished products and 28 preparations of batches of standards and panels for a total of 454 checks.

The 5% reduction in activities carried out in 2023 is certainly the result of optimisation of production planning. The careful management of the switch over has enabled the quality of DIESSE products to be maintained, with the achievement of all the 2023 KPIs for each line.

Non-compliance	
Department	KPI (% non-compliant lots defined by Total non-compliant lots / Total)
Bioreagents	<5%
Bulk	<2%
Packaging	<2%
ESR	<2%
Plastic	<2%

Analytical Complaints			
KPI (% resolved complaints/total complaints)	2023 Result	2022 Result	2021 Result
>50%	91%	74%	86%



Research, innovation and technological

Research & Development remains the heart of DIESSE's strategic development. In 2023, DIESSE invested around 10% of its turnover in R&D, dedicating 26 resources to Research & Development activities. Starting from October 2023, with the entry of the entire R&D team into the new laboratories of the DIESSE Biotech Campus, the presence at the Toscana Life Science park ceased.

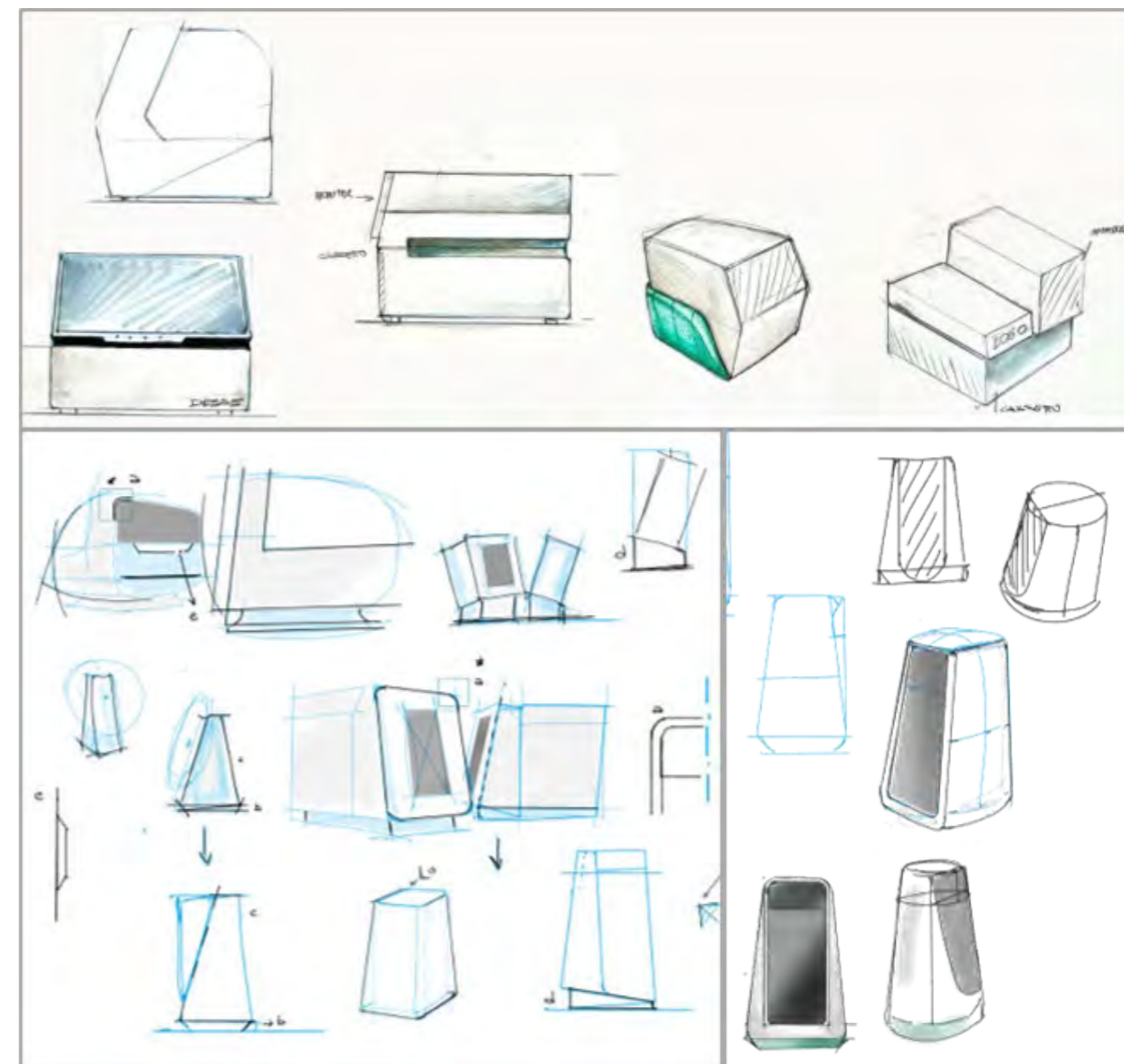
During 2023, R&D activities were focused on the development of the new CLIA, Macroarray tests, the release of the new AUTODAT instrument and the CHORUS EVO instrument, which was presented to distributors in May 2023 and will be available on the market in 2024.

