



LIFE FROM INSIDE

CARING FOR
SCIENCE AND
PEOPLE

2019 SUSTAINABILITY REPORT

MESSAGE TO STAKEHOLDERS



For over 90 years, Bracco has pursued its mission to safeguard health and prevent illnesses. This commitment has been reinforced by continuous investments in research and development and guided by a robust set of values, from environmental protection to social responsibility, from international cooperation to a people-centric approach.



As has also been described in the new Code of Ethics, Bracco is a responsible organisation which places the concept of sustainability, expressed economically, environmentally and socially, at the heart of its way of operating. A wide range of values therefore represent our compass: the health and safety of patients foremost, followed by quality products and services, a commitment to reducing environmental impacts, and consequently, efforts to limit emissions; last but not least the promotion of equality, diversity, welfare and well-being for employees and collaborators. These, for us, are inviolable principles. The data shown in this Sustainability Report demonstrate our resolve to turn our values into action: you have simply to peruse these pages that detail the many goals achieved.

As proof of our proactive and enduring commitment, we have received three acknowledgements this year of which we are very proud: Top Employer Italy 2020, granted due to excellent working conditions as well as growth and development paths for employees; the M&A Award, for having executed the best merger and acquisition “Italy Abroad” operation of 2019, with the acquisition of the British Blue Earth Diagnostics for 428 million euros; and finally, special recognition by the panel of judges for the “2020 European Responsible Care Award”, organised by Cefic for the project “Bracco taking care in COVID-19 times”, for “the rapid response in taking actions regarding the protection and training of employees, as well as keeping them informed.”

Naturally, we are fully aware that you can never stop. This is why we have given ourselves challenging new objectives, which you may discover inside this document: we want to increase gender equality, expand our already extensive company welfare plan, cut the amount of biological sludge in half, and increase the amount of renewable energy used by our plants.

Regarding sustainability, each company must do its part. Today more than ever, businesses are essential for translating the commitments outlined by the UN's 2030 Agenda (Sustainable Development Goals -SDG) into concrete aims, and for integrating financial performance and corporate social responsibility. Following the pandemic, a strong vision will be needed for launching a post-Covid recovery that is centred around sustainability.

Having a vision means first identifying the basic characteristics of the transformations that must change our way of living, of consuming goods and energy, of working, of travelling, of receiving care. Having an overarching, long-term vision means taking concrete steps in that direction, striving, for instance, for a circular economy, for a new energy infrastructure, and for a broader use of renewable energy.

Furthermore, we are convinced that the world will be changed by this pandemic and that sustainable development will become a fundamental imperative. Everyone, with a holistic vision, will be compelled to recognise the deep bond between the well-being of people and the quality of the environment, between the health of people and the planet.

DIANA BRACCO

President and CEO
of the Bracco Group

FULVIO RENOLDI BRACCO

CEO of Bracco
Imaging S.p.A.

READING GUIDE



This Sustainability Report provides a transparent account of the operations and economic, social and environmental sustainability performance of the Bracco Group in 2019.

Information was gathered from the Group's main organisational areas, with the coordination and supervision of the CSR function. For the sake of comprehensiveness, relevant information relating to the Covid-19 crisis in the initial months of 2020 is also provided. The process of defining the content meets the principles of materiality, stakeholder inclusion, data comprehensiveness and the Group's operating context. Balance, accuracy, verifiability and comparability were instead the principles followed with reference to the quality of the information provided in the report.

The report is compliant with the "Core" option of the "GRI Sustainability Reporting Standards" published by the GRI (Global Reporting Initiative). To facilitate the reading of this report, the "GRI Content Index" in the appendix illustrates the GRI indicators reported on and clearly identifies their connection with the document's contents.

In this document, "Bracco Group" or "Bracco" refer to the Parent Company Bracco S.p.A. (or "Company") and all subsidiaries included within the scope of the Bracco Group as at 31 December 2019.

Unless specified otherwise, the performance indicators regard the entire corporate scope of the Bracco Group and refer to the 1 January - 31 December 2019 reporting period.

To evaluate performance trends, when available the indicators are also provided in relation to the previous year.

Directly measurable figures have been included, limiting recourse to estimates as much as possible. When deemed necessary, they are based on the best methodologies available and appropriately identified.

The Sustainability Report is published once per year. This document is also available on the Company's website in the section Corporate (<https://www.braccoforasustainablefuture.com/en/>). Please write to csr@bracco.com to request information.



OUR CONTRIBUTION TOWARDS COMBATting COVID-19

This document was drafted prior to and during the emergency. How we have dealt with the crisis will certainly be a significant topic in the upcoming Sustainability Report, but we would like to provide an overview of our actions here as well.

As always, bringing together people and expertise and consolidating relationships were the key factors whereby we were able to handle the emergency. The point of departure was the Bracco Group's **crisis plan**, which identifies the organisational system, activities and procedures for dealing with critical events, protecting people and assets and guaranteeing products and services to stakeholders. The promptly established **Task Force** met every day with the aim of monitoring the situation, taking adequate countermeasures and managing stakeholder communications.

In line with the measures of the public authorities, we adopted all possible preventive measures to protect our people, suppliers and customers. In particular, we encouraged and supported **smart working** activities, when operationally and technologically feasible. We consolidated and **expanded our remote communications tools** for meetings with customers, suppliers and external personnel, aside from guaranteeing the highest safety standards at our production sites. In addition, we ensured the internal dissemination of the WHO and Italian government's **hygiene and prophylaxis instructions**.

Our commitment to proximity and transparency to stakeholders led us to intensify **listening and communications activities**. Specifically, our people were updated every day by means of newsletters, videos and training and cultural activities.

With respect to the latter, the Bracco Foundation offered its events and initiatives remotely, creating the "Bracco Foundation at home with you" project.

We also raised funds for **healthcare facilities**, which received a **1 million euro** donation aside from masks, protective suits, respirators and disinfectants.

Furthermore, to meet the needs of our customers in the throes of the health crisis, Bracco launched the **Bracco Cares** project - an international, non-promotional initiative intended to provide prompt support to our customers and medical workers, who battled on the front lines against the pandemic, by providing simple, reliable information. The project included a series of webinars and video programmes hosted by sector Key Opinion Leaders. Thusly, we provided our contribution to the development of new strategies and processes for managing the emergency.

Our attention was also focused on local communities, particularly students, parents and teachers, whom we have supported for years with the **Bracco Psycho-Pedagogy Centre** project. Aside from offering psychological support in particularly difficult situations, we drafted a guide with our team of specialists for helping adults respond to their children's questions.



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1 SUSTAINABILITY WHICH CREATES VALUE



OUR IDENTITY

Bracco is a privately owned multinational business that operates in the life sciences sector. A global leader in diagnostic imaging, Bracco also operates in the medical devices and advanced contrast media administration systems sector, as well as in healthcare services.

The Group employs 3,609 people. In 2019, it reached consolidated turnover of 1.47 billion euros (+13.9% compared to 2018), of which 87% in foreign markets.

VISION

Developing **innovative solutions** for the **prevention** and **early identification of illnesses**, to **improve quality of life**.

MISSION

Operating on an **international scale** thanks to the direct presence of associates **throughout the world** and **cutting edge know-how**. To constantly **innovate** products, services and the expertise of our associates **to offer our customers** increasing added value.

BUSINESS AREAS

Diagnostic imaging. Research, development, production and marketing of contrast media and solutions to improve the efficiency of diagnostic imaging, patient safety and cost effectiveness.

Through Bracco Imaging, the Group offers an extensive and innovative product portfolio based on internal research and holds a global leadership position in the main diagnostic imaging methods: x-rays, including computerised tomography (CT), magnetic resonance, ultrasound and nuclear medicine.

Medical devices and administration of contrast media. Advanced systems for the administration of contrast media in radiology, and software to support the decisions made by radiologists and to monitor patient radiation doses. To guarantee ease and control in the generation of images and simplify cardiovascular procedures, offering the patient the highest possible level of treatment.

ACIST Medical Systems, a global leader in the market of systems for the injection of contrast media for cardiology and radiology for diagnostic and intervention purposes. Its products see widespread use at a clinical level in medical centres, universities and hospital facilities in more than 70 countries worldwide.

Health services. Analysis, prevention, diagnosis, dentistry, rehabilitation and personalised treatments. Through the Italian Diagnostic Centre (CDI), a Lombard network of polyclinic healthcare facilities, since 1975 the Bracco Group has served more than 18 million patients, for a yearly total of more than 200,000 diagnostic procedures, 50 different clinical specialisations and **5 million** analyses for 500 types of laboratory exams. The CDI relies on more than 800 specialists.



SOCIAL RESPONSIBILITY IS A FOUNDATIONAL VALUE OF THE BRACCO GROUP AND IS AT THE CENTRE OF OUR CONDUCT AND OUR BUSINESS PHILOSOPHY.

THIS HAS MADE OUR FAMILY-RUN COMPANY INCREASINGLY STRONG AND RELIABLE OVER TIME.

Diana Bracco | Chairperson and CEO of the Bracco Group

OUR GOAL: TO BE A SUSTAINABLE AND FINANCIALLY SOLID COMPANY THAT PLACES THE NEEDS OF PATIENTS AT THE VERY HEART OF ITS MISSION, PROVIDING HIGH QUALITY PRODUCTS AND INNOVATIVE SOLUTIONS, MANAGING THE BUSINESS IN AN ETHICAL AND FAIR MANNER.

Fulvio Renoldi Bracco | CEO of Bracco Imaging S.p.A.



OUR PRESENCE IN THE WORLD

Bracco Group products are sold in more than 100 nations worldwide and the Group has a presence in 24 countries. Its main market is North America, which has grown by 10%, followed by the Chinese market which recorded the highest growth rate, of 18%. The third reference market is the European, which has seen 5% growth, particularly in Italy, France and Germany.

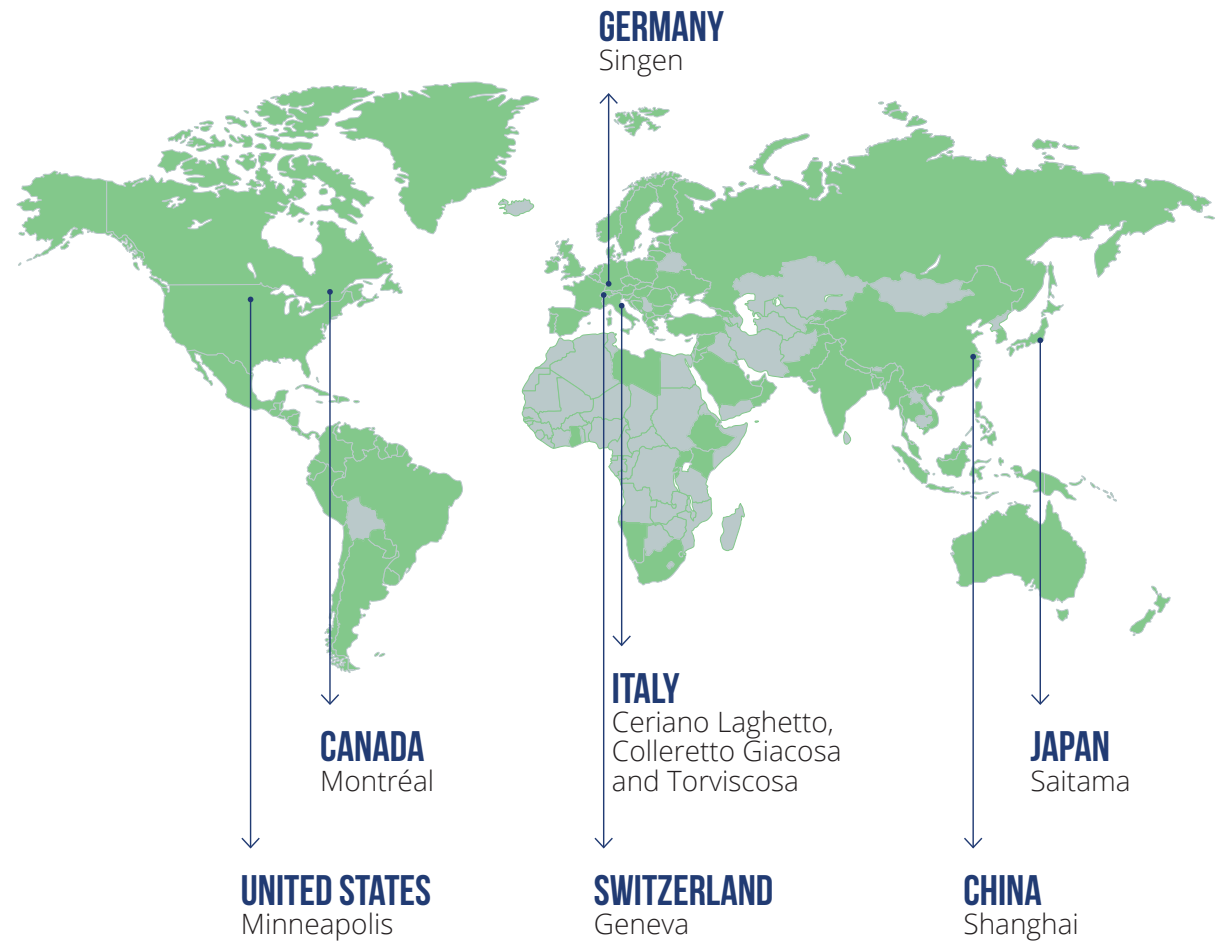
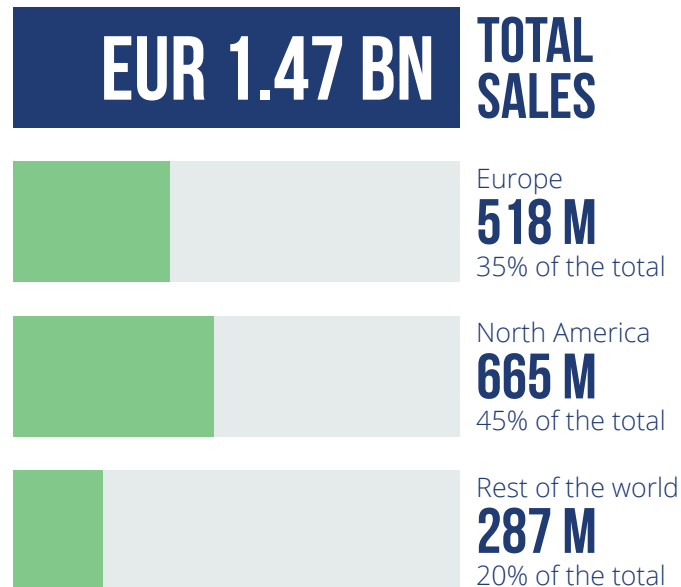


+100 Nations



24 Countries

9 PRODUCTION FACILITIES IN MANY COUNTRIES ALL OVER THE WORLD:





DIAGNOSTICS AND TREATMENT, NEW TREATMENT PARADIGMS WITH THE ACQUISITION OF BLUE EARTH

In 2019, the Bracco Group completed an extremely significant transaction with the acquisition for 450 million dollars of Blue Earth Diagnostics, a company active in molecular imaging and engaged in research, development and marketing of radiopharmaceuticals for early diagnosis and the optimisation of treatment plans for oncological pathologies. With this acquisition, Bracco strengthened its presence in precision medicine and in personalised diagnostics, increasing its range of highly innovative solutions and products. Founded in 2014, with registered office in Oxford (UK), the company has roughly 100 employees and is one of the major players in the sector. Currently, it markets Axumin® (fluciclovine F18), an innovative radiopharmaceutical approved in the United States and the European Union, to identify through PET (positron emission tomography) diagnostic exams the presence of a recurrence of prostate cancer due to high or increasing blood levels of the prostate-specific antigen (PSA),

following primary therapeutic treatment. In the five years after its launch, Axumin® has made a significant contribution to improving the therapeutic management of this pathology, quickly becoming a new treatment standard for patients at international level. The Blue Earth Diagnostics pipeline includes innovative agents targeting the prostate-specific membrane antigen (PSMA) in clinical development, like “theranostic” “radio-hybrid” (rh) agents, which have potential applications for diagnostic as well as therapeutic purposes in the treatment of prostate cancer. Fluciclovine F18 has a broad range of other potential applications in nuclear cancer imaging in the segment of urology and other specialties, such as neuro-oncology for the identification of cerebral metastases, which Blue Earth Diagnostics is currently testing.

Through the use of diagnostic radiopharmaceuticals, it is possible to understand where the cancer is and its biological behaviour, laying the basis to set up personalised treatment plans. The property of the radiopharmaceutical to target tumour cells can also be exploited for therapeutic purposes. In this case, the radiopharmaceutical conveys the therapeutic agent to the location of the disease, working to fight the cancer. When a drug may be used for diagnostic as

well as therapeutic purposes, it is called theranostic. While diagnostic imaging has represented 85% of the market in the nuclear medicine area to date, today it is expected that theranostics will drive growth in the sector and will represent more than 60% of the market by the end of 2030.

Our strategy for the future consists of employing the important expertise acquired through Blue Earth Diagnostics in the development of radiopharmaceuticals, which are capable of defining new diagnostic and therapeutic paradigms for various types of cancer, and which we believe can offer important new options for doctors and patients alike. These steps are intended to boost our capacity to develop innovative solutions capable of handling the continuously evolving needs of patients and spreading the innovation that will shape our future.



THE LONG INDUSTRIAL TRADITION OF THE BRACCO GROUP HAS EVOLVED AND CONSOLIDATED OVER MORE THAN NINETY YEARS OF HISTORY

1927



Elio Bracco founds the Italian product company E. Merck in Milan



1934

Cebion, an innovative vitamin C based product is introduced into the market in Italy and Germany

1949

Construction of the plant in Lambrate, just outside Milan, which gradually grows over the years

1953

In the new Lambrate laboratories, the first internal research centre is founded

1975

Launch of the Italian Diagnostic Centre, a polyclinical facility, which today has a network of 22 facilities in Lombardy

1981

Launch of iopamidol, the first ready-to-use non-ionic contrast media, in Italy and in Germany

1988

Construction of the main Bracco Imaging plant in Ceriano Laghetto (MI)

1990

Establishment in Japan of the Bracco - Eisai joint venture (51% Bracco)

1994

Acquisition in the United States of Squibb Diagnostics and establishment of Bracco Diagnostics Inc. headquartered in Princeton, NJ

2001

Acquisition of Acist Medical Systems, a company based in Minneapolis which is a leader in software-based advanced contrast media management and administration systems, and discovery of the contrast media based on sulphur hexafluoride microbubbles, which allows for otherwise impossible diagnoses

2002

Inauguration of the SPIN production unit in Torviscosa (Udine)

2004

Opening of the Bracco Sine production facility in the high-tech industrial area of Shanghai

2007

Bracco Imaging opens new laboratories and the Bioindustry Park Canavese pilot plant close to Ivrea, Turin

2008

Acquisition of E-Z-EM, a leading production company in the sector of contrast media and medical devices for gastrointestinal radiology

2010

Start of activities of the Bracco Foundation

2011

Bracco Imaging acquires Swiss Medical Care (now Bracco Injengineering) and the production facility in Singen, Germany

2012

Bracco Imaging strengthens its presence in Latin America with the acquisition of Justesa Imagen do Brasil, Justesa Argentina, Justesa Mexico and Silicon Valley Medical Instruments

2014

Loan of 100 million euros from the EIB for Bracco Imaging investments in Research & Innovation

2016

Bracco and Shanghai Pharmaceuticals renew their partnership in China until 2037

2019

With the acquisition of Blue Earth Diagnostics, Bracco Imaging expands its personalised diagnostics portfolio



ACIST MEDICAL SYSTEMS

ACIST Medical Systems is the Bracco Group company which is a leader in contrast media administration systems and cutting edge medical devices for cardiology.

Founded in 1998 by Mr Robert F. Wilson, cardiologist and professor of medicine at the University of Minnesota (USA), ACIST has become an international point of reference, supporting cardiologists in the improvement of treatment for their patients.

Thanks to the invention of an innovative device ACIST CVi™, it simplifies the contrast injection, thus supporting doctors and patients during delicate operations or interventions. Consistent with its mission focusing on an unending commitment to innovation and the optimisation of cardiological intervention decisions, today the company serves more than one million patients per year in cardiovascular angiography procedures.

ACIST Medical Systems is located in Eden Prairie, Minnesota, and is present all over the world with more than 300 employees and plants in Silicon Valley, Maastricht, Shanghai and Tokyo.



BRACCO FOUNDATION

The Bracco Foundation was created from a heritage of values acquired in over 90 years of the family's and the Bracco Group's history, beginning with Corporate Social Responsibility. The Foundation commits itself to creating and promoting expressions of culture, art and science with the aim of improving quality of life and social cohesion, with a special focus on the world of women and youth.

Led by its President, Diana Bracco, the Foundation promotes the cultural, historic and artistic patrimony at both a national and international level; advances scientific culture and the safeguarding of health, especially regarding prevention for women; supports the education and professional training of young people; develops solidarity initiatives as a contribution to the collective well-being and to raise environmental awareness.

For the Foundation, the criteria for the planning and selection of activities are the multidisciplinary aspect and integration among fields of knowledge. Adopting innovative approaches and measuring outcomes as well as the impact of the projects are a fundamental part of its operating method. In 2020, the Foundation celebrates ten years.



GOVERNANCE

The Bracco Group's governance is based on transparent and collegial decision-making processes. There are 53 people working on the various Boards of Directors of the Group's subsidiaries, up compared to 2018.

The Board of Directors of the Parent Company, **Bracco S.p.A.**, is composed of 8 members, of which **50%** are women.

To guarantee fair and transparent business management, the company has set up a three-member Supervisory Body (SB). The duty of the SB is to monitor the implementation of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 (Model 231) and to manage its updating.

In the course of 2019, the Model 231 was adapted in line with regulatory, organisational and business evolutions based on a risk assessment of the following offences: corruption between private parties in corporate crimes, unlawful brokerage and exploitation of labour in offences against individuals, racism and xenophobia. The Model also incorporates legislation on whistleblowing: the whistleblowing management policy, valid for all Group companies, is currently being updated.

50%



The Board of Directors of the Parent Company, **Bracco S.p.A.**, is composed of 8 members, of which 50% are **women**.



RESEARCH AND INNOVATION HAVE ALWAYS BEEN PART OF THE BRACCO GROUP'S DNA

This is demonstrated by its roughly 1,900 **patents** and annual R&D expenditure which exceeds 9% of turnover for diagnostic imaging and advanced medical devices.

At its **R&D centres** in Geneva and Lausanne (Switzerland), Colletterto Giacosa (Italy), Oxford (UK), Monroe, New Jersey (US), Freemont in Silicon Valley (US), Maple Grove, Eden Prairie in Minnesota (US), and since 2020 Munich (Germany), Bracco has developed unique cutting edge expertise for the sectors in which it operates.

The research centres work alongside the highly specialised medical and regulatory department, with units located in Milan (Italy), Constance (Germany), Paris (France), Monroe and Long Island (United States), Montreal (Canada), Mexico City (Mexico), São Paulo (Brazil), Beijing (China) and Tokyo (Japan).

The Italian Diagnostic Centre (CDI) offers healthcare services using cutting-edge technologies like radiomics, which uses machine learning algorithms to extract large quantities of data from images and integrate them within predictive models that improve radiological diagnostics and patient clinical management.

1,900
patents

9% OF TURNOVER
annual R&D expenditure

THE CODE OF ETHICS

The Bracco Group Code of Ethics, updated in 2020, outlines a set of principles, rights, duties and responsibilities that all those operating on behalf of the company must follow and, insofar as they are responsible, ensure that others observe.

Every Bracco Group company can define additional rules of conduct to adapt the document to its needs and the local social and legislative context in which it carries on business. In any case, any additional obligations set forth shall not override the principles established by law and this document. The general orientations of the Code of Ethics are laid out below, while the full document is available here www.bracco.com.



1. GENERAL PRINCIPLES

The Bracco Group abides by and strictly observes the laws and regulations in force in all countries in which it operates. It also shares the principles enshrined in the Universal Declaration of Human Rights and in the fundamental conventions of the International Labour Organization (ILO). It is therefore the duty of all employees to respect this set of rules and to know and respect all parts of the Group's Code of Ethics.

2. PROTECTING INTANGIBLE ASSETS

The Company is aware of the value of its intangible assets and of the personal data that the Company is entrusted with, and has procedures in place to protect them. Every employee has a responsibility to comply with these procedures to safeguard these assets.

3. RELATIONS WITH STAFF

The Bracco Group believes that human resources are a key factor for the successful development of the Group over time and is committed to creating all the conditions needed to ensure the advancement of employees' skills and expertise, to achieve corporate goals. Company employees, in pursuit of business objectives, must use both the tangible and intangible resources made available to them, in an effective, efficient and economical manner, in accordance with this Code of Ethics.

4. EXTERNAL RELATIONS

The Bracco Group strives to act in a fair and professional manner in its relations with all stakeholders, whether with public authorities, business partners or competitors.

5. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Bracco Group is committed to the respect of the procedures it has put in place to ensure compliance with the laws and regulations applicable to its activities and has implemented an internal control system to monitor its level of compliance. The Bracco Group will strive to ensure that Recipients are aware of its Code of Ethics in order to ensure its effectiveness, and will take necessary actions to sanction violations of the Code.

INSTITUTIONAL RELATIONSHIPS AND PARTNERSHIPS

Bracco plays an active role in the domestic and international network of sector associations, federations, foundations and groups.



- In **Confindustria**, Diana Bracco was previously Deputy Chairperson for Research and Innovation, and is now a member of the National Governing Council
- In **Assolombarda**, various Group company representatives are now part of the General Council and the Management Board.
- Bracco has been a member of the **Sodalitas Foundation** since early 1995, the year in which Diana Bracco was Chairperson. More than 100 leading companies in the Italian market are part of the Foundation, which is a point of reference for businesses that strive to carry out sustainability projects, providing work to more than 800,000 people and representing 30% of national GDP.
- Bracco is on the council of **Assonime**, the Association of Italian joint-stock companies. As a family-run business, it is affiliated with the **Italian Association of Family Businesses** (AIDAF).
- The company is also active in the main relevant chemical and pharmaceutical sector associations: on the Executive Council of **Federchimica** and of **Confindustria Dispositivi Medici**.
- With the Chairmanship of Diana Bracco, the company also plays a leadership role in the **National Life Sciences Cluster of ALISEI**, which promotes interaction between the research system, the pharmaceutical/biomedical industrial fabric and public institutions in the healthcare sector.
- Furthermore, in Life Sciences, the Group is associated with the **Lombard Life Sciences Cluster**, the **Italian Association for Industrial Research** (AIRI), the **IBIS Consortium**, the sustainable chemistry innovation hub in Piedmont, **Biopark Canavese** and the **Biomed Innovative Cluster**.
- At international level, Bracco is active on multiple fronts: it collaborates with the Chambers of Commerce of several countries, including the **American Chamber of Commerce in Italy** which protects company interests in business dealings between Italy and the US. Bracco has also consolidated its relationship with the **Italian Chamber of Commerce in China**, of which the CEO of Bracco Sine is currently Chairman, and maintains the role of Director in the **Italy-China Foundation**, of which Diana Bracco is Deputy Chairperson.
- Bracco is also represented in various European associations that deal with specific matters, such as the **European Chemical Industry Council** (CEFIC) and the **European Institute for Biomedical Imaging Research** (EIBIR).
- The Group collaborates with the **Institute for International Political Studies** (ISPI), of which it is a member.

COMMUNICATIONS AND DIALOGUE WITH STAKEHOLDERS

The Bracco Group constantly, promptly and transparently enters into dialogue with all of its stakeholders, relying on all types of online and offline media: print, television, radio, websites and social media, as well as organising numerous events (project presentations, celebrations of company events, community meetings). In particular, in 2019 “The Beauty of Imaging” exhibit dedicated to diagnostic imaging was again presented at the Naples City of Science and was visited by more than 40,000 people.



The interaction between Bracco and its stakeholders regards all Group companies in addition to the Bracco Foundation and relates to economic, social, environmental and cultural aspects.

In the course of 2019, the presence of news and interviews in **newspapers, radio and TV** was consistent, in addition to on **LinkedIn** and the various Bracco websites. The “Bracco Group” **YouTube** channel is also constantly updated with content devoted to Corporate, Bracco Foundation and CSR materials and projects.

The Bracco Group’s Corporate page on **LinkedIn** has more than 50,000 *followers*. The Bracco Imaging page, targeted to a business public, has 5,400 followers, while the Acist page has 6,700 and the Italian Diagnostic Centre for patients and professionals has 7,400 followers.

The Group’s communications on LinkedIn also involved employees, with the “We are Bracco” Employer Branding project, which saw considerable participation.





2019 ACHIEVEMENTS

BUSINESS



1,47 BILLION EUROS
turnover

+13.9% SALES
compared to 2018

BLUE EARTH DIAGNOSTICS
acquisition



PEOPLE

3,609
employees
(of which 47% women)

56%
of our R&D people are women

~600
hirings in 2019
(+24% with respect to 2018)

100%
of workers at the production sites
and research centres are covered
by a Health and Safety Management
System



ISO 45001
all operating sites certified

+74,000
hours of employee training

+60
social initiatives all over the world

BRACCO S.P.A.
BOARD OF DIRECTORS
50% women



RESEARCH AND INNOVATION



118 MILLION EUROS
invested in Research

9%
of turnover invested in R&D

1,900
patents

ENVIRONMENT



+620 TJ
of self-generated energy

44%
of solvents recovered out of
consumption of indirect raw materials
used in production processes

12%
of electricity acquired comes
from renewable sources

~26%
recycling of waste produced

+25%
recovery of API containers
with respect to 2018

TRANSPARENCY AND ETHICS



CODE OF ETHICS
updated

691
employees trained on the
Global Anti-trust Program

1,368
employees trained on the
Global Anti-corruption Program



OUR COMMITMENT TO SUSTAINABILITY

The Bracco Group firmly believes in Corporate Social Responsibility and in a sustainable development model. In line with this vision, resources and relations with stakeholders are managed ethically, responsibly and in a manner oriented towards generating a positive impact throughout the value chain.

The Group's Corporate Health Safety & Environment (CHSE) function was founded in the 1970s.

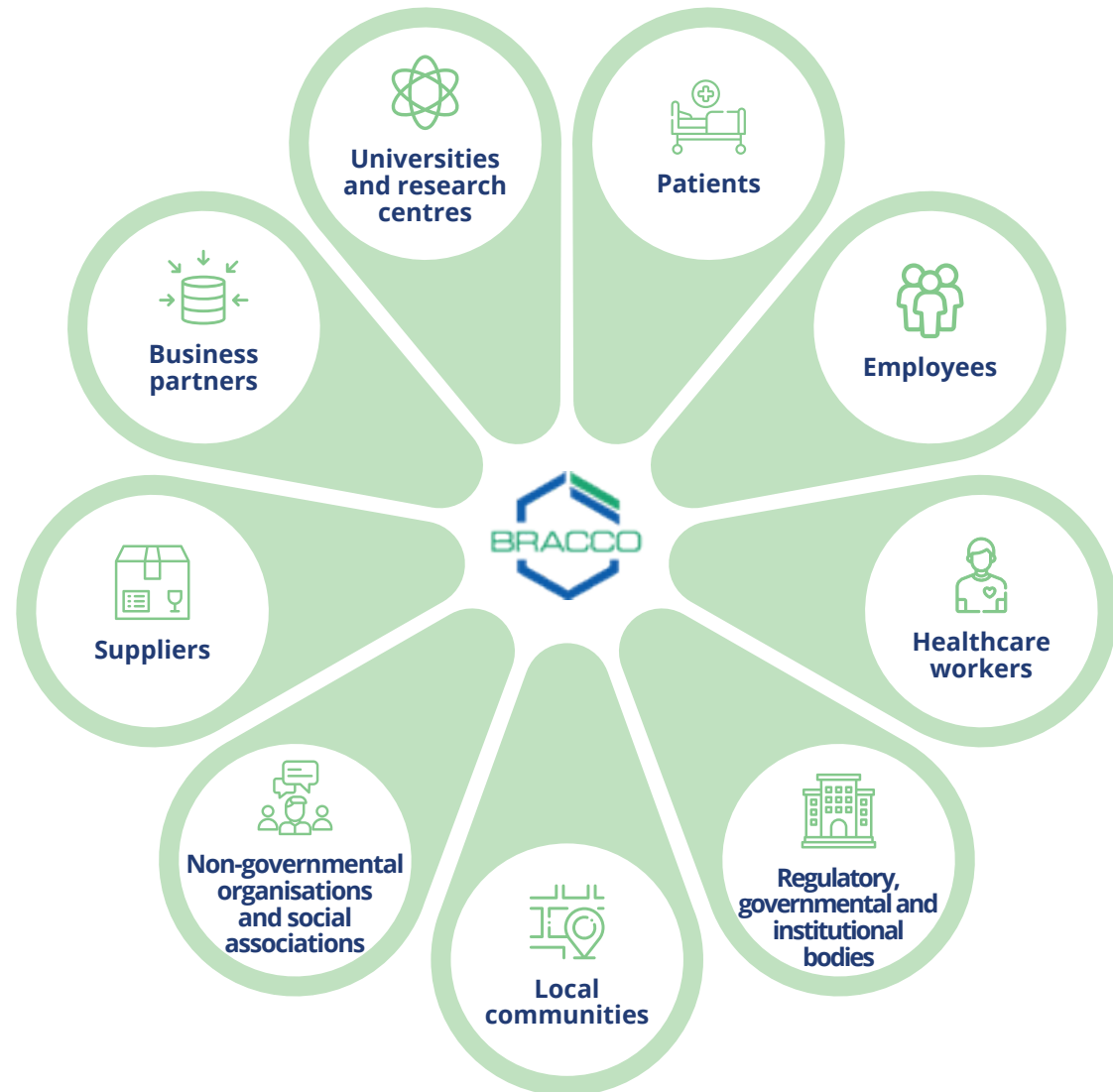
Since 1996, it has drafted and published an annual Environmental Report which presents activities, positive environmental performance and initiatives to guarantee health and safety in the workplace.

In 1998, the Group's Corporate Social Responsibility (CSR) function was founded. In 2014, the Group published its first Corporate Social Responsibility Report, followed by this 2019 Sustainability Report.

STAKEHOLDERS

Bracco promoted the process of mapping the main stakeholders to evaluate their needs and specific characteristics and identify the most relevant sustainability topics for the Group and its stakeholders.

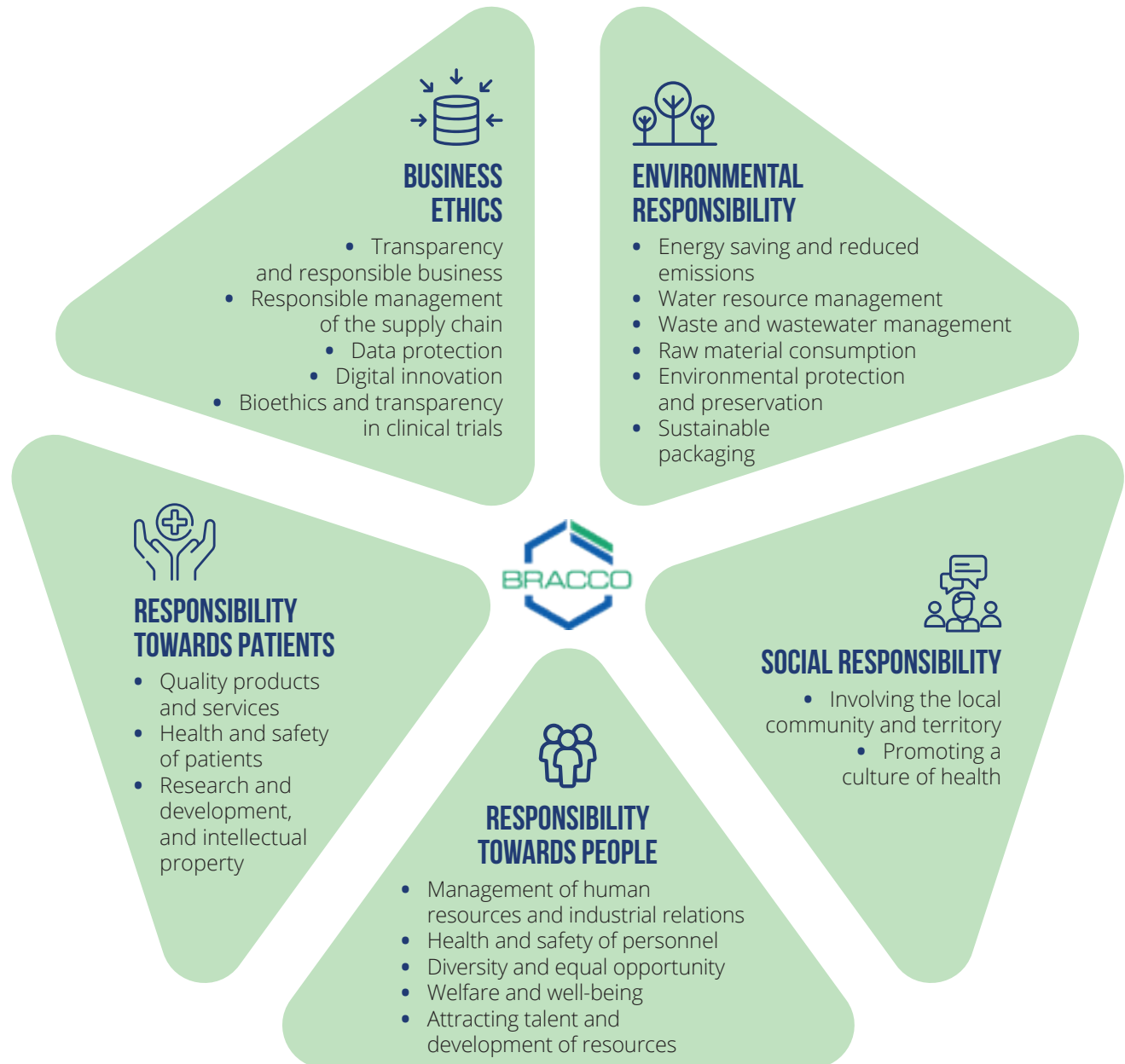
BRACCO PAYS CAREFUL ATTENTION TO LISTENING AND DIALOGUE FOR TRANSPARENT REPORTING TO ALL OF ITS STAKEHOLDERS



THE MATERIAL TOPICS OF SUSTAINABLE DEVELOPMENT

Starting from the reference context in which Bracco operates, trends and sustainability in the Life Sciences sector, the economic, social and environmental topics deemed material, or relevant, on which the Group exercises a significant impact and which may substantially influence stakeholder assessments and decisions, have been identified.

Through the involvement of representatives of the main company functions, the material topics for the Group have been grouped into five clusters: Environmental Responsibility, Business Ethics, Responsibility to People, Social Responsibility and Responsibility to Patients. Although not explicitly stated, respect for human rights is an important topic for the Group as well, as highlighted in the Code of Ethics.





COMMITMENT TO SUSTAINABILITY: 2025 GOALS

Improving performance and orienting Group strategies towards sustainability is a constant commitment.

Below are the objectives that Bracco has set for itself:

PEOPLE

Diversity

- Guaranteeing the effective participation of women in leadership at every level of company decision-making processes, reaching a percentage of women in executive positions (Managers & Executives) equal to 35%, at group level, by 2025.

This target will be reached through:

- the adoption of policies and guidelines to boost opportunities for women to hold key positions
- the strengthening of learning and education initiatives on leadership and management for women
- the inclusion of the target in the objective-based incentive system of the HR function (MBO) and monitoring at annual level.

Welfare and Wellbeing

- Updating and expanding company Welfare with new flexible benefits and new services to foreign companies like Bracco Summer Camps, summer programmes especially for the children of Bracco employees

ENVIRONMENT

Promotion of the circular economy

- Reduction in the volume of biological sludges by 50%

Renewable energy incentives

- Share of electricity with certificate of origin from FER out of total electricity consumed in excess of 15% (8% in 2019)

2 PEOPLE AT THE CENTRE



PEOPLE AT THE CENTRE

Creating value for people is a central theme for Bracco. For its people, the company guarantees inclusion, healthcare and the development of skills through welfare services and training tools. It offers the safest possible solutions to patients. Through the development of social, cultural and educational projects, it bears witness to its link with the communities in the areas where it operates.



OUR POLICIES

- Code of Ethics
- HSE Corporate Policy

OUR NUMBERS IN 2019

3,609

employees of which 47% women

28%

of people who hold an executive position are women

100%

of employees and external workers who work at the production sites and research centres are covered by a health and safety management system

+60

social initiatives all over the world ¹

~600

hirings in 2019 (+24% with respect to 2018)

61%

of employees periodically assessed on performance

6

inspections on the pharmacovigilance system by the regulatory authorities with a positive outcome (100% of inspections)

+380,000 EUROS

for free employee prevention services in Italy alone

+74,000

hours of training provided

¹ For the complete list of the local projects promoted by the Bracco Group, please refer to the Annex "Our initiatives for the communities and the promotion of health" on page 120 of this Report.

THE IMPORTANCE OF OUR PEOPLE

Our company policies are based on the enhancement of people. The Group has built its history and its successes on the skills of its employees and on the company's commitment to enhancing them.

The people management strategy supports current business needs with a focus on the future. Bracco has defined processes and instruments for incentivising training, motivation and proper people management. This vision makes it possible to optimise productivity in the workplace, and especially promotes professional growth and well-being.

The HR functions always maintain an open channel of communication between the company and its people, and ensure the positive management of processes linked to the organisation's development:

- guaranteeing training and development processes targeted at professional updating and the acquisition of technical, scientific and management expertise;
- providing instruments for the continuous improvement of performance and for its remuneration at individual and team level;
- selecting and recruiting the best talent available in the market;
- guaranteeing that the inclusion process within the company is effective, rapid and functional.

Within the area of personnel training, selection and recruitment, compensation & benefits, health surveillance and safeguarding the safety of resources and people, the Group relies on specialists. They work alongside additional resources during any work load peaks.

Percentage breakdown of employees as at 31.12.19 by type of contract (permanent and temporary)



3,609



The Group has **3,609** employees.

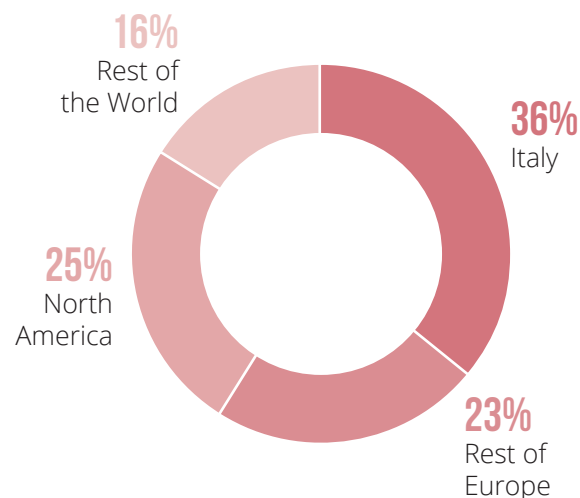
89%



Of which **89%** hired on a permanent basis.

The country with the highest number of employees is Italy: nearly 1,300 employees, of which more than 400 at the Italian Diagnostic Centre (at 31.12.2019).

Percentage breakdown of employees as at 31.12.2019 by geographical area



WORKPLACE HEALTH AND SAFETY

The Group considers workplace health and safety to be a fundamental right for people and an essential element for the company's future. Creating the conditions to reach increasingly high standards is a commitment and a priority for Bracco.

Corporate Health Safety & Environment (CHSE).

This is the company structure responsible for the management of the Group's health, safety and environment. Since the 1970s, it has ensured scrupulous respect for regulations and the pursuit of the highest health and safety standards. The protection of health is based on a systematic approach to identifying dangers, risk assessments and reduction to meet requirements relating to occupational health, ergonomics and occupational medicine.

Safety Management System. Bracco has voluntarily decided to adopt a health and safety management system certified according to the ISO 45001 **international standard at all its Italian operational sites.** The system has helped to spread a culture of safety and prevention at the workplace, facilitated by dialogue and internal communication.



System Audit. To guarantee a widespread assessment of the effectiveness of the occupational health and safety management system, audits are performed each year on the services and functions identified as relevant in the risk analysis. Starting from 2020, the three-year review of the audit plan identified 77 on-site audits, integrating additional activities for mapping the risk of the functions and services of various sites and identifying the most sensitive areas with reference to health and safety topics.

Assessing and combatting risks. The risk assessment is performed systematically in the workplaces of the company offices for all jobs. The results of the assessments are used to define the measures to improve worker health and safety prevention and protection, including for external associates.

Italy. At the Italian plants, both the occupational health and safety prevention and protection regulation (Italian Legislative Decree 81/2008) and the regulation for the plants at risk of significant accidents (Italian Legislative Decree 105/2015 - Seveso Directive) are rigorously applied.

Bracco has also promoted the performance of audit activities within various Group companies in order to continuously update and improve processes and practices. Specifically, audits were performed on the occupational health and safety management systems involving more than 2,700 employees and more than 100 external workers.

ACCIDENT PREVENTION

Audit System. Bracco has implemented a planned and documented audit and inspection system with a view to:

- ensuring that the organisation of activities is compliant with what has been planned, maintained and properly enacted for accident prevention;
- ensuring that procedures, regulations and instructions on health and safety are known and applied;
- verifying respect for requirements as regards equipment, plants and regulation, control and alarm devices;
- boosting the organisation's awareness with respect to the identification of hazards and the assessment of risks.

3.1



In 2019, there were **14 accidents** at work, with an **accident rate of 3.1**, down compared to 2018 and lower than the sector average of 3.9..²

²The sector average refers to the average frequency rate in 2018 of the companies participating in the Federchimica Responsible Care initiative, available in the 25th Annual Responsible Care Report published by Federchimica in 2019.

SPREADING A CULTURE OF SAFETY

Bracco encourages the spread and internal sharing of prevention measures and increasing awareness amongst employees.

BRACCO HSE Awards. This is the competition which each year recognises the best projects within the Group on environmental, health and safety topics. It was founded in 2017 to highlight and share the various personal or Group initiatives, and favour and spread them within the company as part of a culture of shared sustainability. The eligible projects exceed legal requirements and internal procedures and establish new sustainability and safety standards.

Training. Bracco's commitment is also enacted through the promotion of intense training activities on the main health and safety regulations. Annual training, information and instructional plans are updated on the basis of reporting and the corrective actions emerging during periodic checks and audits. Training is intended for all people working at Bracco: employees, temporary workers, external associates and contract workers.

Assignment of work to third parties. As required by law, every contract specifies the interference risks and behavioural standards compliant with emergency plans particularly focused on the mitigation of significant accidents.

OUR COMMITMENT TO SAFE CHEMISTRY

Responsible Care. Bracco's commitment is not limited to respecting health and safety regulations. By voluntarily participating in the Responsible Care programme, Bracco and the other chemical sector companies have increased workplace safety standards and have significantly reduced the frequency and severity of accidents, making the chemical sector one of the safest large industrial sectors. Through Product Stewardship, or the application of the Responsible Care programme to product management, the Group is committed to improving safety performance throughout the entire life cycle. In particular, it is concentrated on the segment downstream of production process, or the phases of transport and use by various users (industrial, professional and consumers). In addition, the Group guarantees increasingly less hazardous and safer products thanks to its significant investments in research, development and innovation made every year.

INCLUSION AND WELL-BEING OF OUR PEOPLE

The attention for those who work at the company goes beyond purely organisational aspects: at Bracco, employees are professionals, but first and foremost they are people. It is important to make the work environment welcoming and the company a life partner.

Company welfare. Human resource management at Bracco strives to strike a balance between professional and personal lives. People are accompanied and

supported by a complete, continuously evolving welfare system. The Group supports work/life balance through services and facilitations for time management, to foster family and private life.

The welfare services were developed based on a perceived or explicit needs analysis: reimbursements of school expenses and interest on mortgages, expense vouchers, facilitations for sports activities, well-being and personal health.

In particular, for the Italian companies, the offer includes:

- life counselling and psychological support services;
- company gym (Milan office);
- summer camps at affiliated centres for employees' children;
- study grants for children of employees;
- reimbursement of school expenses;
- reimbursement of expenses for the education of employees' children;
- voucher for expenses for goods and services.

The services are for the most part free, while in some cases they require a marginal contribution from employees, or they are offered under special conditions negotiated by the company.

Continuously increasing human and economic resources are devoted to the organisation and management of services. To improve the offer, the CSR function performs periodic surveys, interacts with the project's internal and external contacts, gathers information from colleagues, points for improvement and constructive criticism that is incorporated promptly or during the annual planning phase.

The approach is participatory in nature: before their launch, the new services are announced to everyone, including with engagement and information events and initiatives.

Social assistance. The social assistant is a traditional reference figure within Bracco: they help to handle family, health and personal problems. They provide support in using internal services and facilitate access to local services, provide information on prevention and public health legislation, while also helping with the completion of many bureaucratic procedures. They also work on specific support projects during moments of transition, such as maternity and retirement, helping employees to face these events with greater peace of mind.



The employees of the **foreign companies**, compatible with local regulations, are guaranteed a number of benefits, for example life insurance, reimbursement of medical expenses, contributions for meals and transport, company vehicles and smartphones for the roles requiring them.

Dream Travel Project, a project of Bracco Sine, a Group company headquartered near Shanghai in China, rewards Chinese colleagues who have achieved the best performance with a trip to Italy. During the trip, participants are provided with the opportunity to visit historical and artistic sites and gain more familiarity with the company's culture and history at the Bracco production plants and research laboratories in Italy. Since 2016, **Dream Travel Project** has involved roughly 120 employees, and 30 more will participate in 2020.

Work-life balance. Bracco facilitates work-life balance by guaranteeing horizontal or vertical smart working or part-time work, as required. In the course of 2019, 199 employees requested and obtained a part-time work arrangement.

Engagement and motivation. To support people's commitment to the company, Bracco adopts a widespread and structured communications strategy based on newsletters, company intranet news, communications from the CEO and management information meetings. The communications are conveyed at global level through the company intranet as well as during face-to-face meetings.



PREVENTIVE MEDICINE SERVICES

The Group offers its people information and preventive medicine programmes based on age and gender.

In 2019, the Group invested more than 380,000 euros in Italy in health services: blood tests, flu vaccines, coeliac disease and lactose intolerance prevention, prevention of heart problems. In particular, through the Family Charter of the Italian Diagnostic Centre, employees and their relatives can benefit from specialist check-ups, diagnostic exams, dental appointments and courses of physiotherapy under favourable conditions.

HOME HELP SERVICES: FAMILY CARE

Family Care is the free home help service reserved for people who work at Bracco. It offers support to deal with the day-to-day problems that can arise due to the non-self sufficiency of a parent or the disability of a child.

Founded as an urgent, short-term service, over the years it has transformed into continuous support. The project is carried out in partnership with ALDIA, which designs and manages psycho-pedagogical, social welfare, education and healthcare services for children, minors, the elderly and the disabled, as well as in the areas of psychiatry and difficulties at home and in residential structures, cultural and recreational activities and social secretariats.

Diversity. People's well-being is supported not only through company welfare activities and projects, but also with the inclusion, listening and recognition of diversity as a positive factor for change. Bracco considers diversity to be a key value for its entire organisation and a point of strength. The non-discrimination policy outlined in the Group Code of Ethics guarantees equal opportunities to everyone and the protection of diversity, affirming that the company does not discriminate on the basis of sex, racial or ethnic origin, nationality, age, political views, religion, health, sexual orientation or socio-economic conditions.

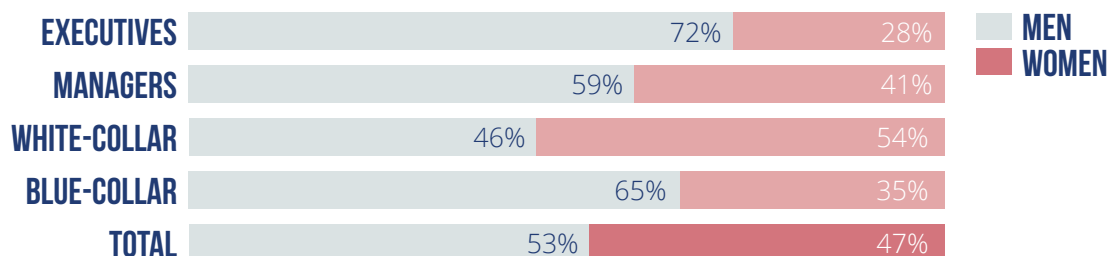
In particular, the Group encourages and values the crucial contribution provided by its female staff. It pays great attention to issues such as equal opportunities and reconciliation between work and family life. The company also protects maternity, offering new mothers informational, organisational and psychological support.

The men/women ratio in the Group's staff. To guarantee increasing equity, through periodic pay analyses the company monitors the salaries of men and women in relation to the roles held, skills and seniority in the company.

All Group activities are based on respect for the human rights recognised at international level.

Bracco shares and promotes the principles enshrined in the Universal Declaration of Human Rights of the United Nations and in the fundamental conventions of the International Labour Organisation (ILO). The Group is committed to creating and maintaining fair, accommodating, safe, meritocratic working conditions that are respectful of human dignity, equal opportunities and the personal/professional life balance, with no form of discrimination or exploitation. Furthermore, through continuous and targeted training processes, it ensures that the abilities, skills and know-how of each employee are able to evolve and grow over time, consistent with the company's objectives.

Percentage breakdown of employees as at 31.12.2019 by category and gender



~47%



Today, **women** represent roughly **47% of personnel** and hold 28% of the executive roles. The percentage of women at the CDI exceeds 78%.

85%



The average **ratio** of base **wages of women** compared to **men** is equal to **85%** and the average ratio of total **pay** between women and men is equal to **83%**, both up compared to 2018.

52%

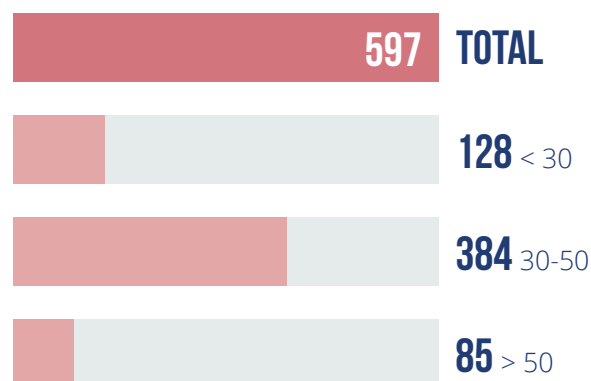


52% of the Group's people are protected by **collective labour** agreements.