The intense activity allowed for the successful deployment of 5 software releases, the release of 1 instrument, 4 new diagnostic kits and 6 changes to existing kits.






As part of the activities carried out, 9 publications have been published. As described in the section on our products, it is worth mentioning the nomination of the VES Matic 5 instrument for the Compasso d'oro 2024 prize.

As regards the "Unicum" and "Clia" research and development project, started in 2019 and co-financed by the Ministry of Economic Development and the Tuscany Region, the project was concluded in October 2023.

	2023	2022	2021
Tax incentives and tax credits	525.307,91	250.775,80	121.851,00
Subsidies	20.925,00	7.767,48	23.481,20
Investment, research and development grants, and other types of relevant grants	390.378,14	1.013.756,90	
Awards			
Exemptions from payment of royalties			
Financial assistance from Export Credit Agencies (ECAs)			
Financial incentives			
Other financial benefits received or to be received from any Public Administration for any transaction			
Total	936.611,05	1.272.300,18	145.332,20


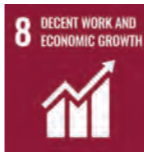





2023 GOALS AND PROJECTS: SUMMARY TABLE OF RESULTS

Goal ESG	2023 goals and projects	Results
 <p>Health and well-being</p>	<p>Well-being</p> <ol style="list-style-type: none"> Ergonomics and workstations in DIESSE Biotech Campus "Fruit at work" project: implemented by September 2023 New ways of working project: completed by July 2023 MeetEating project: getting to know each other better Health, nutrition and sports awareness campaigns – at least 3 during 2023 <p>Research and development</p> <ol style="list-style-type: none"> Release 10 CHORUS Evo and 10 AUTODAT by December 2023 Release of CHORUS Evo applied kits by December 2023: CLIA 1: 14 kits, ELISA 1, 70 kits Macroarray 1, 1 kit Project for the replacement of anti-Human IgG goat hyper-immune serum with recombinant G protein expressed in E. coli. Expected result in 2023: at least 4 of the first 24 kits transferred into production. <p>Health & Safety</p> <ol style="list-style-type: none"> Health & Safety training: H&S 2023 training plan implementation =>95% On-site Occupational Medicine implementation – by September 2023 	<p>Well-being</p> <ol style="list-style-type: none"> Ergonomics and workstations in DIESSE Biotech Campus "Fruit at work" project: available in the canteen service on a daily basis New ways of working project: completed in September, with the entry on the DBC MeetEating Project: postponed to Spring 2024 Awareness campaigns: 1 mental health campaign; loops on canteen screens offering health advice, prevention <p>Research and development</p> <ol style="list-style-type: none"> Release Release of CHORUS Evo applied kits by December 2023: Macroarray 1, 1 kit Project for the replacement of anti-Human IgG goat hyper-immune serum with recombinant G protein expressed in E. coli. Expected result in 2023: at least 4 of the first 24 kits transferred into production. <p>Health & Safety</p> <ol style="list-style-type: none"> Health & Safety training: H&S 2023 training plan implementation =>100%, additional courses with respect to the plan. On-site Occupational Medicine implementation with dedicated
 <p>Decent work and economic growth</p>	<p>Enhancement of resources</p> <ol style="list-style-type: none"> Soft skills 2023 training catalogue project: training hours per capita equal to or greater than 2022 Individual Development Plans project: 2023 KPI: at least 50% of IDPs filled in on the Inaz HE portal DIESSE Academy for the training of partners and employees: full deployment catalogue and product and applications training calendar "Seniority Celeb" project: dedicated annual event <p>Economic growth</p> <ol style="list-style-type: none"> Implementation of new Chinese branch: Installation of at least 130 ESR units Ebitda ≥ 100% CHORUS launch in the US (installation >14 tools) Industry 5.0 project: analysis and first assessment phase completed by September 2023 	<p>Enhancement of resources</p> <ol style="list-style-type: none"> Soft skills 2023 training catalogue project: 14.5 vs. 12.4 hours in 2022 Individual Development plans project: 2023 