ATTRACTION AND DEVELOPMENT OF TALENT

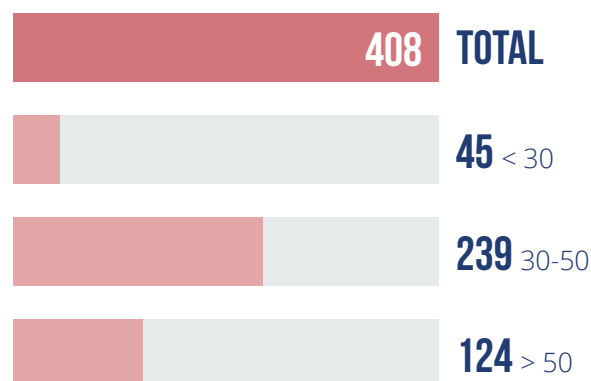
With the acquisition of the company Blue Earth Diagnostics, in the course of 2019 Bracco's headcount rose to 3,609 people. There were 597 new hires, 24% more than those hired in 2018, with incoming turnover exceeding 16%. 21% of those hired in 2019 are young people under 30 years of age, with incoming turnover for this category equal to around 43%.

Number of people entering the Group by age group in 2019



In the course of 2019, there was also an increase in those leaving the Group: 408 departures, or 22% more than in 2018, for outgoing turnover equal to around 11%. In Italy, there were no departures of people below 30 years of age, a sign of the Group's desire to cultivate talent within the company.

Number of people leaving the Group by age group in 2019



PERSONNEL SELECTION

The selection and recruitment of personnel take place through a structured process that aims to select the most qualified person for the role to be filled and begins from accurate drafting of the job description, as well as the required experience and skills. The recruitment of external candidates takes place through the internet and social networks, universities and companies specialised in personnel search and selection. The screening of CVs received, based on a rigorous comparison with the requirements of the role, produces a short list of candidates who are interviewed by HR and by others in the business line in which the new hire will be working. After these interviews, HR and the line managers hold a meeting to identify the best candidate, not only in terms of capacities, behaviours, skills and required experience, but also the personal characteristics of the candidates and their fit within the corporate culture.

Employer branding. The company has a team that works to obtain the maximum visibility of the Bracco brand in the job market through communication campaigns on social networks, primarily on LinkedIn, where the Group has an organised and intense presence. Bracco has also entered into a number of partnerships, which are constantly on the rise, with many Italian universities, enabling the company to recruit brilliant young graduates, also thanks to special events such as Career Days.



E-LEARNING

The Group has invested in e-learning platforms, which allow for the remote learning of differentiated and complex training content. It is possible to access personalised training paths on the basis of current and future roles.

A plan for the expansion of these activities to increasingly broad groups of people is under way. New content such as Artificial Intelligence, Heart anatomy and Physiology and Pandemic Awareness will also be integrated within the platforms.

ENGAGEMENT AND TRAINING

The engagement and motivation of people are the main ingredient for the success and well-being of the company. Bracco enacts a broad and structured communications strategy. Engagement is monitored with specific surveys, also aimed at selected groups, such as young talents within the company.

The training offered in the company is continuously evolving and meets people's needs in the various roles and phases of their career progression. All types of training are available with a mix of on-the-job activities (including mentoring with the support of supervisors and colleagues) and classroom and remote training through e-learning platforms.

- **Induction training.** Aimed at new hires, this training provides information about the main characteristics of the organisation and the content required to act in their new role.
- **Compulsory Training.** Provided through e-learning programmes or in the classroom, it regards the topics of health and safety, the courses required by Italian Legislative Decree 231 of 8 June 2001 (for Italian companies), data protection, privacy, anti-corruption and anti-trust for sales and pharmacovigilance roles.

- **Technical and Scientific Training.** This training is focused on new products and services, how they are offered, medical training, conferences, training courses for research and development, scientific workshops and seminars from basic to higher levels and training on company processes.
- **Management Training.** This training transfers and consolidates skills to effectively perform the roles that require the management of company resources, on topics such as project management, public speaking, structured communications, finance and economics, negotiation capacities, leadership, change management and people management. For these topics, the Group has developed an innovative e-learning platform (BNext) which can be used to create personalised training paths, the design of which can also receive input from people, with structured objectives to be reached with pre-established timing.

79%



In 2019, **training courses** were provided to **79%** of personnel, for a total of **2,848** people belonging to the different professional classification levels.

74,506



In 2019, **74,506 hours of training** were provided, of which 58,198 hours of technical training.

TALENT DEVELOPMENT

Bracco invests in people and has adopted a talent attraction and development strategy based on specific drivers:

- **internal development opportunities.** Bracco facilitates internal promotions, encouraging the desire to progress, through the promotion of professional mobility and the development of skills;
- **continuous education.** People's desire for knowledge finds concrete opportunities for continuous learning in Bracco through technical, scientific, professional, language and management training;
- **performance management and feedback.** The company monitors and rewards the best performance on the basis of the results achieved, and regularly offers specific, bidirectional feedback, involving supervisors and teams;
- **employer branding.** Bracco has adopted a strategy for strengthening its presence and communications on social networks to reach the highest possible number of candidates all over the world. Furthermore, new partnerships are in the works with prestigious universities, in Italy and worldwide.



DEVELOPMENT OF YOUNG TALENT IN THE COMPANY - FUTURE LEADERS

The Future Leaders programme prepares a selected group of young professionals and managers for positions with higher responsibility. The project includes a structured process that begins with a pre-selection based on the CV and continues with an online assessment of management and personal capacities. On this basis, a personalised training path is defined which also includes on-the-job projects and enables the young people selected to fully cover the highest possible number of key positions within the business organisation.

THE BRACCO SKILLS MODEL

These are the new transversal skills, which are crucial for people's professional growth: Changing & Innovating, Customer Orientation, Strategic Thinking & Business Acumen, Intercultural Communication, Cross-functional Integration & Process, Empowerment, Results Orientation, Lead People & Develop Talent, Taking Personal Responsibilities and Building Collaborative Relationships. Emerging from a series of focus groups with a sample of employees from different companies, they are at the basis of the assessment system contained in the **Organisational Skills Model**, which facilitates dialogue between managers and employees and the drafting of individual professional development plans.

Career paths. Bracco has prepared various professional growth paths by developing procedures that take into account specific employee requirements:

- **horizontal career paths** based on changes of role which do not necessarily entail greater responsibility and complexity, but call for different professional duties and the development of new skills;
- **vertical career paths** built to accompany the people selected due to their capacities, potential and excellent performance results, to cover roles of increasing responsibility and organisational complexity.

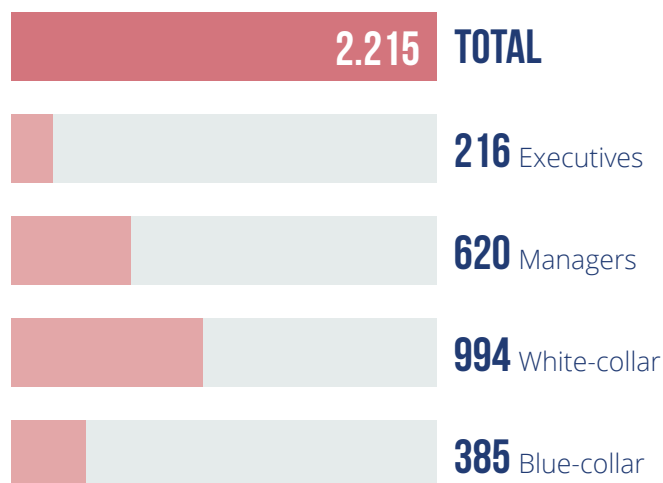
The career development paths are based on effective assessment tools:

- **assessment of management skills**, based on the Bracco Group's specific skills model;
- **performance assessment**, on the basis of the objectives assigned at the beginning of the year (qualitative and quantitative, based on company and function KPIs);
- **potential assessment**, for people who need to develop skills to grow and cover key roles.

In the course of 2019, Bracco subjected to periodic assessment the performance and professional development of 2,215 people all over the world, at different professional classification levels, equal to roughly 61% of personnel. The employees involved in 2019 increased by around 11% compared to 2018, the year in which 1,998 people were involved.



Number of employees subject to periodic performance and professional development assessment in 2019





ENHANCING PEOPLE: THE CDI NUMBERS

Within an increasingly competitive context, being able to count on qualified and motivated people is fundamental. In 2019, the CDI invested in people, and particularly in young people, with 52 new hires (46 in 2018), of which nearly 50% under 30 years of age, while outgoing turnover declined by 58% (from 41 people in 2018 to 27 in 2019). And 97% of employees participated in on-the-job training, e-learning and classroom seminars for the development of a range of skills (technical, IT, communication, inclusion), for a total of 4,916 hours.



52
new hires

50%
under 30 years

Performance Management System. It has the goal of motivating and compensating people not only through monetary bonuses, but also through training, development and career paths. It includes an annual salary review process that rewards the achievement of business and individual performance objectives. Based on the fundamental principle of merit, the system calls for:

- changes in classification and promotions following the assumption of higher responsibilities;
- increases in fixed pay which consider individual performance, the relevance and any critical issues of the position, pay history, internal equity and consistency with the external market;
- increases in variable remuneration through variable bonus targets;
- one-off bonuses for those who have successfully completed relevant projects.

Furthermore, to confirm the solid corporate culture which places people at the centre and the continuous attention placed on employees to improve their satisfaction and well-being, in the course of 2019 checks and audits were carried out which made it possible to obtain the prestigious **“Top Employer 2020”** certification for Italy. The recognition was assigned by the “Top Employers” institute, founded over 25 years ago, which has certified more than 1,600 organisations in 119 countries, after a rigorous analysis and verification process which took into consideration HR practices in various areas including: Learning & Development, Talent Acquisition, Performance & Leadership Development, Compensation & Benefits, Welfare, Strategy, On-boarding and Corporate Culture.



OUR COMMITMENT TO PATIENT SAFETY

THE PATIENT AT THE CENTRE

In all areas of operations, Bracco focuses on enabling better patient outcomes and providing innovative solutions to patient needs around the world, while adhering to the respective laws governing those activities. We protect patient safety by identifying, assessing, managing and reporting any product-related risks in a timely manner in compliance with applicable regulations.

To ensure the best outcomes in terms of responding to and minimizing health risks from Bracco products, the Company has established and operates a global Quality Management System (QMS), which is an integral part of the Pharmacovigilance System.

The Pharmacovigilance QMS is consistent with the general principles of ISO 9001 standards on Good Quality Management Practice and covers the Company organizational structure, responsibilities, procedures, processes and resources, appropriate resource management, compliance management and record management.

The function responsible for implementing and maintaining the Pharmacovigilance QMS is the Corporate Pharmacovigilance Quality Systems and Risk Management function in collaboration with all the people, departments and affiliate companies involved in the Pharmacovigilance System of the Bracco Group.

THE ORGANISATION AND THE SUPERVISORY OPERATING SYSTEM

To ensure that all the stakeholders are committed to contribute to an effective and global pharmacovigilance system continuously encouraging and promoting the patient safety, all Bracco employees receive basic pharmacovigilance training once a year that covers the procedures for identifying and appropriately reporting pharmacovigilance information on our products.

To further improve company compliance with all the regulations governing pharmacovigilance activities worldwide, a Safety Compliance Committee (SCC) is in place, which meets on a regular basis or upon needs.

Key responsibilities are the planning, coordination and supervision of Bracco pharmacovigilance compliance programs and of safety risk management programs across the corporation for Bracco products during the post-authorization period; the global coordination of policies, processes, people, and resources of all departments and functions which are part of Bracco Pharmacovigilance System or which interact with it; the review and identification of new or emerging regulatory requirements and compliance trends that would impact the Pharmacovigilance QMS.



Regulatory authorities conduct periodic inspections to verify that Marketing Authorization Holders are complying both with regulatory requirements and Company internal pharmacovigilance standards. During 2019, six pharmacovigilance inspections were conducted on the Bracco pharmacovigilance system in Europe and Japan. Every inspection has confirmed the proper functioning of Bracco's pharmacovigilance system.

Patients' safety is Bracco's top priority. The Bracco Pharmacovigilance System, which covers multiple Marketing Authorization Holders worldwide, is governed and managed by a corporate function within the Global Medical and Regulatory Affairs (GM&RA), namely Corporate Drug Safety and Pharmacoepidemiology (CDSP).

IDENTIFICATION AND MINIMISATION OF RISKS

Within CDSP, a dedicated team of drug safety physicians (the Global Risk Assessment Team) analyses all safety data and uses them to continuously reassess the benefit-risk profile of the Bracco products and identify any new safety risks. By operating according to excellence principles, the Global Risk Assessment team is called to ensure continuous improvement of pharmacovigilance activities and interventions designed to identify, characterise, prevent or minimise risks relating to Bracco medicinal products, including the assessment of the effectiveness of those interventions. Systematic and comprehensive processes aimed at detecting new safety signals for our products are in place, including: medical assessment of individual safety reports, review of aggregate safety data, revision of the product Core Safety Information, routine signal detection analyses.

During 2019, the Global Risk Assessment Team established a new signal detection process to integrate the data originating from the EudraVigilance Data Analysis System (EVDAS)⁴ into the consolidated Bracco signal management processes.

Key Performance Indicators (KPIs) are in place to measure the Company performance in terms of signal management activities and implementation of risk minimisation activities. Values of these KPIs demonstrate that the concerned processes and activities are under control and show positive trends over the years.

³ Pharmacovigilance deals with the identification, assessment, understanding and prevention of adverse reactions and any other issue linked to taking a medication, in order to improve patient treatment and safety and contribute to public health.

⁴ EudraVigilance (European Union Drug Regulating Authorities Pharmacovigilance) is the European platform for reporting suspected adverse reactions to medications, whether they are already authorised or in the clinical trials phase in the EU.

CONTRIBUTION TO LOCAL COMMUNITIES AND THE PROMOTION OF HEALTH

Bracco's commitment to the general public takes the form of social innovation, solidarity initiatives, education concerning the culture of health and general prevention within local communities. The company is increasingly aiming to implement social impact assessments and to achieve greater engagement of Italian and foreign companies within project development.

The Corporate Social Responsibility (CSR) function in Italy and other functions within the affiliated companies manage projects, partnerships and international cooperation activities.



SPORTS



Sports is one area to which Bracco has devoted its attention and energies for some time now. The **"We Play the Future"** CSR project demonstrates its commitment within the reference communities, through support to hundreds of young athletes. "For young people, sports are an opportunity to mature, improve, challenge themselves, learning every day the values of respect for others, trust and sacrifice, and this is why our company has always invested in this area", affirms Diana Bracco. "Sports also represent the occasion for coming together, learning, personal development, cohesion and social inclusion. In other words, they are a veritable training ground that accompanies young people into the future by training them for life". **Donna Sport** is the national competition for young female athletes with excellent scholastic performance which rewards their ability to combine sports and study, favouring the spread of sports amongst young women and contributing to promoting the positive values of sports. In 2019, there were 139 participants, with 6 winners, 3 of whom in the category of Paralympic sports.

WE PLAY THE FUTURE
FROM SPORT TO LIFE

BRACCO FOR SCHOOLS



In 2019, Bracco signed a memorandum of understanding with the Scholastic Office of the Lombardy Region to build a public-private alliance in favour of teens, children and their families. The agreement, broken down into a number of points, develops the collaboration between the Bracco Foundation, the Bracco Group and the Scholastic Office of the Lombardy Region on training, cultural enrichment and pedagogical initiatives like the **Psycho-Pedagogy Centre (CPP)**, which for more than twenty years has been a point of reference for the promotion of the psychological well-being of young people and families in the Lombard region. Conceived of by the Bracco Group, it is run in collaboration with the Municipal Administrations of Cesano Maderno, Ceriano Laghetto and Milan. The three centres offer free support to children and young people with behavioural and academic learning issues. Thanks to a team of psychologists and psychotherapists, the CPP offers support to young people and teachers, and carries out clinical-diagnostic activities to understand the causes and psychological dynamics of developmental disorders in children between 3 and 10 years of age; it also offers a free service for the certification of the emergence of specific learning disorders (SLD). One of the most important CPP projects is **"Take off the mask"**, designed to prevent bullying in schools and promote relational well-being.

THE CPP NUMBERS FOR 2019

3
active centres

6,000
students supported

19
schools involved

126
cases monitored in 2019

36
SLD assessments



CENTRO
PSICO
PEDAGOGICO

THE SOLIDARITY SUPPLY CHAIN (FILIERA DELLA SOLIDARIETÀ)



The Solidarity Supply Chain is the local social responsibility project conceived of by Bracco, which it has developed in Milan since 2017 with the Ronda della Carità and Solidarietà Onlus charitable organisations and the Lombardy Food Bank Foundation. The goal is to support the homeless or people in situations of serious marginalisation and facilitate access to basic services that are difficult for them to reach, such as medical assistance or applying for documents. In the course of 2019, through meetings and structured interviews, 67 people were assisted, 33 of whom began an individualised project.





PHILANTHROPIC AND SOLIDARITY ACTIVITIES AND INITIATIVES



Bracco works alongside and supports a number of other philanthropic and solidarity activities and initiatives. In 2019, along with **ABIO** (Association for Children in Hospital), it launched a collaboration involving volunteer activities to help children live better in hospitals where they need to stay for brief or longer periods of time. It supports **Casa della Mamma** (Mother's Home) in Rome, a welcome centre which helps mothers facing difficulties. The facility offers young people hospitality and comfort, and fosters social reintegration and independence through work. For years now, Bracco has been a partner of **San Patrignano**, the community that helps young people with problems of marginalisation and drug addiction, offering them the possibility to study and receive professional training. The company purchases high quality craft products from the Community and commissions the printing of communication material.

Since 2013, Bracco has also supported the **after school** activities that involve the children of mothers who are guests of the Community. This space was created to assist families with the completion of homework in a welcoming and stimulating environment.

The Group has a widespread international presence and contributes to community well-being in a number of countries.

In the USA, ACIST Medical Systems collaborates every year with the American Heart Association to raise funds and participates with its employees in the **Twin Cities Heart Walk** which finances innovative heart research projects. Also in the USA, Bracco Diagnostics Inc. supports charitable and local activities such as **LifeTies**, a non-profit organisation that helps adolescents who have suffered from abuse; **YWCA Firecracker Run**, to raise funds in favour of the Princeton YWCA (Young Women's Christian Association) which offers assistance and support to women of colour; **Court Appointed Special Advocates (CASA)** which offers programmes and services to children and young people in foster care in Burlington and Mercer counties.

WELCOME



Wellcome is the initiative launched by BIPSO GmbH, in Germany, in 2019. The project is managed in collaboration with the city of Singen and the church of Constance, with the support of many volunteers, and offers support to young parents in all social classes. Thanks to an investment of roughly 40,000 euros over four years, the volunteer activity is becoming a network of reception and aid centres for an increasing number of needy families.

BRACCO FOUNDATION

Bracco Foundation plays a fundamental role in supporting local communities and promoting health, and for 10 years has carried out and promoted projects to improve the quality of life of residents and advance social cohesion.



EDUCATION OF YOUNG FOREIGN RADIOLOGISTS



Through the Bracco Foundation's **progettoDiventerò**, the Group supports the education of young foreign radiologists. It has collaborated with the **Radiology Society of São Paulo (SPR)** in São Paulo, Brazil since 2015, and the **Mexican Society of Radiology and the Mexican Federation of Radiology** since 2019. The objective is to contribute to cutting edge scientific training for young Brazilian and Mexican radiologists who spend a period of time specialising in their profession in top Italian hospital facilities in the area of diagnostic imaging. Since 2015, 19 people have received scholarships, including 5 in 2019.

THE COMMITMENT IN CHINA



In China, Bracco Sine participates in a number of activities for the local communities, such as donating **100 computers** to an elementary school in a rural area of China.



INTERNATIONAL COOPERATION



Bracco has been active in international cooperation for more than a decade. With the Associazione Amici dell'Africa Onlus, it supports the African territory of **Benin** with initiatives to educate the younger generations, create jobs and perform prevention activities to improve their quality of life. Specifically, it contributed to the construction of **College Fulvio Bracco** in the village of Barei in an area lacking basic infrastructure. Bracco managed the connection to the electrical and water networks, and built 3 scholastic modules and one administrative, a chemistry/physics/biology laboratory and sports fields. The College has roughly 900 students and the number of girls enrolled increases every year, in an area where their attendance at school is minimal. It also launched a programme for the **prevention and treatment of blindness** and other disabling illnesses, to guarantee well-being and combat marginalisation in certain segments of the local population. Screening, the rehabilitation of young people and education for families, carried out with the support of the local authorities and the Order of Malta, involved more than 1,000 young people. In **Benin**, Bracco also supports **Alafia**, a cooperative of 100 women who work with fruits and manioc, the dietary mainstay of the population of tropical countries. It also created a polyfunctional space for training, the processing of raw materials, sales and restaurant activities.

CULTURE OF HEALTH



In the United States, Bracco Diagnostics Inc. (BDI) has collaborated for several years now with non-profit organisations to promote a culture of health. As a sponsor of the **Radiological Society of North America (RSNA)**, it supports researchers committed to improving patient assistance through research and education in radiology. The company is also a partner of the **American Association for Women in Radiology (AAWR)**, in the promotion of female leadership in healthcare organisations.

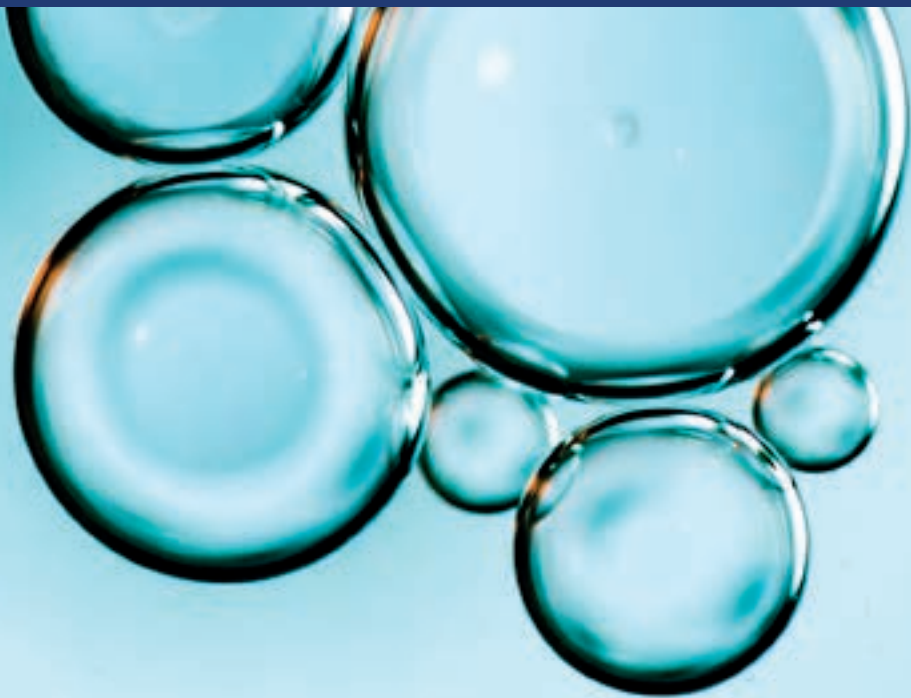
Another fundamental component of the company's commitment is healthcare education on radiological treatment, to improve assistance and patient quality of life.

- **Global Investigator Initiated Research Committee.** Every year, Bracco Imaging offers scientific and financial support to many Investigator Initiated Research (IIR) projects, to generate knowledge, consolidate information and influence healthcare policies at local and national level.

- **Scholarships for online CME/CE programmes** to favour independent medical education programmes and thus improve the level of assistance to patients in the United States.
- **Educational programmes.** BDI supports the dissemination amongst patients of the importance of Colonoscopy CT (CCT) and the screening test for colorectal cancer (CRC), the second deadliest cancer in the United States. It also funds training for radiologists and medical professionals on CCT and initiatives for patients regarding the functioning and importance of that test.



3 RESEARCH AND INNOVATION FOR PROGRESS



RESEARCH AND INNOVATION FOR PROGRESS

Research is fundamental for Bracco: the company's competitiveness is strictly correlated with its capacity to improve the quality of life of patients and customers. The Group devotes significant resources and investments to quality research and continuous innovation for the benefit of the general public.

OUR NUMBERS IN 2019

56%

of the people working in the R&D function of the Imaging Global Business Unit are women

30

new priority and international patent applications filed

34

quality inspections successfully passed (100%)

14

clinical trials performed involving more than 3,500 people

+14,000

accesses to training and educational events organised online in the area of diagnostic imaging



OUR POLICIES

Code of Ethics

Quality Policy



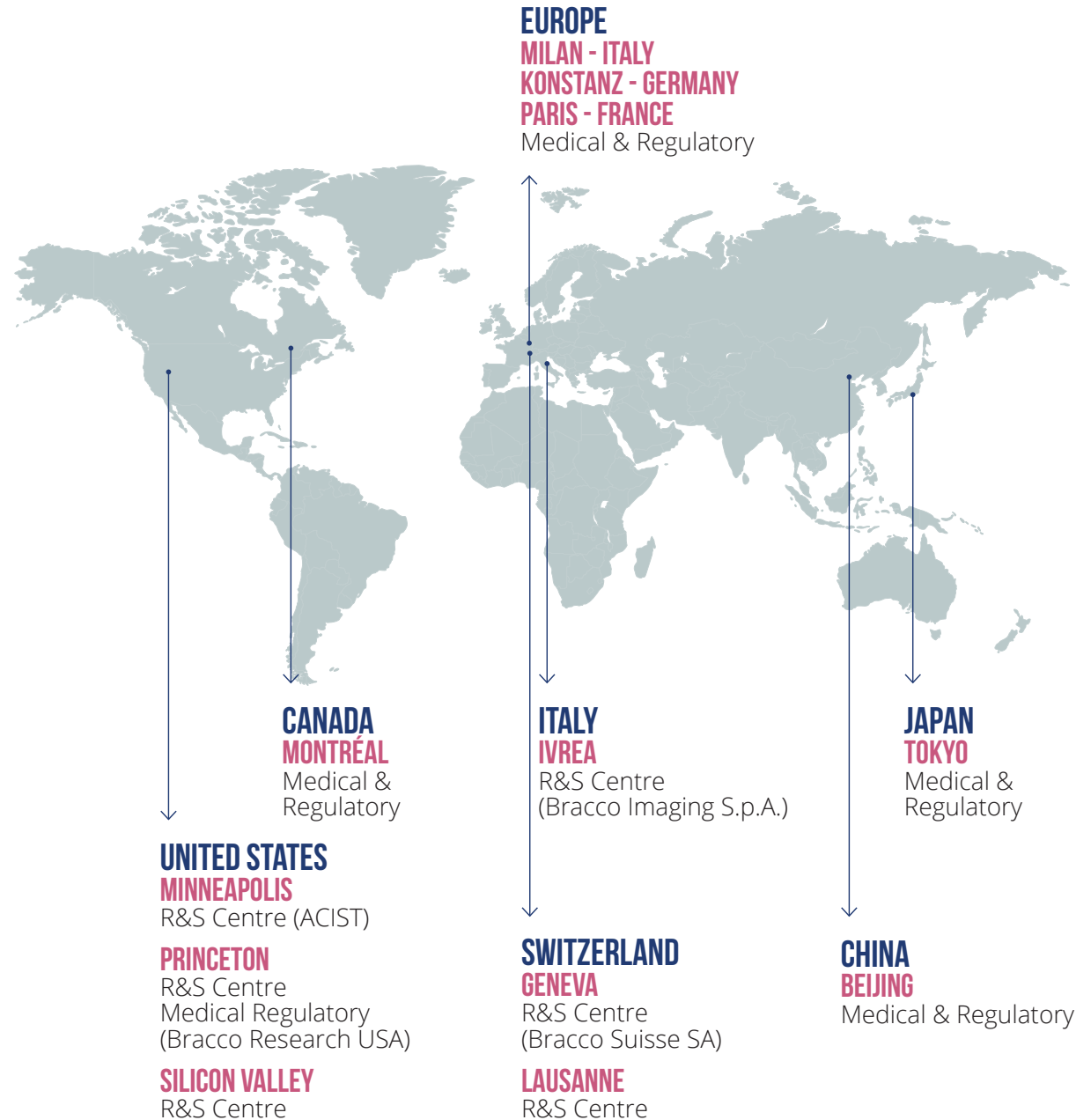
OUR VOCATION TO RESEARCH

The Bracco Group's research activities are performed at centres in Geneva and Lausanne (Switzerland), Colleretto Giacosa (Italy), Oxford (UK), Monroe, New Jersey (US), Fremont, Silicon Valley (US) and Maple Grove and Eden Prairie, Minnesota (US). The various centres have consolidated local and international partnerships of excellence with universities, hospitals and research institutions. In 2020, the new research centre in Munich, Germany, will begin operating.