KPI: 29% IDPs entered in Inaz DIESSE Academy for the training of partners and employees: full deployment catalogue and product and applications training calendar "Seniority Celeb" project: confirmed, took place in December 2023 <p>Economic growth</p> <ol style="list-style-type: none"> Implementation of new Chinese branch: Installation of at least 130 ESR units Ebitda ≥ 100% Distributor identified, sales expected in 2024. Launch of CHORUS in US (installation >14 tools): project postponed until 2024 due to regulatory and distribution chain challenges. Industry 5.0 project: analysis and first assessment phase completed in July 2023, in collaboration with consulting firms.
 <p>Responsible consumption and production</p>	<p>Quality and production</p> <ol style="list-style-type: none"> IVDR compliance of Class B and C products (75 codes by December 2023) Suitable products/checked products ≥ 0.9 Instruments: estimated release time/actual release time ≥ 0.9 Post Market: 0 recall campaign. % resolved complaints/total complaints: > 80% DIESSE Biotech Campus certification (CAPA closure July 2023) ISO 9001 ISO 14001 ISO 45001 Integrated Certification Project (Quality, Environment, Safety): project steps to complete by 12/2023: lead auditor training and gap analysis procedures 	<p>Quality and production</p> <ol style="list-style-type: none"> IVDR compliance of Class B and C products (59 codes vs. 75 planned codes) Suitable products/checked products: 0.98 Instruments: estimated release time/ actual release time ≥ 0.9, with the exception of the VES CUBE 80 Post Market: 0 recall campaign. % resolved complaints/total complaints: > 70% DIESSE Biotech Campus certification (CAPA closure July 2023) ISO 9001 ISO 14001 ISO 45001 Integrated Certification Project (Quality, Environment, Safety): project steps to be completed by 12/2023: lead auditor training and gap analysis procedures
 <p>Climate action</p>	<p>Environment</p> <ol style="list-style-type: none"> % increase in waste destined for recovery vs. 2022 Installation of the DIESSE Biotech Campus photovoltaic system and definition of KPIs for the reduction of energy consumption from non-renewable sources DIESSE Biotech Campus internal water system: to be deployed by 12/2023 "Casina dell'acqua" project Campaigns 2023: "ECONsapevolmente": rubbish, waste, recycling, reuse. Energy consumption Plastic Moulding department: reduction >5% consumption Kwh/units produced 	<p>Environment</p> <ol style="list-style-type: none"> % increase in waste destined for recovery vs. 2022: 76.4% vs 66.6% Installation of DIESSE photovoltaic system: being installed in the 1st quarter of 2024 Biotech Campus and KPI definition for the reduction of energy consumption from non-renewable sources – estimate of energy savings from the installation of the automation system: 21% compared to traditional lighting systems. KPIs not yet identified. 2024 will be the first full year in the DBC. DIESSE Biotech Campus internal water system: artesian well in use since August 2023 "Casina dell'acqua" project – on hold 2023 campaigns: "ECONsapevolmente": 2 campaigns carried out in the internal Dfocus magazine Energy consumption Plastic Moulding department: reduction >5% consumption Kwh/units produced
 <p>Peace, Justice and strong institutions</p>	<p>Solidarity initiatives</p> <ol style="list-style-type: none"> Fundraisers and scientific support initiatives for health-related non-profit organisations Participation in Dynamo Camp Challenge 2023 for solidarity support to Dynamo Camp % contracts and new orders with compliance clauses with our code of ethics on anti-corruption, human rights and regulatory compliance: 100% 	<p>Solidarity initiatives</p> <ol style="list-style-type: none"> Fundraisers and scientific support initiatives for health-related non-profit organisations. Failure to close the memorandum with an association; we have allocated our efforts to social initiatives, as described in the dedicated chapter. Participation in Dynamo Camp Challenge for solidarity support to Dynamo Camp in October 2023 % contracts and new orders with compliance clauses with our code of ethics on anti-corruption, human rights and regulatory compliance: 100%