56%



100 people work in the R&D function of the Imaging Global Business Unit, of which 56% are women.





ERNST FELDER AWARD

In 2019, the Bracco Foundation launched an award for research devoted to the memory of scientist Ernst Felder, whom we owe for great discoveries in the field of diagnostic imaging. The project was developed in collaboration with Bracco Imaging, the Polytechnic University of Milan and the Polytechnic University of Milan Foundation.

The reward is intended for young Italian academics who are carrying out educational or post-doctoral research activities abroad in the sector of flow chemistry and in particular in the transformation of chemical synthesis processes from discontinuous to continuous mode. The reward aims to favour the birth in Italy of a centre of excellence which will become a hub to attract young experts in a cutting-edge field such as that of green chemistry.

“Within the Bracco Foundation’s progettoDiventerò project, we decided to set aside a total of 1 million euros for this project”, affirmed Diana Bracco, Chairperson of the Bracco Foundation and the Bracco Group, “to us, this seemed to be the best way to celebrate Ernst Felder, a great chemist whom we recently lost, who as head of our research unit in the 1970s discovered Iopamidol, a non-ionic contrast media which revolutionised diagnostic imaging at global level. It was a great turning point for radiology, for people’s well-being, for prevention, monitoring and the treatment of a great number of illnesses”. The winner of the award on green chemistry was Gianvito Vilè, originally from Brindisi, who graduated with honours in Chemical Engineering from the Polytechnic University of Milan and received his doctorate in Zurich.

BRACCO INNOVATION HUB

Bracco Innovation Hub was founded in 2019 as the expression of the joint expertise of the Bracco Group and the Italian Diagnostic Centre. It has three main areas of research: precision medicine, big data and advanced industrial technologies, with a particular focus on the circular economy. Its duty is to favour innovation processes across all business units with a holistic view of technology, optimise internal “key skills” and potential external opportunities, and enact an innovative approach open to interaction with external research institutions.

The broad product portfolio developed with R&D activities over the years today makes Bracco a significant player in a range of sectors.

In **diagnostic imaging**, Bracco Imaging has achieved a significant role thanks to the diagnostic and treatment solutions developed through the R&D function of the Imaging Global Business Unit (IGBU). The R&D centres of the IGBU are in Collettero Giacosa, Geneva, Monroe and, as of 2020, Munich, Germany.

The effectiveness and success of Bracco research projects arise from the active participation and engagement of the various company functions. The research centres and the R&D department of the IGBU share daily updates; the CEO and the managers of the functions concerned (GM&RA, IP, Business Development, Technical Operation) are constantly informed on project results and progress.

For Bracco, research is strategic not only for business development, but also to contribute to scientific progress. Over the years, Bracco Imaging laboratory research has led to the publication of articles in international scientific journals, 40% of which obtained an Impact Factor exceeding 4 points. Bracco’s contribution to research also encompasses publications and scientific posters presented at national and international conferences.

SAFE ACTIVITIES AND PRODUCTS

The activities of the Bracco research centres are governed by specific Standard Operating Procedures (SOP) that provide instructions on the management of worker safety, training, the maintenance of instruments and the validation of experimental results. The application of the SOPs plays an even more critical role as the project development phase becomes more advanced. In particular, for all pharmacotoxicology activities, trials take place according to the Good Laboratory Practices (GLP) developed by the OECD⁵ and applied at international level. In addition, the Geneva R&D centre includes a pilot plant that operates according to the Good Manufacturing Practice (GMP) standards and is authorised to manufacture pharmaceutical product lots for clinical trials.

REACH

For years now, the Bracco Research Centres have applied **REACH**, the European regulation that requires businesses that manufacture and import chemicals to evaluate the risks associated with their use. The activities carried out also require attention in taking the necessary measures to manage any risks identified, through the adoption of an integrated system for registering, evaluating, authorising and restricting chemical substances. From this perspective, the oversight and monitoring of HSE topics at the research sites is continuous and scrupulous.



⁵ OECD, Organisation for Economic Co-operation and Development



RESEARCH ATTENTIVE TO THE ENVIRONMENT

The production processes of new diagnostic entities refined at the R&D laboratories are developed beginning from the more exploratory phases using eco-sustainable solvents and reagents, placing an increasingly specific focus on the environment. Indeed, “green” approaches are applied across all new product production phases.



MAGNETIC RESONANCE

A new molecule for magnetic resonance with the same diagnostic performance levels and a safety profile that exceeds current market standards is in the clinical development phase. During activities to create this new diagnostic entity, from the laboratory to the pilot scale and subsequently at industrial scale, the research group has defined an as “green” as possible production process. Significant attention has been paid to reducing the use of solvents that harm the environment and the policy of recycling regenerable raw materials.

LOW ENVIRONMENTAL IMPACT PRODUCT PACKAGING

To minimise the environmental footprint of its products, innovative low environmental impact or biodegradable materials have been identified for primary and secondary packaging. The objective is to reduce unnecessary materials or replace them, when possible, with 100% recyclable material.



X-RAYS

A new project under way is focused on studying a new production process that makes it possible to reduce and/or eliminate solvents and reagents that are toxic and harmful to the environment and allows for the virtuous recycling of raw materials and an increase in energy efficiency. In parallel, as regards the processes currently in use at the production sites, studies are carried out for continuous process improvement with a positive impact on the quantity of wastewater, product waste materials and the recovery of several key raw materials that are used in excess (such as iodine); furthermore, more environmentally friendly alternatives are evaluated, with the reduction or replacement of certain solvents.

THE PATENT PORTFOLIO

Intellectual property (IP) is one of the fundamental assets for the development of research and innovation. To adequately protect the company's patents, within Global Innovation & Technical Operations (GITO), Bracco Imaging has created the IP function consisting of professionals who work directly or with the support of local representatives at the main Patent Offices all over the world. Continuous interaction between this structure and the R&D function makes it possible to monitor project evolution right from the initial phase, identify possible innovations in a range of areas and evaluate the most suitable instruments for protecting them, for example with patenting.

There are roughly 1,900 patents granted at global level present in the Bracco portfolio and 350 patent applications under review at the main Patent Offices. In the course of 2019, 30 new patent applications and international patent applications were filed.

220



In 2019, Bracco was granted **20** patents in **Europe** and **20** in the **USA**. It now holds a total of **220 new patents worldwide**.



QUALITY

QUALITY POLICY

Formalised and shared at Group level, it pursues the highest quality standards at international level and promotes a culture of quality within the Group. The Policy is the basis for the Quality Management System, which measures and constantly improves processes and activities for ensuring ethics and integrity in all activities.

CORPORATE QUALITY MANAGEMENT (CQM)

It is responsible for adapting the quality systems and adopting the tools required for their implementation and monitoring for the entire Group. It works directly in 19 countries from the three offices in Milan (Italy), Cadempino (Switzerland) and Shanghai (China), through its own governance which ensures independence and effectiveness.

The quality system adopted meets the requirements of national and international standards and regulations and guarantees safe and reliable products and services. In all of its business areas, the Group complies with the most advanced and innovative regulations:

- Good Manufacturing Practices (GMP), Good Distribution Practices (GDPs) and Good Pharmacovigilance Practices (GVPs) for all medicinal products;
- Good Clinical Practices (GCPs) and Good Laboratory Practices (GLPs) for all products
- EU Medical Device Regulations;
- ISO 13485:2016;
- 21 CFR part 800 (US Code of Federal Regulations);
- ISO 9001 Quality Management;
- ICH Guidelines (European Medicines Agency).

Continuous improvement initiatives

- Continuous processes verification;
- Optimisation of Quality function infrastructure;
- Digitalisation of various quality processes;
- Programmes involving employees engaging, such as the reporting of potential quality incidents;
- Improvement in the decision-making process supported by the deployment of the risk management methodologies and tools.



QUALITY TRANSFORMATION JOURNEY

The medium/long-term quality transformation plan, launched in 2013 by the Corporate Quality Team, includes five phases: organisation; governance and processes redesigned - quality model improvement; spread of the culture of quality; employees engagement programme; and quality programme “looking to the future”.

Its objectives are to promote a culture of shared quality and to make people accountable. It also makes quality data visible and accessible and favours the reporting of potential quality incidents from below. The plan is currently part of the Heracles 2.0 programme.

CONTROLS ON PRODUCT AND SERVICE RELIABILITY

At all production sites, medical device (MD) units and commercial affiliates dedicated Quality Management Reviews (QMR) are performed and reported monthly and annually to the Corporate Quality Management and to the Senior Management. Likewise, for Medical Devices and pharmaceutical Operations, Periodic Global Quality Councils are held, chaired by the CEO, and attended by various executive managers.

The Bracco manufacturing sites received 19 inspections. 5 were carried out by major Health Authorities like the US FDA, AIFA (Italian Drug Agency), the Chinese FDA, the PMDA and Swiss Medic, and had very positive results; for instance, the Torviscosa and Ceriano Laghetto production sites had their ISO 9001:2015 certification renewed.

The 15 inspections carried out by Health Authorities and Notified Bodies at branches and commercial affiliates all received positive outcomes; they also led to the achievement of a range of certifications, including ISO 13485 and MDSAP⁶ audit issued for instance to the Bracco Injengineering plant and ISO 13485 issued to the Bracco Suisse Geneva plant by the BSI (British Standard Institution).

34



In 2019, the Group hosted **34 inspections** by third-party entities (Health Authorities and Notified Bodies), all of which were passed successfully.

⁶ Medical Device Single Audit Program



DIGITAL INNOVATION

Bracco adopts digital solutions which enhance and improve the quality of the services and products offered and process transparency. This makes it possible to anticipate new trends and be competitive in the market.

Online platforms. To improve marketing and promotional activities while taking a paperless approach, Bracco is increasingly adopting online platforms in the various geographical areas, to replace paper materials. For example, the **Solutions in Contrast Imaging** digital platform collects publications, clinical cases and videos relating to the three methods for using contrast imaging solutions: x-ray, MRI and CEUS.

Sharepoint Bracco Imaging gathers the most recent promotional materials in their various forms (scientific articles, brochures, monographs, videos and product campaigns). The platform is accessible to all Group branches for the paperless sharing of materials with external customers. Bracco uses digital platforms (Auntminnie, Diagnostic Imaging Europe) before, during and after international conferences for product, institutional and specific event communications.

BraccoMDCT.com is the company's web-based platform⁷ that supports the use of contrast media (Iopamidol and Iomeron) with the most recent CAT technologies and offers a personalised approach to radiological exams based on patient characteristics.

The use of technology is also fundamental for the dissemination of educational content. Bracco supports the development and implementation of specific websites that convey educational content on various topics such as that of radiology on Imaging Education⁸, which registered 7,050 participants and on Applied Radiology⁹, which involved 3,818 people.

Through an unrestricted educational grant, Bracco supports the development and implementation of other thematic websites, specifically:

6,500



In 2019, the Solutions in Contrast Imaging platform counts **33 active online publications** for a total of over **6,500 visitors**.

- <http://www.mrisafety.com/>
- www.mdct.net
- <https://ceus-liver-course.com>
- <http://cardiocontrast.com>
- <http://icus-society.org/>

As part of the new European Medical Device Regulation (MDR), Bracco is developing new web repositories that gather together the data of certain devices such as Vuebox, already activated in 2019 for CEUS, and certain accessories for gastrointestinal imaging and products for nuclear medicine devices.

⁷ www.BraccoMDCT.com

⁸ www.imagingeducation.com

⁹ <https://www.appliedradiology.org/3a/>

In the course of 2019, in collaboration with ESOI (European Society of Oncologic Imaging), Bracco developed periodic training sessions on a range of topics relating to diagnostic imaging, which recorded a total of 3,575 accesses. These include:

- Prostate cancer: A multidisciplinary approach to imaging (705 participants);
- Immune therapy: Response assessment and toxicity (440 participants);
- Small bowel tumours (418 participants);
- Rectal cancer: A multidisciplinary approach to Imaging (486 participants);
- Imaging and response assessment of multiple myeloma (291 participants);
- Artificial Intelligence in oncologic Imaging: Current status and future direction (319 participants);
- Clinical relevance of PSMA PET/CT: An overview and update (618 participants);
- Assessing response to therapy of brain tumours (298 participants).

DIGITAL SOLUTIONS

Vuebox®. This is Bracco's patented technology for ultrasound diagnostic quantification procedures. The software quantifies tissue perfusion with the Dynamic Contrast Enhanced Ultrasound (DCE-US) methodology. In the course of 2019, it was further updated to improve its functioning and interface.

Nexo®. Since 2014, Bracco has developed and marketed NEXO Contrast Management System, the web application for the electronic and automated management of information relating to the administration of contrast media in patients undergoing CAT procedures. Nexo® minimises manual steps and the use of paper documentation in the management of protocols and in data reporting at the end of the test. The innovations introduced in 2019 will improve its effectiveness because, at the time of the exam, they will make it possible to transport directly to the injector the history of the administrations of contrast media of a given patient. Nexo® will manage not only data relating to CAT procedures with contrast media, but also MR procedures with contrast media.

DI Injectors App for iPad. This provides access to the full range of products in the DI Injectors portfolio (contrast medium injectors), product demos, images, videos and brochures, and supports personalised interactions with the reference healthcare professionals. Available in English, the app is currently used in the UK, Austria, Switzerland and Poland.



BIOETHICS AND TRANSPARENCY IN CLINICAL TRIALS

In the field of clinical research, the Group carries out national and international programmes aiming to rigorously define the risk/benefit ratio deriving from the introduction into clinical practice of new medicinal products not yet approved, as well as to better define the effectiveness profile and safety of use of products already used in patient management. The end goal is again that of providing experimental evidence to meet the clinical needs of patients and medical professionals.



The design and performance of clinical trials must guarantee that research participants' rights, integrity and confidentiality are protected. The monitoring of activities at the trial centres, the management and analysis of data as well as the final reports on those clinical trials must ensure that the results of such studies are reliable and accurate. To this end, the Group has set up a control mechanism (Defined as a *Clinical Quality Management System*) intended to ensure that clinical trials are fully compliant with the various regulatory requirements and meet the international ethics and scientific quality standards necessary to design, perform, register and report on research activities involving human subjects.

All of Bracco's clinical trials are fully compliant with the regulations established by the regulatory authorities, such as EU Directive 2001/20/EC, 2005/28/EC, 2010/C82/01, EU Regulation No. 536/2014 of the European Medicines Agency (EMA), Title 21 of the Code of Federal Regulations (CFR) of the Food and Drug Administration (FDA) in the United States and the National Medical Products Administration (NMPA) in China. For years now, Bracco has worked in close contact with national and local regulatory authorities to ensure compliance with the highest international standards, such as the Declaration of Helsinki, the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) and Good Clinical Practices (GCPs) standards.

EMPLOYEE ENGAGEMENT

The people involved in the development of new drugs and medical devices commit to ensuring that the approval process is effective, efficient and rapid, and that innovation is made available in compliance with laws, regulations, guidelines and codes of ethics relating to pharmaceutical research. To remain updated on the operating procedures and standards to be respected, those working on clinical research activities have access to training through a global Learning Management System platform. Thanks to an innovative Key Quality Indicator (KQI), training courses are continuously updated to guarantee compliance with the procedures and processes adopted by the Group.

DATA TRANSPARENCY AND PROTECTION

Bracco shares the results of clinical trials and data with a view to helping medical professionals and healthcare service providers take diagnostic and treatment decisions that are as accurate as possible to ensure the progress of scientific knowledge for the benefit of the general public. It also guarantees the protection and confidentiality of the personal data of patients involved in the study in compliance with the provisions of the most recent international standards on the matter, such as the General Data Protection Regulation (GDPR) and the Health Insurance Portability and Accountability Act (HIPAA). Bracco also undertakes to protect copyright, following the recommendations of the International Committee of Medical Journal Editors (ICMJE) on the protection of copyright and the results of clinical trials.

Clinical research activities must respect data transparency and publicity criteria. Thus, the studies are recorded in databases and databanks open to the public and their results are disclosed irrespective of the outcome of the trial.

Providing transparent results helps to guarantee that decisions relating to the safety and effectiveness of drugs and medical devices are supported by the best available scientific evidence. Indeed, public health decisions and strategies based on scientific evidence guarantee the optimal allocation of public resources to foster health and the best results for patients. Therefore, Bracco has decided to meet requirements for the publication of protocols and clinical trial results on public websites such as clinicaltrials.gov and EudraCT.



3,500



In 2019, **14 clinical trials** were planned or conducted which involved roughly **3,500 people**. For **2020**, an increase of 71% (24 trials) is planned.



TECHNOLOGY FOR COST REDUCTION AND DATA RELIABILITY

Over recent years, the agencies involved in the regulation of clinical trials, such as the US FDA and the European Medicines Agency (EMA), have promoted technological modernisation initiatives. For example, in the United States, the FDA adopted the CFR 21 Part 11 regulation with a view to supporting the use of electronic registers, media and digital signatures in clinical trials.

Also in Europe, the EMA has issued policies to support the use of digital signatures in clinical trials. These initiatives lead to cost reduction and accelerate trial approval processes. Bracco has adopted these regulations and implemented an EDC (Electronic Data Capture) system within clinical trials to improve data reliability and transparency. It has also digitalised its trial master files (TMF), used to organise and archive documents, images and other digital content for pharmaceutical clinical trials which may be requested by government regulatory entities.

4 A BUSINESS ALLIED WITH THE ENVIRONMENT



A BUSINESS ALLIED WITH THE ENVIRONMENT

For Bracco, environmental sustainability is a key aspect that is fully integrated within the Group's strategic decisions.

In the 1970s, the company set up the Corporate Health Safety Environment (CHSE) function and, in 1996, through the annual Environmental Report, it began reporting on and disclosing its efforts in response to the main environmental challenges: reduction of energy consumption, improvement of energy efficiency, efficient water management and promotion of the circular economy.

OUR NUMBERS IN 2019

+12%

of electricity acquired comes from renewable sources

+31

MWh of electricity generated internally by photovoltaic plants

25%

increase in the recovery of API containers

6%

increase in the use of recycled materials for product packaging

22,790

tonnes of solvents saved in production processes, equal to 44% of total consumption of indirect raw materials

3

projects recognised by Bracco HSE Awards



OUR POLICIES

Code of Ethics

Corporate Health Safety & Environment (CHSE) Policy



OUR COMMITMENT TO ENVIRONMENTAL PROTECTION

In Bracco, environmental protection is a necessary component of our way of doing business, and is based on criteria of prevention, information and participation. Because environmental protection is an essential value in strategic decisions and in research activities, and only a responsible and sustainable way of “doing business” can offer a future to the new generations while ensuring economic growth.

This entrepreneurial vision is put into practice through the disclosure and sharing of standards for respect for the environment and the protection of people, promoted by Corporate Health Safety Environment (CHSE). At the end of 2019, the Group defined a CHSE Policy which, inspired by Bracco's principles and values, guides the definition of the objectives and actions necessary to reach the highest safety levels and reduce environmental impacts. The CHSE function also monitors respect for all applicable laws, standards and regulations. This makes it possible to reduce direct and indirect impacts on the environment and monitor and reduce risks.

A reward for our sustainable activities. To disseminate best practices within the Group, in 2017 the **Bracco HSE Awards** were established, which recognise the best projects for environmental sustainability, health and safety in plants all over the world. The projects selected go beyond legal regulations and company policies on HSE and confirm the commitment of Bracco's people to continuous improvement. From 2017 to date, the Group has received 60 global projects.



CARE FOR BIODIVERSITY AND ECOSYSTEMS IN OUR ACTIVITIES

Considering the impact that human actions have on **biodiversity** and on **ecosystems**, Bracco is committed to attenuating the effects of its production activities. In the placement of its infrastructure, the Group has always paid considerable attention to protecting the local ecosystem. During the design phases Bracco has chosen production areas already devoted to industrial activities, avoiding the additional consumption of land and thus reducing the risk of the loss or fragmentation of a habitat. In these cases, Bracco has always intervened directly with recovery and environmental clean-up operations, such as soil-venting activities. These procedures allowed for the conversion of areas that are now decommissioned and avoided the propagation within groundwater of the pre-existing pollution from chlorinated organic compounds.

HSE PROJECTS RECOGNISED IN 2019

BRACCO IMAGING TORVISCOSA (ITALY)

New X0204 loading system (Health)

Installation of a new coal loading machine for two reactors used for the production of active ingredients. Results: reduction in the activities required of operators, warehouse relieved of responsibility for preparing and cleaning containers, less warehouse operator exposure to raw materials.

E-Z-EM MONTREAL (CANADA)

Project 4.0 for shifts with a single operator (Safety)

Introduction of a specific risk assessment on new working situations and identification of an ad hoc policy for shifts with a single operator, along with training courses to ensure better employee protection at all times and in all workplaces.

ACIST EUROPE BV (THE NETHERLANDS)

Solar panels in Heerlen (Environment)

Installation of 400 solar panels to cover roughly 50% of the site's energy requirements and thus achieve a significant reduction in consumption of non-renewable energy resources.



PRODUCTION ACTIVITIES: EFFICIENCY AND FOCUS ON THE ENVIRONMENT

In the era of combatting climate change, decreasing greenhouse gas emissions is no longer simply a plan for environmental improvement, but an imperative that Bracco has made its own. The proper management of energy resources is now a matter of primary importance for the Group. All atmospheric emissions deriving from production processes are involved in a yearly analysis and monitoring programme, established and agreed upon with various control bodies and accredited laboratories. Over the years, Bracco has implemented ad hoc initiatives to reduce polluting emissions:



1

ENVIRONMENTAL MANAGEMENT SYSTEMS WITH SPECIFIC OPERATING PROCEDURES FOR ACTIVITIES GIVING RISE TO ATMOSPHERIC EMISSIONS



2

MANUALS FOR MANAGING OVERSIGHT MECHANISMS TO LIMIT ATMOSPHERIC POLLUTION



3

OPERATING INSTRUCTIONS FOR THE PLANNED MAINTENANCE OF ALL MACHINES AND EQUIPMENT INSTALLED

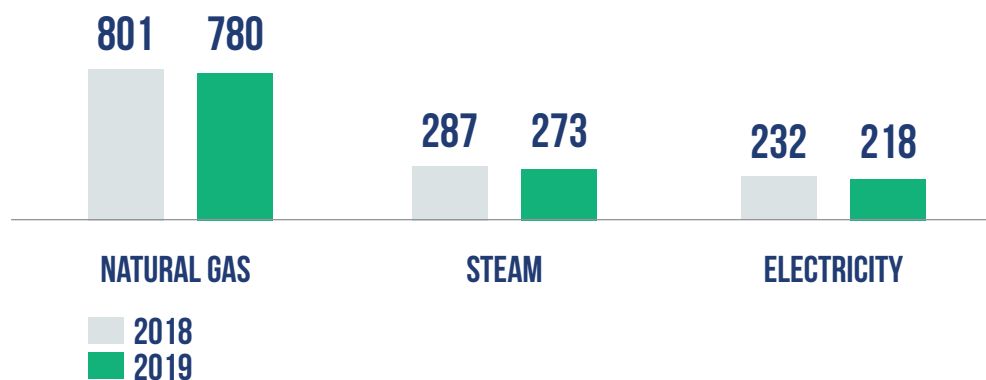
More than 99% of the energy sources used by the Group for the performance of activities relate to:

- **methane gas:** primarily used for the production of steam used as a thermal vector in synthesis processes in the chemical plants and in the process of manufacturing those pharmaceuticals, in the form of clean steam for sterilisation activities, and for systems for humidifying the conditioned air within the pharmaceutical workshop departments. In Italy, at the Ceriano Laghetto site, it is also used as fuel in the electricity self-generation plant (co-generator);
- **steam:** generated directly or acquired from cogeneration plants;

- **electricity:** used to run all operating machines present at the production sites, for electric utilities and for the functioning of office air conditioning systems.

With respect to these main energy sources, the slight increase in energy consumption compared to 2018 was due primarily to the overall increase in production volumes. Indeed, in the course of 2019, there was a decline in the energy intensity of the production sites that use the most energy: at the Italian sites of Collettero Giacosa, Ceriano Laghetto and Torviscosa, the ratio between total energy consumption and the weight of material produced declined from 227 GJ/ton in 2018 to 224 GJ/ton in 2019.

Group energy consumption by the main sources of procurement¹⁰ (TJ)



¹⁰The energy conversion and emissions factors used to calculate energy consumption and the relative greenhouse gas emissions are specified in the relative tables in the “Performance indicators” section of this Report.

FOR INCREASINGLY SUSTAINABLE MOBILITY

Diesel, LPG and petrol have a less than 1% impact on total energy consumption and are linked to the functioning of the company vehicle fleet, which in 2019 had 185 vehicles in Italy. Bracco is committed to favouring more sustainable and lower environmental impact mobility. This is why it launched a programme for the progressive reduction and replacement of the fleet with new, low pollution models. It also adopted a company policy which calls for the possibility of ordering vehicles that generate increasingly lower emissions, in order to comply with the European programmes that call for a reduction to 95 g/km. The CDI has also adopted a specific procedure governing the management of the company fleet, incentivising vehicles with a lower environmental impact. Indeed, since the end of 2019, the fleet has been supplemented with hybrid vehicles which guarantee low CO₂ emission levels.

TRANSITION TOWARDS RENEWABLE SOURCES

The management of energy resources is entrusted to the **Energy Management** (EM) function, which performs and supervises the necessary resource procurement activities for the European production sites. EM is strongly committed to **reducing resource consumption**, thanks to the Energy Diagnoses performed every 4 years across all European sites, in accordance with European (European Directive 27/2012) and national (Italian Legislative Decree 102/2014) regulations as well as ENEA guidelines. The diagnoses are aimed at performing accurate feasibility studies that identify possible consumption reduction actions at the individual production sites.

Within the Municipality of Torviscosa's industrial hub, there is a 400 kW_e methane gas cogeneration plant which meets the heating and electricity requirements of the entire SPIN Torviscosa plant. Furthermore, at other Italian production sites, like the Ceriano Laghetto site, there have been significant investments in plants for the **self-generation** of electricity from traditional sources.

100%



At the **Montreal** (Canada) and **Geneva** (Switzerland) plants, **all electricity acquired** comes from renewable sources and is certified with Guarantees of Origin.



THE ENERGY EFFICIENCY OF THE HEADQUARTERS

For the new Milan headquarters, to be completed at the end of 2022, two solar farms of 65 kW and 73 kW (for a surface area of roughly 600 m²) will be created, with the use of water-water heat pumps for heating, air conditioning and sanitary hot water for roughly 750 kW. These technologies will enable the entire complex to have 60% renewable sources. With this effort, which bears witness to the desire to devote significant efforts to environmental sustainability, the Group strives to obtain the prestigious LEED GOLD certification on sustainable buildings of the U.S. Green Building Council (USGBC).

THE COGENERATION PLANT

At the Ceriano Laghetto site, after installing a cogeneration system in 1994 for the self-production of electricity and steam for use in production, it was decided to continue to use this technology with high-efficiency machines. Thanks to a third-party supplier, a new 7.5 MW cogeneration plant will soon be available, which is capable of providing, within the overall lopamidol production structure, all of the electricity needed for the plant and meeting roughly 55% of steam requirements, thanks to the thermal recovery from turbine exhaust gases. The greater efficiency of the new plant will allow for the thermal recovery of more steam fumes and will avoid roughly 5,500 tonnes of CO₂ emissions per year. Indeed, the methane gas turbine uses a control system that maintains pollution emissions much lower than the new and stricter legal limits.

THE MAIN ENERGY EFFICIENCY ACTIVITIES

To reduce energy consumption, over the years Bracco has carried out a number of initiatives at the European sites:

- installation of “smart” LEDs to replace traditional light bulbs at the **Torviscosa** site in 2017 and in the **Montreal** site warehouse in 2018;
- improvement in the performance of the steam distribution network through insulation activities and the elimination of hammering, recovery of heat from continuous hot discharges from the heating system boilers in order to preheat, through a heat exchanger, demineralised water to be used in the boilers themselves at the **Ceriano** site in 2017;
- streamlining of the refrigeration circuits and optimisation of the refrigerator systems used in the production department and the laboratories at the Singen site in 2017;
- improvement in the well water distribution networks and introduction of closed-circuit evaporation towers at the **Ceriano** site in 2018;
- replacement of refrigeration machines fuelled by climate altering gases with machines fuelled with low-impact GWP gases at the **Colleretto** site in 2015, at the Torviscosa site in 2016, at the **Geneva** site in 2019 and at the Ceriano Laghetto site in 2020.

To identify other energy efficiency opportunities and to perform increasingly accurate and effective energy audits, **electricity consumption monitoring** systems were implemented in the course of 2019 at the Ceriano, Colleretto and Torviscosa sites. They provide prompt and punctual reporting on electricity consumption anomalies of critical utilities, and thus make it possible to reduce wasted energy and anticipate any failures.

Bearing witness to the concrete commitment to reducing energy consumption and the environmental impact of production activities, in 2018 Bracco won the Responsible Care Award for the light engineering revamping at the Torviscosa production site. A completely automated LED light installation system makes it possible to regulate the intensity and direction of light flows through the company intranet, while also monitoring energy consumption. The project brought a number of benefits: reduction in the electricity consumption and carbon footprint of the plant, optimisation of preventive maintenance and higher effectiveness of the general system monitoring thanks to the consumption curves and the prompt reporting of any alarms.

All energy efficiency activities aim to drive down greenhouse gas (GHG) emissions.



A PARTICULAR FOCUS ON WATER RESOURCES

One of the Sustainable Development Goals (SDGs) formulated by the United Nations for 2030 identifies as a target the possibility of guaranteeing the availability and sustainable management of water and sanitation for all. Bracco considers it a priority to establish policies and practices within its facilities that lead to an increasingly more responsible use of water, a priceless asset.

WATER RESOURCE MANAGEMENT

The main **water sources** used at the Group company production sites¹¹ are the groundwater and the public aqueduct water networks.

To reduce water use, the Group implemented a withdrawal monitoring system at the source, which makes it possible to precisely evaluate the consumption per tonne of the main production sites.

Group water consumption is mainly due to the use of water as a natural solvent and as a temperature regulation agent. In 2019, the main water consumption is linked to the Italian plants specialised in the synthesis of APIs.

For sustainable management of the water cycle, it is not sufficient to reduce consumption: it is also necessary to reduce waste. Bracco has therefore incentivised the **recovery and recycling** of water at all production sites through targeted projects. The installation of evaporation towers at the Ceriano Laghetto plant led to a partial recirculation of water which in 2019 amounted to roughly 4,000,000 m³, equal to the water consumed in one year by 25,640 residents. The doubling of the evaporation tower cooling system planned for the Torviscosa site will make available the cooling capacity needed for an increase in production.

PROPER WASTEWATER MANAGEMENT

Efficient water resource management also regards the processing of **liquid waste** and **wastewater**.

Objectives for reducing wastewater pollutant loads are continuously evaluated and implemented. Projects have already been launched and concluded to reduce inorganic salt content in wastewater sent to the treatment plant, obtaining significant reductions in concentrations of chlorides and sulphates, while the treatment plant revamping project includes specific actions to reduce COD and ammonium ion discharges. The projects under way see the participation of the best engineering companies and, in the case of the ongoing study at the Ceriano Laghetto site, the Bari CNR (National Research Council).

Group water withdrawals by the main sources of procurement (megalitres)



¹¹Water withdrawals were monitored and calculated for the production plants and the Research and Development centres: Italy (Ceriano Laghetto, Collettero Giacosa and Torviscosa), Switzerland (Geneva), Germany (Singen), China (Shanghai), the United States (Minneapolis), Canada (Montréal) and Japan (Saitama). With a view to improving the information reporting and transparency process, the most significant offices and locations were also considered: the Netherlands (Heerlen) and Italy (Milan-HQ and Milan-CDI).

15,500 ML



In 2019, **total water withdrawals** in the Group structures is roughly **15,500 megalitres, down compared to 2018**, despite the increase in production.

CONSUMPTION OF GROUNDWATER



The programme adopted in 2019 with the Lombardy Region **minimises the consumption of groundwater** at the Ceriano production site, thanks to the progressive closure of withdrawal from deep groundwater and the simultaneous use of evaporation towers for the closed-circuit production of cooling water.

-50 ML



The total wastewater of the Colletterto Giacosa, Torviscosa, Ceriano Laghetto, Geneva, Shanghai and Singen sites in 2019 **declined by 50 megalitres** compared to 2018.



OUR CONTRIBUTION TO THE CIRCULAR ECONOMY

One response to current environmental challenges is the transition towards a circular economy. Bracco has adopted a regenerative approach, which moves beyond the classical model of a linear economy and considers the product lifecycle in an integrated manner. In this manner, it is reducing and enhancing the value of waste through recycling and recovery, and extending the useful life of products and assets with reuse and reconversion actions.

OUR COMMITMENT TO TRANSPARENT AND ENVIRONMENTALLY FRIENDLY WASTE MANAGEMENT

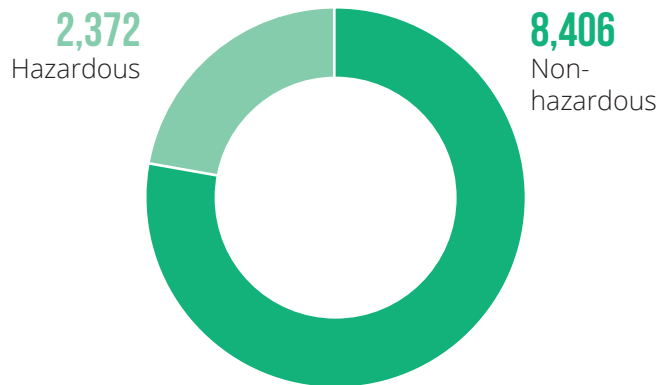
Within the Group, waste management is entrusted to the CHSE function, which defines and implements highly innovative KPIs to evaluate performance and monitor waste production flows. The data resulting from these indicators are then used to identify eco-friendly practices and processes.

The **CHSE Policy** adopted at Group level incentivises the transfer of waste to recovery and recycling plants,

compatible with chemical/pharmaceutical product characteristics. Bracco is committed to providing its customers, on request, with specific information on its procedures for the end-of-life management of pharmaceutical products, supporting them in compliance with regulations in force in the various countries in which it operates.

At its production sites, for many years now the Group has applied **waste management** systems which aside from transparency, also consider environmental impacts, ensuring control over all production process phases and knowledgeable management of hazardous and non-hazardous waste.

Total waste produced as at 31.12.2019, broken down by disposal type (tonnes)





To expand and improve the environmental management systems, the three Italian production sites (Ceriano Laghetto, Torviscosa and Colletterto) have adopted the most recent version of the **ISO 14001:2015** certification, which proposes a more systematic approach to sustainability aspects linked to the product “lifecycle”. Indeed, in the company’s strategic planning, specific risk and opportunity assessments and analyses have been introduced to manage waste and wastewater, with a view to promoting practices for making use of waste as a resource.



FOR SUSTAINABLE AND REUSABLE PACKAGING

Bracco has integrated the principles of the circular economy in the planning of its activities, also incentivising the **reuse and recovery** of the materials used in its production processes. One example is the adoption of **sustainable packaging**, which takes into account not only the functionality, but also the environmental impacts of its production, use and disposal. This entails the promotion of the repeated use of packaging in cases in which product quality aspects are not negatively impacted, or the reuse of containers of active pharmaceutical ingredients between production locations and the injectable solution preparation plants. Where possible, the objective is set of acquiring raw materials in specific packaging which can reduce the volumes to be sent to the recovery or treatment plant.

Of packaging materials, 15% of the glass used for packaging comes from recycled glass, for a total of 532 tonnes in 2019 and 501 in 2018. There is also a significant degree of recycling of the boxes used for finished products, 64% of which come from recycled paper, amounting to 1,376 tonnes in 2019 and 1,295 tonnes in 2018.

Bracco’s commitment to researching innovative packaging solutions was recognised in 2018 during the “CONAI prevention competition - Enhancing packaging environmental sustainability”, which selected Bracco Imaging due to its commitment to finding sustainable solutions with a view to the circular economy, aimed at reusing the packaging used for the shipment of active ingredients from the production facilities to the injectable solution preparation facilities.

25%



In 2019, the recovery of API containers increased by 25% within the Group’s production plants.

+6%



In 2019, the use of recycled materials for production and the packaging of products and services rose by 6%.

RESPONSIBLE AND CAREFUL USE OF RAW MATERIALS

Another important topic for the sustainable approach is the consumption of **raw materials**. To guarantee responsible resource management and promote the use of alternative, innovative and sustainable raw materials, Bracco carefully evaluates consumption and traceability. The Group encourages and supports an increasingly attentive and streamlined approach to the consumption of raw materials, particularly those used for chemical production.

Constant reviews of the industrial synthesis process have led to the most efficient use possible of raw

materials or their recovery and reuse in production processes, limiting their consumption, with production growth remaining constant. A few examples of this approach are recovery by condensation and distillation of solvents, the recovery of iodine, and resin and coal regeneration processes.

Separate collection and the recovery of materials have been ongoing for years now at all the Group's sites, to encourage the recycling of plastic, wood, paper, aluminium and iron fractions, as well as raw materials that can be reintroduced on the market. Following the commitment to continuous improvement, new initiatives are under way to increasingly boost the effectiveness of this collection.

22.000



In the course of 2019, **more than 22,000 tonnes of solvents were saved and 44% was recovered** out of total consumption of indirect raw materials used in production processes at the Ceriano Laghetto and Torviscosa production sites.

Total raw material consumption for the production process as at 31.12.2019, broken down by consumption type (tonnes)

CONSUMPTION OF RAW MATERIALS FOR THE PRODUCTION PROCESS ¹²	2018	2019
APIs (Active Pharmaceutical Ingredients) Intermediates	13,973	13,414
Indirect for processes	52,247	49,904
Indirect for machines	1,083	921
Total	67,318	64,239

¹²Data concerning the raw materials used for the production process refer to the Ceriano Laghetto and Torviscosa (Italy) plants. Process indirect raw materials refer to solvents, acids, bases and catalysers, while machine indirect raw materials include oils and other substances used for the operation of machinery.





RECOVERY ACTIVITIES IN CERIANO LAGHETTO

The recovery of materials used in the production process plays a key role in environmental protection and in the reduction in the use of resources. This is why Bracco installed a new nanofiltration plant at the Ceriano Laghetto production site, which began operating in 2019. The plant makes it possible to send various solutions with a low concentration of iodine containing molecules for recovery. Towards the end of 2019, a new iodine recovery process was also implemented, boosting the overall recovery of iodine by 4% compared to the previous year.

An analogous plant will be installed at the German plant in Singen in 2020 to recover iodine from first wash solutions on the solution preparation and filling plants.

THE IMPORTANCE OF TIME TO MARKET IN SINGEN

Bracco is constantly seeking out ways to innovate the supply chain and improve its processes, to guarantee an increase in production while safeguarding safety. In 2019, at the Singen (Germany) production site, new solutions led to a reduction in product lead time, improving time to market and customer service levels. Specifically, the timing required to release products declined by 2 weeks (a reduction of around 25%) by reducing the timing of the Quality Control analysis, in-house since early 2019, and improving the production lot registration process. Thus, it was possible to introduce roughly 1 million vials into the market, guaranteeing supply continuity in the North American market and an adequate service level, even against growth in sales.

OUR CONCRETE COMMITMENT TO SEEKING OUT INNOVATIVE SOLUTIONS

The transition to a circular economy necessitates a cultural revolution, the cornerstones of which are research and innovation. For Bracco, R&D has always been a driving factor, which requires farsightedness and steadfastness. This is why the company promotes environmental innovation projects while aiming for excellence and collaboration between the **world of research and businesses**:

- in collaboration with **Bocconi University**, the analysis of alternative product management scenarios according to circular economy approaches;
- conventions on environmental topics at the Colletterto Giacosa **Silvano Fumero Bio Industry Park**, with the participation of world renowned scientists, such as Nobel Prize in chemistry winner Dr James Fraser Stoddart and MIT (Boston) Professor Klavs Jensen during Bracco Innovation Day;
- Blue Sky study intended to refine an alternative process for synthesising lopamidol, which reduces the use of solvents and certain reagents. As part of this process, as already in the current system, approaches for recovering and recycling all solvents and reagents used have been investigated and analysed;
- research on a new process for recovering iodine from industrial mother liquors to guarantee high recovery yields and, compared to the current process, a decrease in the use of reagents and energy consumption. The process, studied in Colletterto Giacosa, was patented and implemented in Ceriano Laghetto, in 2019, in a new plant built *ad hoc*.
- **“Start To Be Circular”** competition promoted by the Bracco Foundation for start-ups that want to embark upon a path of innovation with projects consistent with the principles of the circular economy;

5 BUSINESS ETHICS



BUSINESS ETHICS

Social Responsibility in doing business and ethical business management are critical within Bracco's entrepreneurial philosophy. The company's success and reputation all over the world are based on these pillars. The Group's Code of Ethics guides people, guarantees a transparent and virtuous relationship with suppliers, supports best practices and protects personal data in all activities.

OUR NUMBERS IN 2019

+2,700

employees informed on internal anti-corruption procedures and policies

+1,000

employees in Italy trained on Model 231

68%

of supply expenditure for plants in Italy paid to Italian suppliers

+1,200

employees in Italy and Europe trained on privacy protection



OUR POLICIES

Code of Ethics

Organisation, Management and Control Model pursuant to Leg. Dec. 231

Global Anti-corruption Program

Global Anti-trust Program

Global Procurement Program

Data Protection Program

Whistleblowing

Procurement policy

A STRONG POSITION, BUILT ON TRANSPARENCY AND INTEGRITY

Bracco is aware of its influence on the economic and social well-being of all of its stakeholders. It acts according to guidelines that meet the highest ethical standards and recognises how important the behaviour of the individuals directly and indirectly involved in its activities is in ensuring that the company acts in a legally compliant, ethical and reliable manner.

The Group collaborates with medical professionals, healthcare organisations and scientific associations with the utmost transparency and integrity. In its relationships with medical professionals and healthcare organisations, Bracco complies with the **EFPIA (European Federation of Pharmaceutical Industries and Associations) Disclosure Code**, which requires it to publicly disclose direct and indirect monetary and non-monetary transfers of value linked to the development and marketing of drugs for human use, that require a medical prescription.

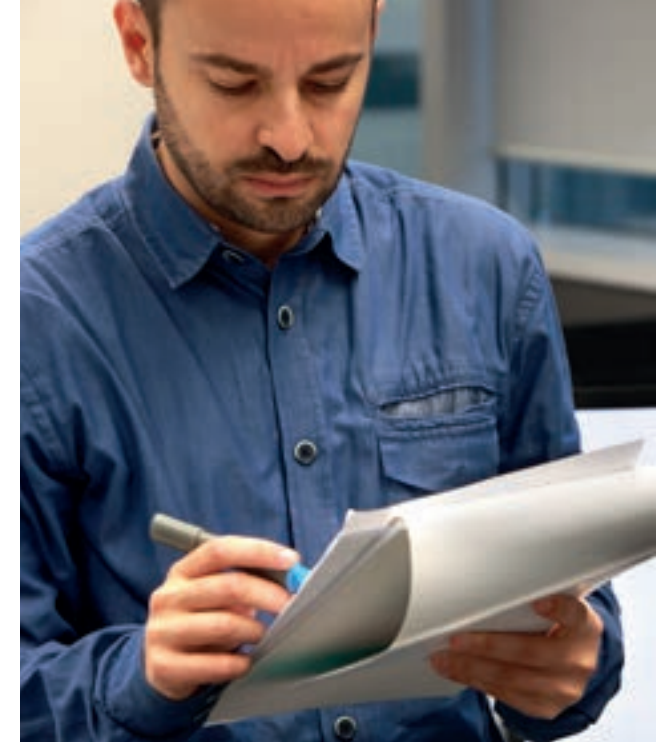
+1,000



More than **1,000 employees** in Italy received training on the Model 231 in the 2018-2019 two-year period.

ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/01

Fairly and transparently managing company activities, while protecting the interests of all stakeholders, are fundamental objectives for Bracco. All of the Group's Italian companies have adopted an **Organisational, Management and Control Model** pursuant to Italian Legislative Decree No. 231/01 and appointed a Supervisory Body (SB), charged with monitoring effective implementation of the Model and presenting proposals for changes and updates to the Board of Directors. A number of company departments support the SB in updating the Model and in checking for the compliance of company operations in sensitive



areas of activity. In the course of 2019, a specific risk assessment project analysed the offences of corruption between private parties in corporate crimes; unlawful brokerage and exploitation of labour in offences against individuals; racism and xenophobia. The legislation on whistleblowing was also incorporated into the Model, while the whistleblowing management policy, valid for all Group companies, is being updated.

Corporate Internal Audit also supported the Human Resources Department in setting up a Model 231 training and communication programme for the 1,280 employees of the Group's Italian companies, as well as a specific project for the top management. Multimedia and traceable training saw significant participation by all. The people entrusted with responsibility for ensuring compliance with rules and principles were involved in specific courses.

PREVENTION OF CORRUPTIVE AND ANTI-COMPETITIVE CONDUCT

The Group has adopted and implemented ad hoc policies to prevent corruptive and anti-competitive conduct in order to run its business in an ethical and transparent manner. The anti-corruption and antitrust compliance projects carried out by Bracco Imaging and ACIST Medical aim to achieve three objectives:

1. establish a process for preventing unlawful conduct which also defines penalties;
2. harmonise management methods by improving their efficiency and ensuring greater control by the central functions;
3. adopt a single, systematic orientation at Group level to both of the above-mentioned topics.

The Global Anti-corruption Program was approved as of 2017 by the companies in the Imaging Group and as of early 2020 by the companies in the ACIST Group; the Global Anti-trust Program was approved, as of 2018, by the companies belonging to both of the above-mentioned Groups. The Programmes make reference and are complementary to the principles of the Group's Code of Ethics. They establish adequate standards of conduct to guarantee that company activities are carried out with respect for the highest ethical values and integrity, in observance of national and international regulations and the internal regulations of trade associations.

Every year, the General Managers and Country Managers of the foreign companies sign an "Assurance Letter" attesting to compliance with the two Programmes, as well as the Code of Ethics, and reporting any violations and the relative measures taken. Respect for the Programmes is also guaranteed by Corporate Internal Audit, which verifies compliance through actions scheduled within the Risk-Based Audit Plan approved by the Chairperson of the Group and the Board of Directors of Bracco S.p.A.

Prepared by Global Legal Affairs & Compliance, since 2018 the interactive training devoted to the topics of the Global Anti-corruption Program has been provided to the employees of Bracco Imaging and as of 2020 it will be extended to the ACIST Group as well. In total, 1,368 people were trained as at 31 December 2019.

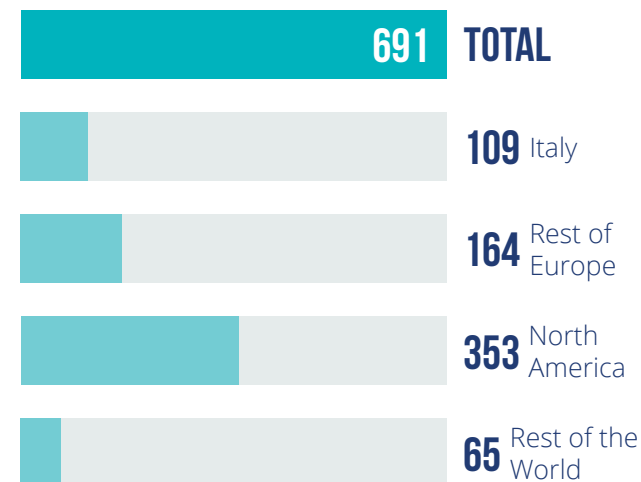
Since 2019, the course relating to the Global Anti-trust Program has also been active, which had been provided to 691 people all over the world as at 31 December 2019.

+2,700

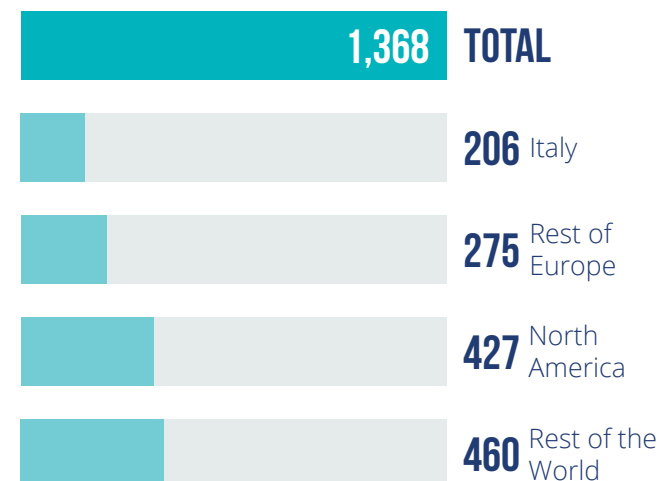


The internal anti-corruption procedures and policies have been disclosed to more than **2,700 employees** all over the world.

Provision of "Global Anti-trust Program" training as at 31.12.2019, by geographical area (number of people trained)



Provision of "Global Anti-corruption Program" training as at 31.12.2019, by geographical area (number of people trained)



WHISTLEBLOWING

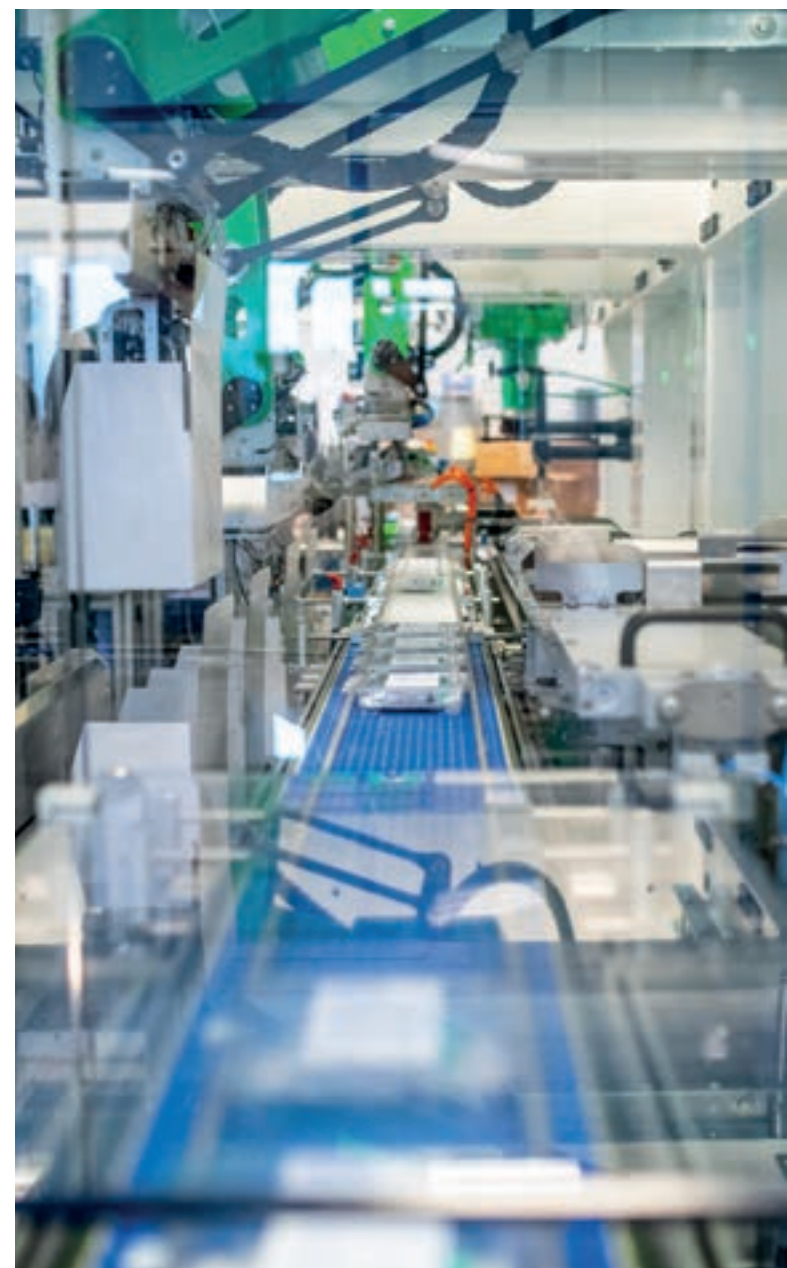
As of 2017, all of the Group companies adopted a policy that defines the general principles and operating rules for the management of reporting, or “whistleblowing”.

The System is currently laid out within the Code of Ethics, the Organisation, Management and Control Models pursuant to Italian Legislative Decree 231/01 and the Bracco Anti-Corruption and Anti-Trust Guidelines. For 2020, the instructions and rules set forth in the policy are expected to be updated to:

- establish a single channel for all companies and a Whistleblowing Committee (IA, Legal, HR);
- define automatic processes concerning the actions to be taken, based on the results of the investigation and the matter reported;
- guarantee the traceability of the entire process, including through the establishment of an IT tool that guarantees the utmost confidentiality of non-anonymous reports.