■ Goals achieved
 ■ On-going/postponed goals
 ■ Goals not achieved

2024 GOALS

Goals ESG	Goals and projects
 <p>Health and well-being</p>	<ul style="list-style-type: none"> Joining the "Healthy Lunch Out" project organised by the Tuscany Region by May 2024 Joining the Tuscan Region's Workplace Health Promotion programme by September 2024 2 sports/wellness initiatives with the involvement of collaborators organised by the end of 2024. MeetEating Project, to foster healthy relationships within the Company. 3 Awareness-raising campaigns on nutrition, prevention, sports.
 <p>Decent work and economic growth</p>	<p>Enhancement of resources</p> <ul style="list-style-type: none"> Lean Manufacturing implementation in production, quality control and development processes by the end of September 2024. Soft skills Learning Deck 2024: hours of training per capita equal to or greater than 2023. Individual Development Plans project (follow-up 2023): 2024 KPI: at least 50% of IDPs filled in on the Inaz HE portal 2 "celebration" events of goals achieved by the end of the year. <p>Economic growth</p> <ul style="list-style-type: none"> Implementation of Chinese branch (follow-up 2023): Installation of at least 130 ESR units. Ebitda ≥ 100%. 5 new covered geographies (identification of new distributors on geographies without sale to date).
 <p>Responsible consumption and production</p>	<ul style="list-style-type: none"> Plastic reduction used in the Plastic Moulding department amounting to ≥ 15 tons Paper reduction: elimination of paper quality control certificate on all CHORUS line kits: ≤1.15 tons of paper Carbon footprint – definition of action plans and KPI identification of projects by the first half of 2024
 <p>Climate action</p>	<ul style="list-style-type: none"> Validation process from paper to digital: KPI: reduction of ≥ 3000 A4 sheets Installation of an additional photovoltaic system with respect to the existing one by May 2024. Total annual production of energy from photovoltaic plant ≥350 Kwh by the end of 2024. At least 1 new edition of "Let's clean the world" in collaboration with Legambiente.
 <p>Peace, Justice and strong institutions</p>	<ul style="list-style-type: none"> Gender Equality Certification (UNI PDR 125) by September 2024 Integrated Quality, Safety, Environment Certification (ISO 9001 - ISO 14001 - ISO 45001) by December 2024 Participation in at least 3 Enterprise territory involvement initiatives 2 charity initiatives, with employee involvement

GRI content index

Declaration of use	DIESSE Diagnostica Senese S.p.A. has reported in accordance with the GRI Standards for the period 01/01/2023 - 31/12/2023
GRI 1 used	GRI 1: Core Principles 2021
Standard Sector	Not applicable

GRI	Description	Paragraph	Notes/Observations/ Limitations
GRI 2 - General Disclosure			
2-1	Organisational Details	About us	
2-2	Entities included in the organisation's Sustainability Report	Methodological Note	
2-3	Reporting period, frequency and contact channel	Methodological Note	
2-4	Reclassification of information	Energy efficiency and emissions containment	
2-5	External assurance	Methodological Note	
2-6	Activities, value chain and other business relationships	Our history DIESSE in Italy and in the world Our products	
2-7	Employees	People in DIESSE	
2-8	Workers who are not employees	People in DIESSE	
2-9	Governance structure and composition	Our Leadership Our Governance	
2-10	Appointment and selection of the highest governing	Our Governance	
2-11	Chairmanship of the highest governing body	Our Leadership	
2-12	Role of the highest governing body in overseeing impact management	Stakeholders and relevant topics	
2-13	Delegation of responsibility for managing impacts	Stakeholders and relevant topics	
2-14	Role of the highest governing body in sustainability reporting	Methodological Note	
2-15	Conflicts of interest	The Organisation, Management and Control Model	
2-16	Communication of critical issues	The Organisation, Management and Control Model	
2-17	Collective knowledge of the highest governing body	Our Leadership	
2-18	Assessment of the work carried out by the highest governing body		Omission - Information not available/incomplete
2-19	Compensation policies	Our Governance	
2-20	Process for determining remuneration	We promote the enhancement of human capital	
2-21	Total annual remuneration index	We promote the enhancement of human capital	The ratio is calculated taking into consideration gross annual salary, variable remuneration and housing. The relationship is between Director's compensation and the rest of employees
2-22	Declaration on the sustainable development	Letter from the CEO to stakeholders	
2-23	Commitments / policies	Mission and Values	
2-24	Incorporate political commitments	2 GOVERNANCE AND BUSINESS 2.1 Our approach	
2-25	Processes to address negative impacts	The Organisation, Management and Control Model	
2-26	Mechanisms for asking for advice and raising concerns	The Organisation, Management and Control Model	
2-27	Compliance with Laws and Regulations in force	The tools for a responsible business management	No cases of non-compliance with applicable laws and regulations occurred during the reporting period
2-28	Membership of associations	5 RELATIONS WITH THE TERRITORY AND LOCAL COMMUNITIES 5.1 Our approach	
2-29	Approach to stakeholder engagement	Stakeholders and relevant topics	
2-30	Collective bargaining agreements	3 PEOPLE IN DIESSE 3.1 Our approach	