RISK ANALYSIS AND MANAGEMENT

To map and assess risks relating to products, services, the supply chain and commercial relations, Bracco has adopted a risk-based approach, in which Corporate Internal Audit plays an important role: it makes available a methodological framework for the identification and assessment of the main risks and the relative controls, on which the Audit Plan is defined, and offers constant support to the management in the preliminary evaluation of the context and in the identification of risks. In 2019, the risk areas identified as most significant were production capacity, cyberattacks, business continuity, supplier management and quality compliance. To improve the efficiency and response capacity of the internal control system, Corporate Internal Audit has drafted a two-year risk management plan for each different Group company focusing on the “top risks”.



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

For fair management, fundamental to run the business transparently, it is important for the culture of responsibility to be spread throughout the value chain, starting from suppliers. This is why for some time now the Group has adopted a **Global Procurement Policy** that applies to all Bracco Imaging companies, including the subsidiaries and joint ventures. The document clearly defines the principles that must inspire the conduct and activities of all functions that have a direct or indirect relationship with suppliers. It also requires suppliers to comply with the principles of fairness and ethics laid out in the Bracco Code of Ethics. In all purchase orders, as well as in the general conditions of ad hoc contracts, there is an explicit reference to the Bracco Code of Ethics, and its violation by suppliers may result in the termination of the contractual relationship.



SUPPLIER SELECTION

Responsible supply chain management is underpinned by a supplier selection, screening and qualification system. Therefore, in parallel with the verification activities performed by the Quality Function, in 2019 Bracco implemented a **supplier selection and qualification procedure** from an exclusively ethical perspective.

The procedure defines the supplier's position within a risk matrix based on specific parameters including expense category, expense amount and country of origin. When the matrix highlights potential gaps for the supplier, it is subject to ethics monitoring activities based on a range of indicators, including a specific one dedicated to ESG (Environmental, Social, Governance) risks. The monitoring system is activated for all suppliers selected with the risk matrix criterion and for all new additions; once activated, it transmits specific weekly alerts on any required updates.

Depending on the supplier's strategic significance within the Bracco Group, there is also a **performance monitoring system** based on data gathered through the functions requesting the product or service and through planned meetings.

For supplier monitoring and qualification activities, the Be-procurement cloud system will soon integrate and monitor in a structured manner the relationship during the entire period of the commercial relationship, based on various elements:

- data on on-time deliveries from SAP;
- data from internal questionnaires submitted with defined frequency to all stakeholders involved;
- KPIs and data from information of external providers;
- documents and certifications loaded by the suppliers.

The CDI has also adopted its own Code of Ethics to which suppliers need to adhere, after having passed a **qualification and screening procedure** based on technical and financial parameters and, for certain categories, linked to the possession of specific certifications.

The supplier is also evaluated through a self-declaration questionnaire and, as of November 2019, by consulting **Procurement Catalyst**. This is a platform based on the RepRisk Rating which uses an algorithm to quantify over time the reputational exposure risk on ESG topics on the basis of the supplier's conduct and other information that can be obtained in the press and/or from databases.

~1,000



The Procurement Catalyst tool for ethics compliance currently monitors roughly **1,000 suppliers**.

For the most significant suppliers (according to parameters regarding the technical specifications of the supply, safety matters relating to Italian Legislative Decree 81/2008 and turnover), at least once per year the CDI also uses an **ex-post verification procedure**. For this group of suppliers, compliance with the SLAs (Service Level Agreements) is also checked through feedback requested from users and staff functions. In 2019, this activity involved around 81 suppliers.

In particular, the 9 audits performed by the CDI at suppliers in various business segments resulted in the definition of 32 corrective actions and 11 suggestions, assigned to the internal contractual points of contact, of which 50% were implemented and 25% are currently being implemented within the agreed terms.

THE IMPORTANCE OF LOCAL SUPPLIERS

Supplier selection is central for the development of products and services, as well as for people's well-being. Bracco contributes to the local economy of many communities also by supporting local suppliers¹³: leveraging them after selecting them on the basis of parameters of quality, expertise and experience, is a constant goal that does not contradict its fundamental international vocation. The Company remains faithful to its origins and its history, and therefore it is particularly linked to Italy, as demonstrated by the high percentage of Italian suppliers, amounting to roughly 41% of all suppliers.

¹³ Local suppliers refers to those suppliers located in the same geographical markets as those in which the Bracco Group operates.

~64%



In 2019, roughly **64%** of global procurement expenses went to local suppliers, **4%** higher than in 2018.



PROTECTION OF PRIVACY

To protect privacy, to respect the relationship of trust with customers, patients and in general with all stakeholders, Bracco has set up an organisational model of adequate policies, procedures and tools in compliance with the most recent regulations.

PROTECTION OF DATA SECURITY AND PRIVACY

Respecting the relationship of trust with its customers and patients, and in general with all of its stakeholders, is an important commitment for Bracco. The **Data Protection Program** (DP Program) guarantees that activities are managed in compliance with the highest values of ethics and integrity and with respect for local and international regulations on the protection of personal data. In the course of 2019, the DP Program was adopted across all Group branches, in Italy and abroad, and its principles apply to the commercial partners involved in processing. Approved by the Boards of Directors of all companies in the various countries in which the Group operates, the DP provides indications on how to organise and implement control activities on processes in order to prevent risks linked to the protection of personal data.

The **Data Protection Officer (DPO)** is the specialised individual who is an expert on personal data regulations and management, with the duty of properly implementing European Regulation “2016/679” (“GDPR”). Specifically, the DPO performs the following activities:

- supervision of the collection of information identifying the processing performed (Processing register);
- supervision over policy implementation and the assignment of responsibilities;
- analysis and verification of processing compliance (including the data protection impact assessment, or “DPIA”);
- information, consulting and guidance activities with respect to the Data Controller.

The top management has a direct relationship with the DPO and promptly incorporates his or her indications and recommendations: the annual report of the activities performed by the DPO is submitted to the Board of Directors for a systematic and overall review of the efforts made.

On the basis of the experience consolidated in 2019, the DPO will guarantee the performance of the following activities in 2020:

- updating of the DP Program and relative implementation;
- update training for all branches;
- updating and annual review of the processing registers for all branches with the support of an IT tool;
- raising the awareness of internal and external subjects with regard to the use of proper communication flows relating to any Data Breaches.

By deploying an interfunctional team (GLA&C, HR, ITS, GMRA), the Company has managed to punctually apply the provisions of the GDPR and obtained a strong commitment on Data Protection topics. Bearing witness to this, in 2019 the number of data breaches was minimal and the potential security incidents identified were promptly handled according to the ENISA privacy risk assessment methodology, thus eliminating potential threats. Furthermore, the Company applies a Privacy by Design approach, so that each initiative with a possible impact on data protection in its initial design phase is submitted to the DPO for a prior opinion. The Group has performed 9 impact assessments (DPIA) to date in order to carry out continuous monitoring and assessment of the potential risks linked to personal data processing.



PERSONAL DATA PROTECTION WITH ONETRUST

To update and innovate the internal privacy protection and personal data management system, Bracco has adopted "OneTrust", an advanced IT tool to collect and periodically update processing registers and meet the other main obligations under its responsibility.

Across all Group branches, both in Italy and abroad, OneTrust automates the privacy impact assessments and data mapping for the various operations required within the Group. The software allows for a precise identification of risks linked to privacy and the implementation of activities for the management and control of these risks with an integrated and efficient approach. In this manner, Bracco has not only equipped itself with a highly innovative tool in the sector, but it is capable of ensuring respect for regulations on data protection.

FOR A WIDESPREAD CULTURE OF THE IMPORTANCE OF PRIVACY

Bracco undertakes to protect data confidentiality by spreading an internal culture on privacy and data protection, supported by constant training and communication activities. In the course of 2019, two specific e-learning modules were provided in Italy and in Europe on the GDPR.

A range of topics were addressed within the training courses, including:

- Group Data Protection Program;
- privacy by-design and by-default model;
- updating of the Processing Register;
- management of third parties;
- process of identifying and managing Data Breaches;
- management of requests from data subjects.

+1,200



In 2019, more than **1,200** employees in Italy and Europe were trained on privacy protection.





FOR THE PROTECTION OF PRIVACY AND DATA

Personal data protection is a strategic asset, so the CDI has drafted specific Data Protection **policies and procedures:**

- Personal data breach management procedure;
- Personal data protection policy;
- Data Retention management policy;
- Data subject rights management procedure;
- Privacy by Design/Privacy by Default Policy;
- Third-party management procedure as concerns Data Protection;
- Risk Analysis Methodology and DPIA.

In 2019, targeted **investments** increased data security and protection levels:

- loading on OneTrust of the most recent version of the Processing Register;
- finalisation of security measures for the App;
- completion of the registration of third parties and updating in the SAP system;
- updating of the risk analysis methodology and DPIA;
- completion of the remediation actions resulting from the audits.

Continuous healthcare and administrative personnel **training** and information is fundamental to have proper personal data protection management which minimises the risks of harming the rights and fundamental freedoms of the data subjects. This is why in 2019 the CDI organised specific activities, such as the online course on "Personal Data Processing at CDI" and "Welcome Days" intended to raise the awareness of new hires on privacy matters.



6 THE CDI: ON THE SIDE OF PATIENTS



THE CDI: ON THE SIDE OF PATIENTS

The Italian Diagnostic Centre (CDI) is a full service outpatient healthcare facility mainly focused on prevention, diagnosis and treatment in a “day hospital” environment. It is present in Lombardy with 25 locations, of which 13 polyclinics.

It was founded in 1975 based on an idea of Fulvio Bracco, who with farsightedness was able to envision demand for local healthcare which leveraged prevention and put the patient at the centre. It is still an integral part of the Bracco Group today.

The CDI serves more than 400 thousand people every year. Day after day, it listens to and understands their needs, crafts and provides increasingly personalised services and offers the best solutions to meet constantly evolving needs. And thus, it is able to make clinical excellence and technological development its distinctive feature.



THE SERVICES OF THE CDI

Every year, the CDI offers 250 thousand diagnostic imaging procedures, 660 thousand services in 50 different clinical specialisations, 4.6 million analyses for 500 types of exams and 70 thousand occupational health services and also manages in excess of 1.1 thousand patients in radiosurgery. Its specific areas of competence are:

- **Personalised check-up** - an extremely high level prevention service that begins from the medical history and the objective examination of each patient to determine the necessary visits, tests and analyses, with the utmost efficiency in service provision timing;
- **Femtosecond Laser** - an innovative system for cataract surgery and refractive eye surgery, guaranteeing the utmost precision, safety and speed in the surgical intervention;
- **Functional cardiovascular diagnostics** - performance of second-level exams such as NMR stress test, ecostress, coronary CAT and transesophageal echocardiogram to investigate cardiovascular disease;

- **Cyberknife** - a revolutionary radiotherapy treatment for patients with neoplastic diseases, which significantly reduces the radiation reaching healthy tissues adjacent to the tumour;
- **Ikonoscope** - a completely automated microscope controlled by a robot used in the diagnosis of uterine cervical cancer;
- **Occupational Medicine** - services for businesses to ensure the full implementation of regulations in force on health in the workplace based on proper healthcare protocols and preventive and periodic personnel assessments.

With more than 1,000 people including specialist physicians, healthcare technicians, nurses and staff, the CDI recognises value added in the working group and favours the involvement of everyone in pursuing and sharing business and social objectives through integrity and loyalty in behaviours, generosity in working hard and in acting as an example.

In the 25 CDI locations, there are 394 professional employees and 32 professionals working under temporary arrangements. In addition, there are 484 consultant physicians and 127 non-medical healthcare consultants.

MISSION

Consolidating leadership by offering communities the widest range of prevention, diagnosis and therapy services, which can be provided on an outpatient basis or in day hospitals, in the **constant search for continuous improvement in service quality and technical excellence.**

OUR NUMBERS IN 2019

+400,000

patients

~1,000

operators, 400 employees
and 600 consultants

236 KPIS

monitored to check the quality and safety of products and services, of which 95 organisational and 141 clinical/medical

64

internal audits performed to check the Quality Management System

28,927

visits booked online



JOINT COMMISSION INTERNATIONAL (JCI)

In 2006, the main office of the CDI at via Saint Bon 20 in Milan was the first Italian outpatient healthcare facility to be accredited by Joint Commission International (JCI), for more than 75 years a global leader in certifying the quality of the services offered by healthcare facilities.

The accreditation was then reconfirmed in 2009, 2012, 2015 and 2018 through a survey which evaluated the organisation's compliance with JCI standards. The investigation in particular verified compliance with more than 600 rigorous quality standards that regard primarily aspects directly linked to patient management, such as access to services, infection control, education and information on the rights of patients and their families. Respect for standards relating to management of the facility, safety, the

professional qualifications of personnel and the management of information concerning patients was also verified.

In 2018, after two weeks of inspections, Joint Commission International extended the accreditation to other polyclinics in Milan, Rho and Cernusco sul Naviglio as well as to the Physiotherapy and Rehabilitation centre.

Having achieved the JCI accreditation represents a significant step towards the excellence that makes the services offered by the CDI stand out. All over the world, healthcare institutions wish to create environments with a specific focus on quality, safety and the maintenance of quality standards, and the JCI accreditation responds to this demand by stimulating the continuous and systematic improvement of a facility's healthcare services.





THE LIFE OF A SCIENTIST - THE FACES OF THE #100ESPERTE PROJECT

In 2019, the Bracco Foundation set up the **“The life of a scientist - the faces of the #100esperte project”** photographic exhibition at the CDI. The exhibit presented the faces and skills of some of the greatest Italian female scientists, protagonists of the Foundation’s “100 women against stereotypes” project, founded to highlight female expertise in sectors perceived as still dominated by men. The journey of portraits, taken by celebrated photographer Gerald Bruneau, was designed to contribute to overcoming prejudice in scientific practice, which the collective imagination still sees as a male-dominated area. The exhibit was highly successful, as demonstrated by the high number of visitors to the exhibitions set up in Italy and in the US.

VALUING EMPLOYEES

The numbers from 2019 bear witness to the investment in people and particularly in young people: 52 new hires (46 in 2018), of which nearly 50% under 30 years of age. Outgoing turnover declined by 58%, from 41 people in 2018 to 27 in 2019.

The CDI aims to cultivate talent within the company: in 2019, 97% of employees participated in training courses to develop a range of skills (technical, IT, communication, inclusion) through on-the-job training, classroom seminars and e-learning, for a total of 4,916 hours.



DEFENCE OF HEALTH AND SAFETY

The health and safety of patients and medical professionals is fundamental for the CDI. The programmes developed every year for the assessment and reduction of risks in company processes are a point of reference for all operators.

CLINICAL RISK MANAGEMENT

DIAGNOSTIC IMAGING QUALITY

LABORATORY SAFETY

LABORATORY QUALITY CONTROL

DRUG MANAGEMENT

WASTE MANAGEMENT AND DISPOSAL



Risk Management

Risk management and reduction programmes, procedures or manuals



All programmes are monitored by the company Management, which coordinates and supervises the rigorous application of provisions and the achievement of established safety objectives.

The application of programmes and alignment with objectives are evaluated through specific KPIs. The collection and analysis of data relating to the indicators takes place every 3 months, and improvement actions, if any, are identified every 6 months. Thanks to the high number of indicators and their widespread distribution across the most critical areas, all company processes are constantly monitored and improved.

In 2019, 236 KPIs were controlled, of which 95 organisational and 141 clinical/medical. Of these, it is important to highlight those linked to the International Patient Safety Goals (IPSG), defined by Joint Commission International (JCI) as the 6 main areas of attention for the protection of patient safety.

Main indicators adopted by the Centre and their results

KPI	%
Adverse reactions to contrast medium	0.05%
Complications from CyberKnife treatment	0.4%
Patient falls in relation to entries (IPSG 6)	0.0015%
Irregularities observed through internal audits in the management of high-risk drugs (IPSG3)	0%
Identification and acceptance of biological specimens (IPSG 1)	0.5%
Delayed reporting for laboratory exams	0.1%
Post-operation infections (IPSG 5)	0%
Complications following surgical interventions	0.17%



Overseeing health and safety is the objective of many activities performed within the CDI.

SUPPLY CHAIN TRACKING



Any errors in the supply chain may have a significant impact on the quality and safety of the health services provided and therefore must be monitored. Thanks to the completely computerised Supply Chain Tracking system, with the collaboration of 50 suppliers, it was possible to map the supply chain of around 500 products including those subject to the greatest risk (like vaccines and radiopharmaceuticals).

FALL PREVENTION PROGRAMME



Accidental falls of patients and visitors, and particularly of the elderly or infirm, may take place frequently in healthcare facilities, so much so that they require particular attention. To reduce risk factors within its facilities, in 2019 the CDI improved its lighting system as well as the maintenance of walkways.

AUTOMATED REPORTING CONTROL SYSTEM

In accordance with the provisions of the JCI standards, the CDI has adopted a sample-based control system on the quality of reports by expert clinicians for the assessment of the activity of all professionals working in the company. The data relating to 2019 showed very high levels of compliance with guidelines of specialty, appropriate prescriptions and respect for internal procedures relating to patient information and education. The controls have been extended to all specialist visits, all diagnostic imaging services and to pathological anatomy and genetics services. The CDI's objective for 2020 is to further strengthen these activities through technologically advanced systems. Thanks to machine learning, it is possible to extend control activities not only to a sample of reports, but to all services provided.



RELIABILITY AND INTEGRITY: RELATIONS WITH SUPPLIERS



The CDI considers its relationship with suppliers to be central. It selects them through a specific **qualification and assessment procedure** and requires them to specifically agree to follow the Code of Ethics. The assessment is based on technical and financial parameters and, for certain categories, it requires the possession of specific certifications. The supplier is also evaluated through a self-declaration questionnaire and, as of November 2019, by consulting **Procurement Catalyst**, the platform based on the RepRisk Rating, issued by Bureau Van Dijk, which uses an algorithm to quantify over time the reputational exposure risk on ESG topics on the basis of the supplier's conduct and other information that can be obtained in the press and/or from databases.

The relationship with the main suppliers, identified according to parameters regarding the technical specifications of the supply, safety matters relating to Italian Legislative Decree 81/2008 and turnover with the CDI, is analysed in even more detail. Aside from being evaluated at least once per year through an **ex-post verification procedure**, their compliance with SLAs (Service Level Agreements) is also analysed through the feedback of users and staff functions. In 2019, the verification involved around 81 suppliers, and the 9 audits performed by the CDI resulted in the definition of 32 corrective actions and 11 suggestions, assigned to the internal contractual points of contact, of which 50% were implemented and 25% are currently being implemented within the agreed terms.

INNOVATIVE SERVICES

QUALITY AND SAFETY PLAN

The Plan expresses the CDI's commitment to continuously improve quality, treatment safety and the services offered, oriented towards patient well-being and provided promptly and fairly. The Plan is inspired by the company mission, aimed at the constant search for the improvement of service quality and technical excellence, and establishes a management system based on the PDCA (Plan Do Check Act) methodology and the RBT (Risk Based Thinking) approach.

The Plan commits the organisation to guaranteeing that:

- the treatments offered are based on effective practices based on **Evidence Based Medicine**;
- the treatment and services are adequate to the **needs of each patient** and available when necessary;
- the procedures, treatments and **services** are provided **promptly and efficiently**, with adequate coordination and continuity in all treatment phases by all personnel;
- the patients - or anyone that they indicate - may **participate in decisions** regarding them and that the services are provided with sensitivity and attention;
- **risks** for patients, personnel and more generally everyone involved in service provision processes are **reduced to a minimum**, working to prevent errors.

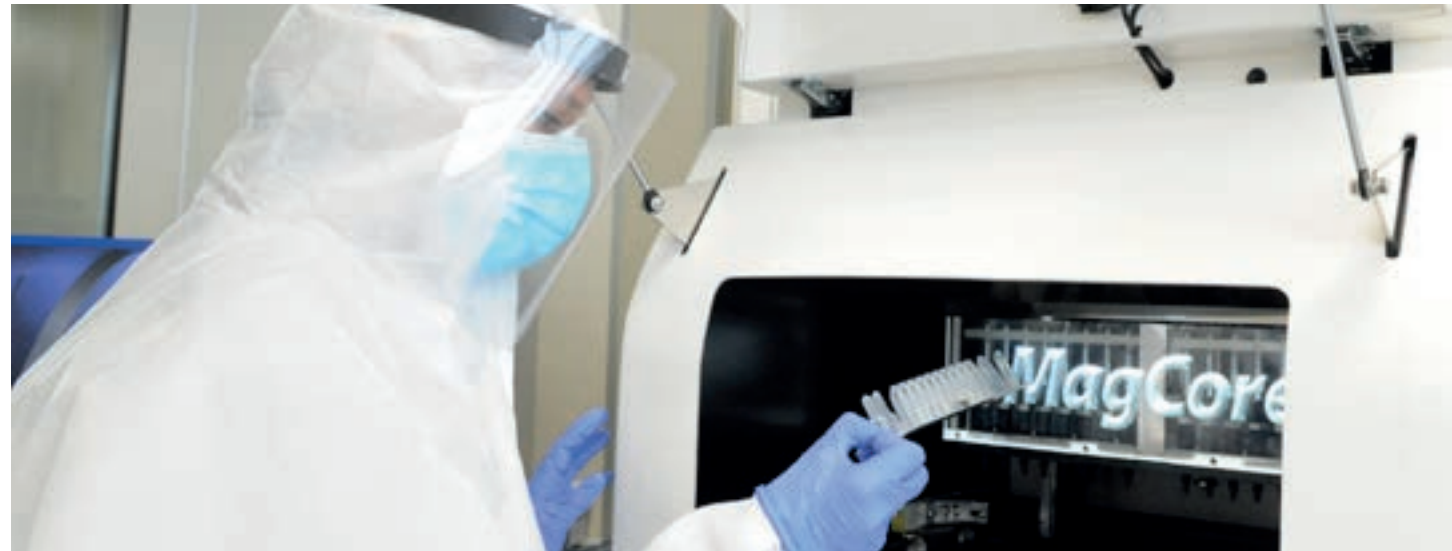
The Plan is strictly linked to the strategic objectives identified by the General Management. In the course of 2019, the strategy and efforts of the Centre focused on the following topics:

- maintaining the quality management system certification in accordance with the **UNI EN ISO 9001:2015** standard;
- adaptation concerning **data privacy and security** resulting from the General Data Protection Regulation (GDPR 679/2016);
- the adaptation of **informed consent** to the most recent legislation (Italian Law no. 219 of 2017);
- the actual results of Customer Satisfaction campaigns;
- the positive results of the internal audits planned each year for all locations of the CDI network for the maintenance of the **regional public healthcare system (SSR), International Organization for**

Standardization (ISO) and Joint Commission International (JCI) accreditations;

- the positive results of the Safety Walk Around risk assessment;
- monitoring on the comprehensiveness and legibility of **patient clinical records**;
- the strengthening of the **quality contact** network;
- the results of scientific research that influence the use of **cutting-edge technologies**.

The practicality and effectiveness of what is set forth in the Plan have been recognised by third-party entities on multiple occasions over time. Aside from respecting compulsory regulations in force, the CDI has decided to adhere to voluntary international regulatory systems.



UNI EN ISO 9001

Since 1997, the CDI Quality Management System has obtained the **UNI EN ISO 9001** international certification issued by Lloyd's Register Quality Assurance (LRQA), one of the main certification bodies in the world for more than 25 years. ISO 9001 is the reference internationally recognised standard for Quality Management Systems and represents the solution adopted by more than half a million organisations across 159 countries. Respect for this certification entails not only an improvement in service and process quality, but also an increase in the level of customer satisfaction and productivity. Through the certification, the company ensures constant improvement in the quality of its services and verifies the achievement of pre-established objectives through a monitoring system capable of identifying anomalies in order to promptly correct them. From 1997 to date, the CDI has been constantly certified every three years and subjected to surveillance audits every six months.



In 2018, the Centre obtained the ISO 9001:2015 certification, the most recently updated version of ISO 9001. The certification relates to all of the Group's polyclinic locations and collection centres and transversally regards the planning and provision of the following services:

- clinical analysis services for diagnostic purposes;
- occupational medicine, health and safety protection, diagnostics and assistance services for Companies;
- diagnostic imaging and nuclear medicine services;
- poly-specialist outpatient services, day surgery, instrumental diagnostics, radiotherapy/radiosurgery with CyberKnife.

AUDITING SYSTEM

In the course of 2019, the CDI performed **64 internal audits** to verify the compliance of company processes with the ISO 9001:2015 management system and JCI standards. 258 corrective actions and 133 suggestions were identified, with an overall decrease of 9% compared to 2018, highlighting the efforts made to improve compliance with quality criteria. In particular, 91% of the 258 corrective actions assigned were completed already in 2019. In the same year, the company auditing system was completely computerised, through an application system that makes it possible to perform inspection and control activities using mobile devices (PCs, Tablets, Smartphones). The highly technological approach to product and service safety and quality control activities has made the protection of patient health and medical professionals even more effective.

DRUG MANAGEMENT AUDIT SYSTEM

This is performed every year on the entire network. The audits are conducted by having the Health Department complete specific check lists. The data identified are then entered in an internal drug management database on which ad hoc KPIs are constructed. In 2020, the CDI will implement a completely computerised data collection system, used for data collection and archiving as well as for managing and monitoring any corrective actions.

CLINICAL RISK INSPECTIONS

The CDI uses a specific programme to investigate the level of personnel compliance with international patient safety targets. The inspection activity is carried out in all locations and departments based on a check list defined and completed by Health Department personnel. The outcomes are accurately analysed and assessed based on specific KPIs. In January 2019, the Health Department approved a sampling plan of the areas to be subjected to assessment with respect to inspections on clinical risk and a programme for 2019 which, in compliance with the sampling plan, will make it possible to cover all areas in all locations over the 2019-2021 three-year period.

ALWAYS AHEAD IN DIGITAL INNOVATION

In the continuous search to improve the quality of the products and services offered, the Italian Diagnostic Centre has made considerable investments in digital infrastructure and technologies. A specific part of the Information Technology Service (ITS) is dedicated to the topics of digital innovation in all internal processes.

In 2019, new services and digital solutions were introduced for patients and operators.

- **CDI Care App:** for patients, who can book visits and view and download reports and invoices;
- **CDI Website:** with renewed graphics and usability, it offers a rapid and efficient browsing experience;
- **Machine learning and AI:** for automatically checking the compliance of report content;
- **DocuSign:** signing documents from apps or PCs, to save paper and protect the environment;
- **Infrastructure virtualisation:** migration of application systems to virtual infrastructure, to allow for the scaling of resources as needed;
- **Livechat:** introduction of a livechat function on the website. Every patient can request information of any kind linked to visits and the services provided by the CDI;
- **Tab4Checker:** innovative completely digitalised inspection system.

The level of **digital innovation** is monitored through specific quantitative Key Performance Indicators (KPIs) for specific activities and operations. The table below shows the main KPIs and their values in the most recent version available for the last two quarters of 2019:

Main indicators adopted by the Centre and the results

KPI	VALUE
Total reports delivered online	152,904 (21% of the total)
Total online payments	8,064 (2% of the total)
Total online bookings	15,449 of which 338 from the app (5% of the total)
Documents subjected to the approval flow through DocuSign	1,197

DIGITAL



The CDI believes in the **digital innovation** of processes and services for its people and patients through monitoring and the continuous improvement of numerous **KPIs**.

The **protection of personal data** in healthcare is a strategic asset. Therefore, the company has adopted targeted policies and procedures to minimise the impact of personal data processing on the rights and fundamental freedoms of data subjects. In particular, it has drafted a range of policies and procedures on Data Protection, including:

- Personal data breach management procedure;
- Personal data protection policy;
- **Data Retention** management policy;
- Data subject rights management procedure;
- **Third-party** management procedure as concerns Data Protection;
- Privacy by Design/Privacy by Default Policy;
- Risk Analysis Methodology and DPIA.

In the course of 2019, the company also invested in strengthening its personal data security and protection systems:

- use of advanced software for the management of data privacy (**OneTrust**) for the maintenance of the Processing Register;
- completion of the registration of third parties and updating in the **SAP** system;

- updating of the **Data Protection Impact Assessment** (DPIA), risk analysis and impact assessment as set forth in the GDPR (General Data Protection Regulation);
- implementation of the remediation actions resulting from the **audits**;
- periodic updating to the Data Protection Officer **DPO** on the technical security measures applied and the progress status of the Cyber Security Programme;
- **continuous personnel training** and information on personal data management. In 2019 the CDI organised specific activities, such as the online course on “Personal Data Processing at CDI” and “Welcome Days” intended to raise the awareness of new hires on privacy matters;
- completion of analyses and implementation of **Data Retention** on IT systems.



The company has also defined an ad hoc process for managing and responding to security incidents (data breaches) involving personal data. The CDI therefore drafted a specific **Data Breach Register** to collect and analyse incidents taking place in order to identify effective measures and solutions, including:

- monitoring and prompt management of security incidents;
- analysis of disclosures, in order to make communications to data subjects clear and exhaustive;
- DPO audit on areas and functions deemed most critical;
- continuous healthcare and administrative personnel training;
- active monitoring of the collection and management of patient consent;
- external and internal verification of access to IT systems.



RESEARCH AND DEVELOPMENT IN RADIOMICS: CDI'S COMMITMENT TO PERSONALISED MEDICINE

Radiomics, or the application of Artificial Intelligence and big data to diagnostic imaging, can make an extraordinary contribution to precision medicine by developing predictive and personalised diagnostic procedures with an enormous impact on patient quality of life.

The CDI is involved in various targeted studies to apply radiomics to important human pathologies, particularly oncological. Furthermore, with Bracco Innovation Hub and other partners, it participates in the Ministry for Economic Development (MISE) call for tenders with a project intended to develop an IT platform for the processing of clinical data and instrumental diagnostics, which can be used for radiomics studies and other sciences such as genomics, based on the biobanks in the possession of its partners.

For the diagnostic imaging area, the CDI's R&D activities are concentrated on Artificial Intelligence applications and on the workflows of Radiology Departments. The central objective is to use increasingly lower doses of contrast media while improving diagnostic accuracy using Artificial Intelligence.

TIES WITH THE COMMUNITY

The CDI is rooted in the territories in which it operates and feels a strong sense of responsibility to the communities with which it interacts. It promotes and supports sports, social and informational events for patients, customers, employees and partners and works as part of a network along with associations to positively contribute to people's lives.

CENTRO ACCOGLIENZA AMBROSIANO ONLUS



Since 1983 the Centro Accoglienza Ambrosiano Onlus has welcomed and supported single mothers with children who live in situations of difficulty and isolation. The CDI offered health prevention testing to guests in these facilities and organised meetings on parenthood, to help mothers in raising and educating their children, and on the topic of healthy eating, to best manage the nutrition of children within their individual and social environment.

AIRC (ITALIAN ASSOCIATION FOR CANCER RESEARCH)



The CDI made spaces available for the fundraising campaigns "Le Arance della Salute" in January and "I cioccolatini della ricerca" in November.

FLY CYCLING TEAM



A team also including diabetic athletes, which transmits a dual message: sports can combat illness and sports can be done even with an illness. The CDI supports the team, and on 26 March 2019 it launched the diabetes awareness raising campaign during the Como stage of the Giro d'Italia.

ANDOS (ITALIAN NATIONAL ASSOCIATION FOR BREAST CANCER SURVIVORS)



During International Women's Day from 4 to 9 March, the CDI offered one week of free prevention, specifically breast examinations, in all of its polyclinic facilities.



PINK PARADE



The CDI participates in the national fundraising initiative for breast cancer research and prevention, as a sponsor, offering free breast exams and participating with its employees in the run/walk event.

BEACH VOLLEYBALL



The CDI sponsored the international event open to the entire population, organised under the patronage of the Municipality of Milan. The CDI offered free physical therapy sessions and participated in a beach volleyball tournament with a team made up of employees.

ITACA PROJECT FOUNDATION



With the Itaca Project Foundation the CDI carried out a social inclusion project for people with disabilities. It supported the social and professional inclusion of people suffering from mental illness through ongoing administrative activities in smart working centres. Specifically, in 2019 two part-time training contracts (21 hours per week) were activated for young people with mental health issues. They were thus able to work in a protected environment under the supervision of specialised tutors, in contact with the structure through remote technologies, exchanges and protected and enabling relationships.

The CDI supports the solidarity initiatives of a number of local associations through its charitable donations. Its collaborations in 2019 included:

- **Onlus per i diritti dei bambini di Chernobyl:** to finance the "Continua l'ospitalità, Una casa per l'autonomia" ("Hospitality continues, A home for autonomy") project supporting the children of Chernobyl;
- **Ronda della Carità:** to help the homeless and support everyone living their lives in the street;
- **Case-famiglia per minori:** donation to the il Campo (Biella) and Kairos (Piacenza) Communities.

CENTRODIAGNOSTICOITALIANO
CDI
LIFE FROM INSIDE

La tua salute, sempre più al centro.

Eccellenza diagnostica, competenze specialistiche, strumenti all'avanguardia, attenzioni, efficienza, sicurezza ma anche alimentazione, medicina estetica e sport: sempre alla ricerca di quel punto dove la salute incontra il futuro.
Tutto questo è CDI.
Vicino a te ogni giorno,
da 45 anni.

27 sedi in Lombardia, di cui
13 poliambulatori
con punti prelievo,
13 punti prelievo
e una sede interamente
dedicata alla Fisioterapia
e una all'Odontoiatria.

Sede centrale
Via Saint Bon 20 Milano
Centro Unico di Prenotazione
02.48317.444 | Solventi e Fondi
02.48317.555 | SSN
www.cdi.it

PROMOTION OF A CULTURE OF HEALTH

Every Centre initiative focuses on protection and prevention for people's health and well-being, assistance and health education. In 2019, the CDI organised a number of prevention campaigns on widespread or particularly socially relevant illnesses.

CAMPAIGN FOR THE GENETIC IDENTIFICATION OF CELIAC DISEASE



It often occurs that after a self-diagnosis, many people prescribe themselves a diet lacking certain nutrients and/or foods to avoid abdominal bloating, fatigue and weakness. To avoid this, the CDI has decided to promote celiac disease knowledge and prevention through a campaign in favour of all employees and their children, who were able to take two fundamental genetic tests: testing for the human leukocyte antigen (HLA-DQ2 and DQ8) to identify genetic predisposition to celiac disease and searching for mutations in the lactase gene (LCT) to define genetic predisposition to lactose intolerance.

CAMPAIGN FOR THE PREVENTION OF CARDIOVASCULAR DISEASE



Heart attacks or ischemic or haemorrhagic stroke are one of the main causes of death. Their origin may be associated either with improper lifestyles and behaviours, on which it is possible to intervene, or with unchangeable risk factors such as age, sex and genetic predisposition. The CDI promoted knowledge and prevention of these illnesses through the extension of the free prevention campaign offered to patients during the World No Tobacco Day on 31 May 2019 to all employees. Thus, they had the opportunity to take a genetic blood test for the prevention of cardiovascular disease.

KNOWING AND PREVENTING, THE BEST WAY TO LOVE: A PROJECT FOR SCHOOLS



This is the scientific information and prevention activity launched by the CDI in partnership with the Bracco Foundation to cultivate more knowledgeable and attentive attitudes towards sexuality amongst young people. The initiative included meetings with Centre physicians for some students in their last two years of upper secondary school in the Milan area. Furthermore, an online platform was created with digital informational materials to be explored, downloaded and printed for students and teachers.



HAND HYGIENE WEEK



As in previous years, again in 2019 the CDI promoted initiatives for children and adults alike to increase awareness on the topic of hand hygiene, which months after with Covid-19 would become absolutely critical. At the desks set up at some of the CDI offices, a fun interactive box was made available for an analysis of people's hands, and nursing staff provided information on this topic. Patients, medical professionals and visitors were able to "test" their hygiene by using a special gel that reveals "dirty" areas.

GENETICS AWARENESS CAMPAIGN



In 2019, the CDI launched a campaign promoting the importance of genetics by creating a new dedicated section on its website, which describes available genetic exams to patients. Furthermore, during the World Celiac Disease Awareness Day, it offered free tests to event participants. The CDI then published interviews with the physicians from its Centres in its monthly newsletters and on its social network platforms to raise the awareness of the general public.

HEPATITIS C AND HIV AWARENESS CAMPAIGN



In 2019, the CDI participated, as in prior years, in Easy Test, the awareness raising campaign to combat Hepatitis C and HIV, in collaboration with IRCCS San Raffaele and Anlaids. On the first Friday of every month, patients were able to take a free anonymous rapid-response saliva test to screen for Hepatitis C and HIV.

99		SUSTAINABILITY BY THE NUMBERS
100		PERFORMANCE INDICATORS
120		OUR INITIATIVES FOR THE COMMUNITIES AND THE PROMOTION OF HEALTH
127		GRI CONTENT INDEX



PERFORMANCE INDICATORS

Human resources

STAFF AND DIVERSITY ¹⁴

Number of employees by type of contract (permanent and temporary), gender and geographical region [GRI 102-8]

¹⁴ The figures relating to the staff refer only to employees of the Bracco Group, without considering the 159 external contractors who worked for the Group in 2019.

NUMBER OF EMPLOYEES	AS AT 31.12.2019			AS AT 31.12.2018		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
ITALY						
Men	691	9	700	663	11	674
Women	532	48	580	486	54	540
Total	1,223	57	1,280	1,149	65	1,214
REST OF EUROPE						
Men	395	16	411	368	25	393
Women	406	27	433	380	44	424
Total	801	43	844	748	69	817
NORTH AMERICA						
Men	504	-	504	475	-	475
Women	414	-	414	389	-	389
Total	918	-	918	864	-	864
REST OF THE WORLD						
Men	167	133	300	161	115	276
Women	126	141	267	120	129	249
Total	293	274	567	281	244	525
GROUP TOTAL						
Men	1,757	158	1,915	1,667	151	1,818
Women	1,478	216	1,694	1,375	227	1,602
Total	3,235	374	3,609	3,042	378	3,420

Number of employees by type of employment (full-time and part-time), gender and geographical region
[GRI 102-8]

NUMBER OF EMPLOYEES	AS AT 31.12.2019			AS AT 31.12.2018		
	FULL-TIME	PART-TIME	TOTAL	FULL-TIME	PART-TIME	TOTAL
Men	1,891	24	1,915	1,667	151	1,818
Women	1,519	175	1,694	1,375	227	1,602
Total	3,410	199	3,609	3,042	378	3,420

Percentage of employees covered by collective labour agreements
[GRI 102-41]

PERCENTAGE OF EMPLOYEES	AS AT 31.12.2019	AS AT 31.12.2018
Employees covered by collective labour agreements	52.2%	53.6%

NUMBER OF EMPLOYEES	AS AT 31.12.2019					AS AT 31.12.2018				
	<30	30-50	>50	TOTAL	TURNOVER %	<30	30-50	>50	TOTAL	TURNOVER %
ITALY										
Men	21	28	5	54	7.7%	13	22	3	38	5.6%
Women	23	42	2	67	11.6%	27	31	1	59	10.9%
Total	44	70	7	121	9.5%	40	53	4	97	8.0%
%	40.7%	10.4%	1.4%	9.5%		50.6%	8.1%	0.8%	8.0%	
REST OF EUROPE										
Men	11	53	9	73	17.8%	15	32	7	54	13.7%
Women	12	31	11	54	12.5%	15	35	8	58	13.7%
Total	23	84	20	127	15.0%	30	67	15	112	13.7%
%	28.0%	17.5%	7.1%	15.0%		33.3%	14.7%	5.5%	13.7%	
NORTH AMERICA										
Men	22	63	29	114	22.6%	10	49	14	73	15.4%
Women	13	65	21	99	23.9%	8	44	16	68	17.5%
Total	35	128	50	213	23.2%	18	93	30	141	16.3%
%	62.5%	24.8%	14.5%	23.2%		37.5%	19.0%	9.2%	16.3%	
REST OF THE WORLD										
Men	16	58	7	81	27.0%	20	48	2	70	25.4%
Women	10	44	1	55	20.6%	16	42	3	61	24.5%
Total	26	102	8	136	24.0%	36	90	5	131	25.0%
%	52.0%	22.6%	12.1%	24.0%		66.7%	21.5%	9.6%	25.0%	
GROUP TOTAL										
Total	128	384	85	597	16.5%	124	303	54	481	14.1%
%	43.2%	18.1%	7.1%	16.5%		45.8%	15.0%	4.8%	14.1%	

Number of incoming employees by age group, gender and geographical area **[GRI 401-1]**

NUMBER OF EMPLOYEES	AS AT 31.12.2019					AS AT 31.12.2018				
	<30	30-50	>50	TOTAL	TURNOVER %	<30	30-50	>50	TOTAL	TURNOVER %
ITALY										
Men	-	11	17	28	4.0%	-	7	30	37	5.5%
Women	-	19	8	27	4.7%	5	17	6	28	5.2%
Total	-	30	25	55	4.3%	5	24	36	65	5.4%
%	0.0%	4.5%	5.0%	4.3%		6.3%	3.7%	7.5%	5.4%	
REST OF EUROPE										
Men	9	25	21	55	13.4%	3	19	14	36	9.2%
Women	9	16	20	45	10.4%	3	24	12	39	9.2%
Total	18	41	41	100	11.8%	6	43	26	75	9.2%
%	22.0%	8.5%	14.5%	11.8%		6.7%	9.4%	9.6%	9.2%	
NORTH AMERICA										
Men	6	49	30	85	16.9%	8	23	19	50	10.5%
Women	10	40	24	74	17.9%	-	25	25	50	12.9%
Total	16	89	54	159	17.3%	8	48	44	100	11.6%
%	28.6%	17.2%	15.6%	17.3%		16.7%	9.8%	13.5%	11.6%	
REST OF THE WORLD										
Men	5	49	3	57	19.0%	9	36	3	48	17.4%
Women	6	30	1	37	13.9%	7	34	5	46	18.5%
Total	11	79	4	94	16.6%	16	70	8	94	17.9%
%	22.0%	17.5%	6.1%	16.6%		29.6%	16.7%	15.4%	17.9%	
GROUP TOTAL										
Total	45	239	124	408	11.3%	35	185	114	334	9.8%
%	15.2%	11.3%	10.4%	11.3%		12.9%	9.2%	10.1%	9.8%	

Number of outgoing employees by age group, gender and geographical area [GRI 404-1]

Percentage of employees, by gender and employee category, receiving regular performance and career development reviews [GRI 404-3]

PERCENTAGE OF EMPLOYEES	AS AT 31.12.2019			AS AT 31.12.2018		
	% MEN	% WOMEN	TOTAL	% MEN	% WOMEN	TOTAL
Managers	100%	100%	100%	100%	100%	100%
Middle managers	100%	100%	100%	100%	100%	100%
White Collar	51%	44%	47%	54%	44%	49%
Blue Collar	46%	79%	58%	43%	33%	39%
Total	63%	60%	61%	63%	53%	58%

Percentage of employees by employee category, gender and age group [GRI 405-1]

PERCENTAGE OF EMPLOYEES	AS AT 31.12.2019					AS AT 31.12.2018				
	MEN	WOMEN	<30	30-50	>50	MEN	WOMEN	<30	30-50	>50
Managers	71.8%	28.2%	-	34.7%	65.3%	72.1%	27.9%	-	31.6%	68.4%
Middle managers	58.9%	41.1%	0.5%	61.8%	37.7%	58.4%	41.6%	0.4%	61.1%	38.5%
White Collar	45.5%	54.5%	11.1%	61.9%	27.0%	46.3%	53.7%	10.8%	62.9%	26.3%
Blue Collar	65.4%	34.6%	9.0%	53.1%	37.9%	63.0%	37.0%	8.5%	53.8%	37.7%
Total	53.1%	46.9%	8.2%	58.7%	33.1%	53.2%	46.8%	7.9%	59.1%	33.0%

Average ratio of basic salary and total remuneration of women to men for each employee category **[GRI 405-2]**

MEN/WOMEN RATIO	AS AT 31.12.2019		AS AT 31.12.2018	
	BASIC SALARY	TOTAL REMUNERATION	BASIC SALARY	TOTAL REMUNERATION
Managers	88%	86%	91%	90%
Middle managers	92%	91%	93%	92%
White Collar	88%	87%	77	73%
Blue Collar	106%	107%	110	112%
Total	85%	83%	80%	77%

NUMBER OF EMPLOYEES	2019		2018	
	NUMBER OF EMPLOYEES	% EMPLOYEES	NUMBER OF EMPLOYEES	% EMPLOYEES
Number of all workers covered by an occupational health and safety management system	2,907	100%	2,831	100%
Number of all workers covered by an occupational health and safety management system subject to internal audit	2,718	93%	2,641	93%
Number of all employees covered by that system controlled or certified by an outside body	592	20%	595	21%

HEALTH AND SAFETY ¹⁵

Number and percentage of workers covered by an occupational health and safety management system
[GRI 403-8]

¹⁵ The consolidated scope for data relating to occupational health and safety refers to all production plants and research centres, namely: Italy (Ceriano Laghetto, Collettero Giacosa and Torviscosa), Switzerland (Geneva and Lausanne), Germany (Singen), China (Shanghai), the United States (Minneapolis and Monroe), Canada (Montréal) and Japan (Saitama). Furthermore, the most significant offices and locations were also considered: the Netherlands (Heerlen) and Italy (Milan-HQ and Milan-CDI). The scope of data relating to external contractors refers to all Italian production plants and research centres, namely: Ceriano Laghetto, Collettero Giacosa and Torviscosa.

NUMBER OF EXTERNAL WORKERS	2019		2018	
	NUMBER OF EXTERNAL WORKERS	% EXTERNAL WORKERS	NUMBER OF EXTERNAL WORKERS	% EXTERNAL WORKERS
Number of all workers who are not employees but whose work and/or workplace is controlled by the organisation, covered by an occupational health and safety management system	105	100%	75	100%
Number of all workers who are not employees but whose work and/or workplace is controlled by the organisation, covered by an occupational health and safety management system subject to internal audit	105	100%	75	100%
Number of all workers who are not employees but whose work and/or workplace is controlled by the organisation, covered by a system controlled or certified by an outside body	105	100%	68	100%

Work-related injuries ¹⁶ [GRI 403-9]

¹⁶ The accident ratio is calculated as the ratio between the number of accidents and hours worked by employees/external contractors, multiplied by 1,000,000 (Source: Sustainability Reporting Guidelines - version GRI Standards, Global Reporting Initiative). Recordable accidents at work are those accidents that entailed absence from work for more than three days, while accidents with serious consequences are accidents that entailed absence from work for more than six months.

EMPLOYEES	2019	2018
Number of recordable accidents at work	14	14
Number of accidents at work with serious consequences (excluding deaths)	1	0
Number of deaths following accidents at work	0	0
Hours worked	4,531,357	4,391,576
Multiplier	1,000,000	1,000,000
<i>rate of recordable accidents at work</i>	<i>3.1</i>	<i>3.2</i>
<i>rate of accidents at work with serious consequences</i>	<i>0.2</i>	<i>0.0</i>
<i>rate of deaths following accidents at work</i>	<i>0.0</i>	<i>0.0</i>

NON-EMPLOYEE CONTRACTORS	2019	2018
Number of recordable accidents at work	1	1
Number of accidents at work with serious consequences (excluding deaths)	0	0
Number of deaths following accidents at work	0	0
Hours worked	125,565	99,317
Multiplier	1,000,000	1,000,000
<i>rate of recordable accidents at work</i>	<i>8.0</i>	<i>10.1</i>
<i>rate of accidents at work with serious consequences</i>	<i>0.0</i>	<i>0.0</i>
<i>rate of deaths following accidents at work</i>	<i>0.0</i>	<i>0.0</i>

Supply Chain

NUMBER OF SUPPLIERS	2019				
	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD	TOTAL
API	44	15	4	0	63
Industrial	453	330	276	83	1,142
Packaging	32	17	21	8	78
Total	529	362	301	91	1,283

PERCENTAGE OF SUPPLIERS	2019			
	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD
API	70%	24%	6%	0%
Industrial	40%	29%	24%	7%
Packaging	41%	22%	27%	10%
Total	41%	29%	23%	7%

Number and percentage of suppliers by geographical area and product category **[GRI 102-9]**

PERCENTAGE OF SPENDING	2019				2018			
	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD
Local suppliers	67.9%	22.9%	84.6%	90.8%	62.0%	17.6%	81.6%	99.9%

Proportion of spending on local suppliers¹⁷ by geographical area **[GRI 204-1]**

¹⁷ Local suppliers refers to those suppliers located in the same geographical markets as those in which the Bracco Group operates.

Environment ¹⁸

MATERIALS ¹⁹

Total consumption of raw materials, in tonnes **[GRI 301-1]**

Consumption and recovery of solvents used in production processes, in tonnes

¹⁸ The consolidated scope for environmental information, if not specified otherwise, refers to all production plants and research centres, namely: Italy (Ceriano Laghetto, Collettero Giacosa and Torviscosa), Switzerland (Geneva and Lausanne), Germany (Singen), China (Shanghai), the United States (Minneapolis and Monroe), Canada (Montréal) and Japan (Saitama). Furthermore, the most significant offices and locations were also considered: the Netherlands (Heerlen) and Italy (Milan-HQ and Milan-CDI).

¹⁹ Data concerning the raw materials and solvents used and saved for the production process refer to the Ceriano Laghetto and Torviscosa (Italy) plants. Instead, data concerning the raw materials used for packaging refer to all Bracco Group production sites.

²⁰ Solvents, acids, bases and catalysers.

²¹ Oils and other substances used for the operation of machinery.

CONSUMPTION OF RAW MATERIALS	2019	2018
PRODUCTION	67,318	64,239
APIs (Active Pharmaceutical Ingredients) Intermediates	13,973	13,414
Indirect for processes ²⁰	52,247	49,904
Indirect for machines ²¹	1,083	921
PACKAGING	6,170	5,896
<i>of which from renewable sources (paper)</i>	<i>2,231</i>	<i>2,105</i>

CONSUMPTION OF SOLVENTS	2019
Theoretical expected consumption of new solvents introduced into the system	25,000
Real consumption of new solvents introduced into the system	2,210
Annual savings in consumption of solvents used for the production process	22,790
% recovery of solvents on total consumption of indirect raw materials used for processes	44%

ENERGY AND EMISSIONS²²

Total energy consumption within the organisation by energy source, in GJ [GRI 302-1]

ENERGY CONSUMED	UNIT OF MEASUREMENT	2019	2018
Natural Gas	GJ	801,127	780,130
Purchased steam	GJ	287,336	272,639
Purchased electricity	GJ	231,628	218,280
<i>of which acquired from renewable source and covered by Guarantee of Origin certificates</i>	GJ	28,946	30,442
Electricity self-produced from renewable sources (photovoltaics) and consumed internally	GJ	112	105
Diesel	GJ	7,896	6,311
LPG	GJ	1,5	1,5
Petrol	GJ	258	111
Total	GJ	1,328,358,5	1,277,577,5

Energy self-produced within the organisation by sources of energy production and energy sold, in GJ [GRI 302-1]

ENERGY SELF-PRODUCED AND ENERGY SOLD	UNIT OF MEASUREMENT	2019	2018
FROM NATURAL GAS			
Electricity	GJ	134,105	135,423
<i>of which sold</i>	GJ	753	1,530
Steam	GJ	494,305	472,766
<i>of which sold</i>	GJ	4,575	7,274
FROM RENEWABLE SOURCES			
Electricity	GJ	112	105
Total energy self-produced	GJ	628,522	608,294
<i>of which sold</i>	GJ	5,328	8,804

²² Lower Heating Value of natural gas equal to 0.03428 GJ/scm, Lower Heating Value of diesel equal to 42.88 GJ/t, Lower Heating Value of diesel for vehicles equal to 42.82 GJ/t and Lower Heating Value of LPG equal to 46.13 GJ/t (source: NIR - Italian greenhouse gas inventory 1990-2017 National inventory report 2019). Average density of diesel equal to 0.84 kg/l (source: FIRE - Energy Management Guidelines 2018). Average density of diesel for vehicles equal to 1,362 l/t and average density of LPG equal to 1,929 l/t (source: UK Government GHG Conversion Factors for Company Reporting - Conversion factors 2019).

Number and consumption of company cars used within the organisation
[GRI 302-1]

²³ To calculate the consumption of the car fleet, exclusively the Italian legal entities were taken into consideration.

CAR FLEET ²³	UNIT OF MEASUREMENT	2019	2018
Cars used for business purposes	no.	47	45
Cars used for business and personal purposes	no.	138	130
Total Cars	no.	185	175
Total consumption of cars used for business purposes	GJ	1,478	1,056
Total consumption of cars used for business and personal purposes	GJ	6,397	5,120
Total consumption	GJ	7,875	6,176

Energy intensity of certain production sites of the organisation, according to specific measurement metrics [GRI 302-3]

²⁴Source of emissions coefficients for fossil fuel sources: DEFRA, UK Government - GHG Conversion Factors for Company Reporting 2019. The reporting standard used (GRI Sustainability Reporting Standards 2016) provides two different approaches for calculating Scope 2 emissions: "Location-based" and "Market-based". The "Location-based" approach requires the use of a national average emissions factor relating to the specific national energy mix for the production of electricity (source of emissions factors for Italy: ISPRA - National Inventory Report 2019; source of emissions factors for other countries: TERNA, International Comparisons, 2017). The "Market-based" approach requires the use of an emissions factor defined on a contractual basis with the electricity provider and that the purchase of renewable electricity with Guarantee of Origin Certificates does not entail greenhouse gas emissions calculated according to this approach. The electricity purchased by the Montreal (Canada) and Geneva (Switzerland) plants is 100% certified with Guarantees of Origin. For all plants, given the absence of specific contractual agreements with electricity suppliers, the emissions factors relating to the national residual mixes were used (source of residual mixes: AIB European Residual Mixes 2018 (Version 1.2, 2019007011)) when possible. For countries whose residual mixes were not available, the national average emissions factors relating to the specific national energy mix were used (TERNA, International Comparisons, 2017).