GRI	Description	Paragraph	Notes/Observations/ Limitations
GRI 3 - Material Topic			
3-1	Process for determining material topics	Stakeholders and relevant topics	
3-2	List of material topics	Stakeholders and relevant topics	
PACKAGING AND WASTE RECYCLING			
3-3	Management of material topics	Stakeholders and relevant topics 4 ENVIRONMENT 4.1 Our approach	
306-1	Waste production and significant impacts of waste	Waste management	
306-2	Management of significant impacts related to waste	Waste management	
306-3	Waste produced	Waste management	
ENERGY EFFICIENCY			
3-3	Management of material topics	Stakeholders and relevant topics Commitment to reducing environmental impacts	
302-1	Energy consumed within the organisation	Energy efficiency and emissions containment	
305-1	Direct GHG emissions (Scope 1)	Energy efficiency and emissions containment	
305-2	Indirect GHG emissions from energy consumption (Scope 2)	Energy efficiency and emissions containment	
ETHICS, REGULATORY COMPLIANCE AND FIGHT AGAINST CORRUPTION			
3-3	Management of material topics	Stakeholders and relevant topics The Organisation, Management and Control Model Anti-corruption	
205-3	Confirmed incidents of corruption and measures taken	Anti-corruption	No reports
CYBERSECURITY AND DATA PRIVACY			
3-3	Management of material topics	Stakeholders and relevant topics Cybersecurity & Data Privacy	
418-1	Well-grounded complaints about customer privacy breaches and loss of customer data	Cybersecurity and Data Privacy	No reports
VALUE CREATION AND ECONOMIC PERFORMANCE			
3-3	Management of material topics	Stakeholders and relevant topics Our commitment to creating value	
201-1	Economic value generated and distributed	Our commitment to creating value	
PRODUCT QUALITY AND SAFETY			
3-3	Management of material topics	Stakeholders and relevant topics 6 PRODUCT 6.1 Our approach	
416-2	Incidents of non-confirmation regarding impacts on the health and safety of products and services	Product safety	No reports
RESEARCH, INNOVATION AND TECHNOLOGICAL EXCELLENCE			
3-3	Management of material topics	Stakeholders and relevant topics Research, innovation and technological excellence	
201-4	Financial assistance received from the government	Research, innovation and technological excellence	
TRAINING, ENHANCEMENT AND WELFARE OF PERSONNEL			
3-3	Management of material topics	Stakeholders and relevant topics DIESSE people We promote the enhancement of human capital	
401-1	New hires and turnover	People in DIESSE	
404-1	Average hours of training per year per employee	We promote the enhancement of human capital	

GRI	Description	Paragraph	Notes/Observations/ Limitations
DIVERSITY AND INCLUSION			
3-3	Management of material topics	Stakeholders and relevant topics We promote diversity and equal opportunities	
405-1	Diversity in governing bodies and among employees	People in DIESSE We promote diversity and equal opportunities	
DIVERSITY AND INCLUSION			
3-3	Management of material topics	Stakeholders and relevant topics We promote diversity and equal opportunities	
405-1	Diversity in governing bodies and among employees	People in DIESSE We promote diversity and equal opportunities	
OCCUPATIONAL HEALTH AND SAFETY			
3-3	Management of material topics	Stakeholders and relevant topics We protect the health and safety of our workers	
403-1	Occupational health and safety management system	We protect the health and safety of our workers	
403-2	Hazard identification, risk assessment and accident investigation	We protect the health and safety of our workers	
403-3	Occupational health services	We protect the health and safety of our workers	
403-4	Worker participation and consultation and communication on occupational health and safety	We protect the health and safety of our workers	
403-5	Training of workers on occupational health and safety	We protect the health and safety of our workers	
403-6	Promotion of workers' health	We protect the health and safety of our workers	
403-7	Prevention and mitigation of occupational health and safety impacts in business relationships	We protect the health and safety of our workers	
403-9	Accidents at work	We protect the health and safety of our workers	

Methodological Note

This document is the third Sustainability Report published by the DIESSE Diagnostica Senese S.p.A. Società Benefit Company ("The Company" or "DIESSE") and demonstrates the commitment and attention that the Company places towards the integration of sustainability aspects within its business.

In this regard, it should be noted that this document has been prepared on a voluntary basis since the Company is exempt from the mandatory reporting of the Non-Financial Disclosure, pursuant to L. Decree 254/2016 currently in force.

The Sustainability Report, approved by the Board of Directors and subject to a limited audit by the KPMG S.p.A. auditing firm, is prepared in accordance with the 2021 GRI Standards, according to a level of application "In accordance with the GRI Standard". The GRI Standards, published by the Global Reporting Initiative (GRI) in 2016 and updated in 2021, are the most recognised and internationally circulated non-financial reporting standard today. More specifically, the financial statements refer to the GRI Standards indicated in the "GRI Content Index" correlation table annexed to the document in which, for each material aspect, the page reference of the Financial Statements or other corporate documents is provided, where the relevant content can be found. The Board of Directors is responsible for reviewing and approving the information reported, including the material topics and impacts identified by the organisation, through a process that involves the pre-reading of the impact report, the management of any exceptions/requests for further analysis by the Impact Manager and final submission for approval.

This document deals with and explores in depth the material (relevant) topics and impacts for DIESSE, in other words the issues capable of reflecting the economic, social and environmental impacts of the Group's business activities and/or capable of influencing the decisions of its stakeholders. This reflects the key element of the GRI Standards, the principle of materiality, detailed in "The materiality analysis" section of this Report.

The information in the Report relates to DIESSE Diagnostica Senese S.p.A. Società Benefit (excluding the Chinese branch, as the latter is in the start-up phase) and the 2023 reference timeframe, in other words the calendar year from 1 January 2023 to 31 December 2023. In order to facilitate the comparability of quantitative data for the various thematic areas analysed, numerical values for the years 2022 and 2021 have also been reported.

Finally, it should be noted that the purpose of these Financial Statements is to transparently disclose DIESSE's corporate performance in relation to ESG, Environmental, Social & Governance aspects, and represent a step towards reporting non-financial information on an annual basis. To request more information about this Document or to share your comments and observations, you can write to: vittorialoi@DIESSE.it.



KPMG S.p.A.
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative)

Independent auditors' report on the sustainability report

To the board of directors of Diesse Diagnostica Senese S.p.A.

We have been engaged to perform a limited assurance engagement on the 2023 Sustainability Report (the "sustainability report") of the Diesse Diagnostica Senese S.p.A. (the "Company").

Directors' responsibility for the sustainability report

The directors of the Company are responsible for the preparation of a sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards", issued by GRI - Global Reporting Initiative, using the "in accordance - core" option (the "GRI Standards").

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

They are also responsible for defining the Company's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 which requires to set up, implement, and operate a quality management system including guidelines or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "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 applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in



Diesse Diagnostica Senese S.p.A.

*Independent auditors' report on the sustainability report
31 December 2023*

accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the Company's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- analysing the reporting of material aspects process, specifically how these aspects are identified and prioritised for each stakeholder category and how the process outcome is validated internally;
- comparing the financial disclosures presented in the "Our commitment to value creation" section of the sustainability report with those included in the Company's financial statements at 31 December 2023;
- understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we carried out interviews and discussions with the Company's personnel and we conducted limited document reviews in order to gather information about the processes and procedures that support the collection, aggregation, processing, and transmission of non-financial data and information to the function responsible for preparing the Sustainability Report.

In addition, for the significant informations, taking into account the Company's activities and characteristics:

- a) with reference to the qualitative information contained in the Sustainability Report, we conducted interviews and acquired supporting documentation to verify its consistency with available evidence;
- b) with reference to quantitative information, we have carried out both analytical procedures and limited verifications to ascertain on a sample basis the correct aggregation of data.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 Sustainability report of Diesse Diagnostica Senese S.p.A. has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.

Florence, 22 May 2024

KPMG S.p.A.

Giuseppe Pancrazi
Director of Audit



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