ENERGY INTENSITY (SITES OF COLLERETTO GIACOSA, CERIANO LAGHETTO AND TORVISCOSA)	UNIT OF MEASUREMENT	2019	2018
Absolute energy consumption	GJ	1,118,701	1,079,886
Material produced	ton	4,984	4,754
Energy intensity	GJ/ton	224	227

ENERGY INTENSITY (SITES OF EDEN PRAIRIE, GENEVA AND SAITAMA)	UNIT OF MEASUREMENT	2019	2018
Absolute energy consumption	GJ	25,439	25,620
Pieces produced	No. pieces	2,680,503	2,021,705
Energy intensity	GJ/piece	0.01	0.01

ENERGY INTENSITY (SITES OF SINGEN AND SHANGHAI)	UNIT OF MEASUREMENT	2019	2018
Absolute energy consumption	GJ	75,140	70,678
Injectable solution	Litres	2,804,315	2,656,785
Energy intensity	GJ/litre	0.03	0.03

ENERGY INTENSITY (SITE OF MONTREAL)	UNIT OF MEASUREMENT	2019	2018
Absolute energy consumption	GJ	33,426	36,114
Barium sulphate	Kg	1,754,093	1,646,221
Energy intensity	GJ/Kg	0.02	0.02

Direct (Scope 1) and indirect (Scope 2, calculated according to the location-based and market-based approach) greenhouse gas emissions in CO₂ equivalent [GRI 305-1, GRI 305-2]²⁴

GHG EMISSIONS	UNIT OF MEASUREMENT	2019	2018
Direct emissions (Scope 1)	tCO _{2eq}	50,444	49,469
<i>Of which due to energy consumption</i>	tCO _{2eq}	49,678	48,857
<i>of which due to car fleet</i>	tCO _{2eq}	767	611
Indirect emissions (Scope 2) - Location-based approach	tCO _{2eq}	34,561	33,317
Indirect emissions (Scope 2) - Market-based approach	tCO _{2eq}	43,469	41,475
Total Scope 1 and Scope 2 (Location-based)	tCO_{2eq}	85,005	82,786
Total Scope 1 and Scope 2 (Market-based)	tCO_{2eq}	93,913	90,944

Emissions of nitrous oxides (NO_x), sulphur oxides (SO_x) and other significant polluting substances into the atmosphere [GRI 305-7]²⁵

NITROUS OXIDES (NO _x), SULPHUR OXIDES (SO _x) AND OTHER SIGNIFICANT AIR EMISSIONS	UNIT OF MEASUREMENT	2019	2018
NO _x and SO _x	Kg	22,235	14,380
SO _x	Kg	59	11
Persistent Organic Pollutants (POPs)	Kg	39	30
Volatile Organic Compounds (VOCs)	Kg	591	1,472
Particulate Matter (PM)	Kg	103	97
VICs	Kg	204	149

²⁵ Any significant changes in other emissions into the atmosphere are due to the calculation method: the verifications are performed according to the monitoring plan established by the control bodies, which requires an annual/half-yearly analysis of the average flow rates of the chimneys to be performed in the plant's heaviest operating conditions. The values thus obtained, expressed in mass flow rates, are multiplied by the plant's total annual hours of operation. The figure is therefore by its very nature indicative and may fluctuate from one year to another.

WASTE

Waste produced by the organisation by type and disposal method [GRI 306-2]

WASTE	UNIT OF MEASUREMENT	2019			2018		
		HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL
Recycling	ton	806	1,978	2,784	580	2,402	2,982
Recovery	ton	-	151	151	-	147	147
Incineration	ton	1	4	5	1	27	28
Other ²⁶	ton	1,565	6,273	7,838	915	4,640	5,555
Total	ton	2,372	8,406	10,778	1,496	7,216	8,712

WATER

Water withdrawal of the organisation based on source type in all areas and in areas with water stress [GRI 303-3]

WATER WITHDRAWAL ²⁷	UNIT OF MEASUREMENT	2019		2018	
		ALL AREAS	AREAS WITH WATER STRESS	ALL AREAS	AREAS WITH WATER STRESS
GROUNDWATER (TOTAL)	MI	14,265	0	14,366	0
Fresh water ($\leq 1,000$ mg/L total dissolved solids)	MI	14,265	0	14,366	0
Other waters ($> 1,000$ mg/L total dissolved solids)	MI	0	0	0	0
THIRD-PARTY WATER (TOTAL)	MI	1,209	12	1,149	12
Fresh water ($\leq 1,000$ mg/L total dissolved solids)	MI	1,209	12	1,149	12
Other waters ($> 1,000$ mg/L total dissolved solids)	MI	0	0	0	0
Total	MI	15,474	12	15,515	12

²⁶The category "Other" refers to waste managed by third-party entities to be sent for composting, energy recovery and to the landfill

²⁷To calculate water withdrawal, all plants of the Bracco Group were taken into consideration, with the exception of the Monroe (US) and Lausanne (Switzerland) production sites.

Water discharges of the organisation based on source type in all areas and in areas with water stress [GRI 303-4]

WATER DISCHARGE ²⁸	UNIT OF MEASUREMENT	2019		2018	
		ALL AREAS	AREAS WITH WATER STRESS	ALL AREAS	AREAS WITH WATER STRESS
SURFACE WATER (TOTAL)	MI	13,649	0	13,755	0
Fresh water ($\leq 1,000$ mg/L total dissolved solids)	MI	13,649	0	13,755	0
Other waters ($> 1,000$ mg/L total dissolved solids)	MI	0	0	0	0
THIRD-PARTY WATER (TOTAL)	MI	893	10	842	10
Fresh water ($\leq 1,000$ mg/L total dissolved solids)	MI	893	10	842	10
Other waters ($> 1,000$ mg/L total dissolved solids)	MI	0	0	0	0
Total	MI	14,542	10	14,597	10

Total water consumption by the organisation in all areas and in areas with water stress [GRI 303-5]

WATER CONSUMPTION ²⁹	UNIT OF MEASUREMENT	2019		2018	
		ALL AREAS	AREAS WITH WATER STRESS	ALL AREAS	AREAS WITH WATER STRESS
Total water consumption	MI	141	1	140	1

²⁸To calculate water discharges, only the Ceriano Laghetto, Collettero Giacosa and Torviscosa (Italy), Shanghai (China) and Singen (Germany) plants were taken into consideration.

²⁹To calculate water consumption, only the Ceriano Laghetto, Collettero Giacosa and Torviscosa (Italy), Geneva (Switzerland) and Shanghai (China) plants were taken into consideration.

Governance and transparency

Members of the Board of Directors of the Parent Company Bracco S.p.A. by gender and age group **[GRI 405-2]**

BOD BY GENDER	AS AT 31.12.2019			AS AT 31.12.2018		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
Total	4	4	8	4	4	8

BOD BY AGE	AS AT 31.12.2019				AS AT 31.12.2018			
	<30	30-50	>50	TOTAL	<30	30-50	>50	TOTAL
Total	0	0	8	8	0	0	8	8

Number of members of the Board of Directors of Bracco Imaging S.p.A. to whom anti-corruption policies and procedures were disclosed **[GRI 205-2]**

MEMBERS OF THE BOD OF BRACCO IMAGING S.P.A. ³⁰	AS AT 31.12.2019
	ITALY
Members of the BoD	4
Members of the BoD who received the communication on anti-corruption policies and procedures	4
% participation	100%

Number of employees to whom anti-corruption policies and procedures were disclosed, by employee category and geographical area **[GRI 205-2]**

NUMBER OF EMPLOYEES	2019				
	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD	TOTAL
Managers	52	43	70	16	181
Middle managers	200	156	73	110	539
White Collar	317	370	419	342	1,448
Blue Collar	252	205	93	43	593
Total	821	774	655	511	2,761

³⁰The data refer to the company Bracco Imaging S.p.A. which is the Parent Company of the companies operating in Italy.

Number of members of the Board of Directors of Bracco Imaging S.p.A. who received training on anti-corruption policies and procedures **[GRI 205-2]**

MEMBERS OF THE BOD OF BRACCO IMAGING S.P.A	AS AT 31.12.2019
	ITALY
Members of the BoD	4
Members of the BoD who received training	4
% participation	100%

Number of employees who received training on anti-corruption policies and procedures, by employee category and geographical area **[GRI 205-2]**

NUMBER OF EMPLOYEES	AS AT 31.12.2019				
	ITALY ³¹	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD	TOTAL
Managers	-	7	23	13	43
Middle managers	-	20	5	91	116
White Collar	-	57	95	202	354
Blue Collar	-	-	-	63	63
Total	-	84	123	369	576

³¹ Please note that the anti-corruption training for employees of the Italian companies was provided in 2018 and involved 206 employees. Also in 2018, the same training was provided to 586 employees belonging to the Group's foreign companies, for a total of 1,368 in the 2018-2019 two-year period.

Number of employees who received training on antitrust policies and procedures, by employee category and geographical area **[GRI 205-2]**

NUMBER OF EMPLOYEES	AS AT 31.12.2019				
	ITALY	REST OF EUROPE	NORTH AMERICA	REST OF THE WORLD	TOTAL
Managers	28	11	44	7	90
Middle managers	68	74	45	28	215
White Collar	12	70	262	30	374
Blue Collar	1	9	2	-	12
Total	109	164	353	65	691

Number of members of the Board of Directors of the Parent Company Bracco S.p.A. to whom Model 231 and Code of Ethics policies and procedures were disclosed **[GRI 205-2]**

MEMBERS OF THE PARENT COMPANY BoD	AS AT 31.12.2019
	ITALY
Members of the BoD	8
Members of the BoD who received the communication	8
% participation	100%

Number of employees in Italy to whom Model 231 and Code of Ethics policies and procedures were disclosed, by employee category **[GRI 205-2]**

NUMBER OF EMPLOYEES	AS AT 31.12.2019
	ITALY
Managers	68
Middle managers	237
White Collar	713
Blue Collar	262
Total	1,280

Number of members of the Board of Directors of the Parent Company Bracco S.p.A. who received training on Model 231 and Code of Ethics policies and procedures **[GRI 205-2]**

MEMBERS OF THE PARENT COMPANY BOD	AS AT 31.12.2019
	ITALY
Members of the BoD	8
Members of the BoD who received training	8
% participation	100%

Number of employees in Italy who received training on Model 231 and Code of Ethics policies and procedures, by employee category **[GRI 205-2]**

NUMBER OF EMPLOYEES	AS AT 31.12.2019
	ITALY
Managers	52
Middle managers	16
White Collar	43
Blue Collar	19
Total	130

OUR INITIATIVES FOR THE COMMUNITIES AND THE PROMOTION OF HEALTH

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
1	LifeTies	BDI	USA	Support programmes for adolescents to overcome the effects of physical, emotional and sexual abuse					
2	ETS/YWCA Firecracker Run	BDI	USA	Company fundraising to support projects in favour of women and minorities					
3	CASA of Mercer and Burlington County	BDI	USA	Programmes and services for children in foster care					
4	Bracco's Matching Gift Program	BDI	USA	Project for structuring donations to educational, hospital and biomedical research institutions					
5	Volunteer Day Program	BDI	USA	Company volunteer day at non-profit organisations					
6	Radiological Society of North America (RSNA)	BDI	USA	Traditional partnership to contribute to radiology research and development					
7	American Association for Women Radiologists	BDI	USA	Partnership to favour diverse leadership in radiology, particularly by women					
8	Global Investigator Initiated Research Committee	BDI	USA	Partnership for studies and the generation of scientific data with solid research methodologies					
9	Unrestricted Educational Grants for On-Line CME/CE Program	BDI	USA	Scholarships for medical training to improve the level of patient assistance					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
10	CTC HCP and Patient Education Program	BDI	USA	Intestine disease education and prevention projects					
11	Partnership with Society of Abdominal Radiology	BDI	USA	Partnership with the Society of Abdominal Radiology					
12	Scholarships at Duke Health, University of Wisconsin, University of Pittsburgh Medical Center, Emory School of Medicine and Stanford Medicine	BDI	USA	Scholarships to educate the new generations of healthcare					
13	We play the future	Bracco	Italy	CSR project with a view to supporting sports teams in the reference communities and favouring social inclusion and health					
14	Donna Sport	Bracco	Italy	National competition recognising the best female student-athletes in Italy					
15	Bracco Atletica and Bracco Pro Patria Volley Milano	Bracco	Italy	Bracco is the main partner of the two youth sports teams at national and international level and develops joint local projects					
16	Solidarity Supply Chain (Filiera della Solidarietà)	Bracco	Italy	Social reintegration project for homeless people					
17	Street education (Educativa di strada)	Bracco	Italy	Day-time project for the recognition of rights and health prevention for homeless people					
18	Lombardy Food Bank Foundation - Siticibo	Bracco	Italy	Retrieval of extra food from the company canteens in Milan (Bracco and CDI)					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
19	Friends of Africa (Amici dell’Africa)	Bracco	Benin	Consolidated partnership for development cooperation in Benin based on the education of new generations and female empowerment					
20	Boutique “Dema u yera”	Bracco	Benin	Female empowerment for the management of a local product cultivation and sale business, improvement of working conditions					
21	College Fulvio Bracco scholarships	Bracco	Benin	Support to the best students at College Fulvio Bracco					
22	Ophthalmology project	Bracco	Benin	Prevention through screening at local schools					
23	Bracco Psycho-Pedagogy Centre	Bracco	Italy	Free service for the prevention of youth disorders at school through teams of psychologists, physical therapists and speech therapists					
24	School for parents (La Scuola per i genitori)	Bracco	Italy	Disclosure and training activities for parents at schools in the reference communities					
25	Masks down (Giù la maschera)	Bracco	Italy	Training activity to prevent bullying in schools and promote relational well-being					
26	ABIO for children in hospital (ABIO per i bambini in ospedale)	Bracco	Italy	Support for children in hospital through fun and educational activities					
27	Milan College (Collegio di Milano)	Bracco	Italy	Traditional partnership to support the merit-based university residence housing Italian and foreign students					
28	Mother’s home (Casa della mamma)	Bracco	Italy	Support for mothers in difficulty					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
29	San Patrignano	Bracco	Italy	Support to recovery community for drug addicts, in particular with a contribution for the management of the internal creche which cares for the children of the young people in the programme					
30	Bracco for schools (Bracco per la scuola)	Bracco	Italy	Collaboration agreement between Bracco and schools for the development of projects and partnerships					
31	Soul's Smile Association (Associazione il Sorriso dell'Anima)	Bracco	Italy	Support for the mobility project for people with disabilities in Cesano Maderno					
32	Life as a scientist (Una vita da scienziata)	Bracco	Italy	Photographic exhibition to highlight female expertise in the STEAM sector					
33	Felder Award (Premio Felder)	Bracco	Italy	Scholarship to support chemistry research and bring a young researcher back to Italy					
34	Joint programme with the Radiology Society of São Paulo and with the Mexican Society of Radiology and the Mexican Federation of Radiology	Bracco	Mexico	Radiology scholarships for young Mexicans					
35	Donation of 100 laptops to a primary school	Bracco SINE	China	Provision of technology for a rural Chinese school					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
36	Support for the initiatives of the Bracco Foundation and the University of Konstanz	BISPO	Germany	Educational partnership					
37	Support for the Italian course in Florence of the Summer School Programme	BISPO	Germany	Educational partnership					
38	Singen aktiv	BISPO	Germany	Local development by supporting promotion, networking, updating and prevention events					
39	Wellcome project	BIPSO	Germany	Project to support new parents in the city of Singen where the BIPSO production site is located, through the work of volunteers					
40	Eisai found	Bracco Eisai	Japan	Donation					
41	Annual Medical Alley Day	ACIST	USA	Support to innovate the impact of medical devices and healthcare					
42	American Heart Association (Twin Cities Heart Walk)	ACIST	USA	Support to finance medical cardiovascular research and produce educational activities to improve quality of life					
43	People Reaching Out to Others	ACIST	USA	Nutrition and social support programmes					
44	Feed My Starving Children	ACIST	USA	Social reintegration project for children living in vulnerable conditions					
45	Cathlab waste recycling project	ACIST	USA	Support for the development of a project to recycle medical materials into plastic bottles					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
46	Talent Central	ACIST	USA	Training opportunity for a team of young people in secondary schools: 5 day internship to work on a real case					
47	Futurum project	ACIST	The Netherlands	Educational project focusing on ACIST products and technology, for students in secondary schools and the citizens of Heerlen (the Netherlands)					
48	Ambrosian Centre (Centro Ambrosiano)	CDI	Italy	Free health prevention testing offered to groups of mothers housed in the facility and educational meetings focusing on parenthood and nutrition					
49	AIRC (Italian Association for Cancer Research)	CDI	Italy	Support to the association during fundraising					
50	ANDOS (Italian National Association for Breast Cancer Survivors)	CDI	Italy	Prevention week: free breast exams in all CDI polyclinic locations					
51	Fly Cycling Team (Associazione Sportiva Fly Cycling)	CDI	Italy	Support to a team of cyclists consisting of 50% diabetic athletes, to raise awareness around prevention of the disease					
52	Pink Parade	CDI	Italy	National fundraising initiative for breast cancer research and prevention					
53	Beach Volleyball in Milan - CDI	CDI	Italy	Partner and free physical therapy sessions offered during the event					

	PROJECT	OWNER	COUNTRY	DESCRIPTION	YOUNG PEOPLE SCHOOL SPORTS	VULNERABILITY	HEALTHCARE HEALTH R&D	DIVERSITY	INTERNATIONAL COOPERATION
54	Itaca Project Foundation (Fondazione Progetto Itaca)	CDI	Italy	Project for the professional orientation of young people with mental illness at the CDI					
55	Non-profit organisation for the rights of children from Chernobyl (Onlus per i diritti dei bambini di Chernobyl)	CDI	Italy	Financing of the "Continua l'ospitalità, Una casa per l'autonomia" ("Hospitality continues, A home for autonomy") project					
56	Donation to Houses - family for children (Case - famiglia per minori)	CDI	Italy	Support to improve vulnerable situations					
57	Campaign for the genetic identification of celiac disease	CDI	Italy	Prevention campaign					
58	Campaign for the prevention of cardiovascular disease	CDI	Italy	Prevention campaign					
59	Knowing and preventing, the best way to love: a project for schools	CDI	Italy	Informational meetings to promote the culture of prevention in students					
60	Hand hygiene week	CDI	Italy	Prevention campaign					
61	Genetics awareness campaign	CDI	Italy	Awareness raising campaign					

GRI CONTENT INDEX

The table below lists the material topics identified by Bracco correlated with the GRI Standards reported on. For these topics, the column “Scope of material topics” specifies the subjects that may generate an impact with respect to each topic, both internally and outside the Group. Furthermore, the column “Involvement of the organisation in impacts” also indicates the role of Bracco in relation to the impact generated with respect to each material topic.

MATERIAL TOPICS	GRI STANDARDS	SCOPE OF MATERIAL TOPICS	INVOLVEMENT OF THE ORGANISATION IN IMPACTS
Transparency and Responsible business	GRI 205 Anti-corruption	Bracco Group	Direct involvement
Data protection	GRI 418 Consumer privacy	Bracco Group; Patients	Direct and indirect involvement
Digital innovation	n/a	Bracco Group; Business Partners; Universities and research centres; Medical professionals; Healthcare organisations and diagnostics centres	Direct involvement and connected with its activities
Responsible supply chain management	GRI 204 Procurement practices GRI 308 Supplier environmental assessment	Bracco Group; Suppliers; Business Partners	Direct involvement and connected with its activities
Bioethics and transparency in clinical trials	n/a	Bracco Group	Direct involvement
Consumption of raw materials	GRI 301 Materials	Bracco Group	Direct involvement
Sustainable packaging	GRI 301 Materials	Production sites and research centres	Direct involvement
Energy savings and emissions reduction	GRI 302 Energy GRI 305 Emissions	Production sites and research centres	Direct involvement
Water resource management	GRI 303 Water and effluents	Production sites and research centres	Direct involvement
Waste and effluent management	GRI 303 Water and effluents GRI 306 Effluents and waste	Production sites and research centres	Direct involvement

MATERIAL TOPICS	GRI STANDARDS	SCOPE OF MATERIAL TOPICS	INVOLVEMENT OF THE ORGANISATION IN IMPACTS
Environmental protection and safety	n/a	Production sites and research centres	Direct involvement
Worker health and safety	GRI 403 Occupational health and safety	Bracco Group; Employees	Direct involvement
Management of human resources and industrial relations	GRI 102 General disclosures	Bracco Group; Employees	Direct involvement
Diversity and equal opportunity	GRI 405 Diversity and equal opportunity	Bracco Group; Employees	Direct involvement
Welfare and well-being	GRI 401 Employment	Bracco Group; Employees	Direct involvement
Attraction of talent and resource development	GRI 401 Employment GRI 404 Training and education	Bracco Group; Employees	Direct involvement
Research and development and intellectual property	n/a	Bracco Group	Direct involvement
Patient health and safety	GRI 416 Customer health and safety	Bracco Group; Medical professionals; Healthcare organisations and diagnostics centres; Patients	Direct and indirect involvement and connected with its activities
Product and service quality	n/a	Bracco Group; Business Partners; Patients; Healthcare organisations and diagnostics centres; Patients	Direct and indirect involvement
Involvement of communities and local areas	GRI 413 Local communities	Bracco Group; Local communities	Direct involvement
Promotion of the culture of health	n/a	Bracco Group; Local communities	Direct involvement

The table below shows the performance indicators in compliance with the “Core” option of the “GRI Sustainability Reporting Standards”. For each indicator, there is a reference to the Report page on which the indicator may be found or other publicly available sources which may be consulted.

INDICATOR		PAGE	NOTES
GRI 102: GENERAL DISCLOSURE (2016)			
Profile of the Organisation			
102-1	Profile of the Organisation	Page 4	
102-2	Activities, brands, products, and services	Page 10, Page 84, Page 92	
102-3	Location of headquarters		Headquarter Via Caduti di Marcinelle 13, 20134 Milano
102-4	Location of operations	Page 11	
102-5	Ownership and legal form	Page 15	
102-6	Markets served	Page 11	
102-7	Scale of the organisation	Pages 10-11, Page 26, Page 84, Page 92	
102-8	Information on employees and other workers	Pages 100-101	
102-9	Supply chain	Pages 78-79, Page 108	
102-10	Significant changes to the organisation and its supply chain	Page 4	
102-11	Precautionary Principle or approach	Page 16, Pages 75-77	
102-12	External initiatives	Page 17	
102-13	Membership of associations	Page 17	
Strategy			
102-14	Statement from senior decision-maker	Page 3	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	Page 10, Page 16, Page 85	
Governance			
102-18	Governance structure	Page 15	

INDICATOR		PAGE	NOTES
Stakeholder engagement			
102-40	List of stakeholder groups	Page 22	
102-41	Collective bargaining agreements	Page 101	
102-42	Identifying and selecting stakeholders	Page 22	
102-43	Approach to stakeholder engagement	Page 18, Page 22	
102-44	Key topics and concerns raised	Page 23	
Reporting practice			
102-45	Entities included in the consolidated financial statements	Page 4	
102-46	Defining report content and topic boundaries	Pages 127-128	
102-47	List of material topics	Page 23, Pages 127-128	
102-48	Restatements of information	Page 4	
102-49	Changes in reporting	Page 4	
102-50	Reporting period	Page 4	
102-51	Date of most recent report	Page 4	
102-52	Reporting cycle	Page 4	
102-53	Contact point for questions regarding the report	Page 4	
102-54	Claims of reporting in accordance with the GRI Standards	Page 4	
102-55	GRI Table of contents	Pages 129-138	
102-56	External assurance		

INDICATOR		PAGE	NOTES
TOPIC-SPECIFIC STANDARDS			
GRI 200: ECONOMIC SERIES (2016)			
Material aspect: Procurement practices			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 78-79, Pages 127-128	
103-2	The management approach and its components	Pages 78-79	
103-3	Evaluation of the management approach	Pages 78-79	
GRI-204: Procurement practices (2016)			
204-1	Proportion of spending on local suppliers	Page 79, Page 108	
Material aspect: Anti-corruption			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 74-76, Pages 127-128	
103-2	The management approach and its components	Pages 74-76	
103-3	Evaluation of the management approach	Pages 74-76	
GRI-205: Anti-corruption (2016)			
205-2	Communication and training about anti-corruption policies and procedures	Pages 116-119	
205-3	Confirmed incidents of corruption and actions taken		During the year 2019, the Group did not record any verified episodes of corruption.

INDICATOR		PAGE	NOTES
GRI 300: ENVIRONMENTAL SERIES (2016)			
Material aspect: Materials			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 60, Pages 70-71, Pages 127-128	
103-2	The management approach and its components	Page 60, Pages 70-71	
103-3	Evaluation of the management approach	Page 60, Pages 70-71	
GRI-301: Materials (2016)			
301-1	Materials used by weight or volume	Page 109	
301-2	Recycled input materials used	Pages 70-71, Page 109	
301-3	Reclaimed products and their packaging materials	Pages 70-71	
Material aspect: Energy			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 60, Pages 63-66, Pages 127-128	
103-2	The management approach and its components	Page 60, Pages 63-66	
103-3	Evaluation of the management approach	Page 60, Pages 63-66	
GRI-302: Energy (2016)			
302-1	Energy consumption within the organisation	Pages 110-111	
302-3	Energy intensity	Page 112	
Material aspect: Water			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 60, Page 67, Pages 127-128	
103-2	The management approach and its components	Page 60, Page 67	
103-3	Evaluation of the management approach	Page 60, Page 67	

INDICATOR		PAGE	NOTES
GRI-303: Water and effluents (2018)			
303-1	Interactions with water as a shared resource	Page 67	
303-2	Management of water discharge-related impacts	Page 67	
303-3	Water withdrawal	Page 114	
303-4	Water discharge	Page 115	
303-5	Water consumption	Page 115	
Material aspect: Emissions			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 60, Pages 63-66, Pages 127-128	
103-2	The management approach and its components	Page 60, Pages 63-66	
103-3	Evaluation of the management approach	Page 60, Pages 63-66	
GRI-305: Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	Page 113	
305-2	Energy indirect (Scope 2) GHG emissions	Page 113	
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Page 113	
Material aspect: Effluents and waste			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 60, Page 69, Pages 127-128	
103-2	The management approach and its components	Page 60, Page 69	
103-3	Evaluation of the management approach	Page 60, Page 69	

INDICATOR		PAGE	NOTES
GRI-306: Effluents and waste (2016)			
306-2	Waste by type and disposal method	Page 114	
Supplier environmental assessment			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 78-79, Pages 127-128	
103-2	The management approach and its components	Pages 78-79	
103-3	Evaluation of the management approach	Pages 78-79	
GRI-308: Supplier environmental assessment			
308-1	New suppliers that were screened using environmental criteria	Page 79	
GRI 400: SOCIAL SERIES (2016)			
Material aspect: Employment			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 27, Pages 30-31, Page 33, Pages 127-128	
103-2	The management approach and its components	Page 27, Pages 30-31, Page 33	
103-3	Evaluation of the management approach	Page 27, Pages 30-31, Page 33	
GRI-401: Employment (2016)			
401-1	New employee hires and employee turnover	Pages 102-103	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 30-31	
Material aspect: Occupational health and safety			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 27-29, Pages 127-128	
103-2	The management approach and its components	Pages 27-29	
103-3	Evaluation of the management approach	Pages 27-29	

INDICATOR		PAGE	NOTES
GRI-403: Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system	Pages 28-29	
403-2	Hazard identification, risk assessment, and incident investigation	Pages 28-29	
403-3	Occupational health services	Pages 28-29	
403-4	Worker participation, consultation, and communication on occupational health and safety	Pages 28-29	
403-5	Worker training on occupational health and safety	Pages 28-29	
403-6	Promotion of worker health	Pages 28-29	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 28-29	
403-8	Workers covered by an occupational health and safety management system	Page 106	
403-9	Work-related injuries	Page 107	
Material aspect: Training and education			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 27, Pages 34-37, Pages 127-128	
103-2	The management approach and its components	Pages 34-37	
103-3	Evaluation of the management approach	Pages 34-37	
GRI-404: Training and education (2016)			
404-3	Percentage of employees receiving regular performance and career development reviews	Page 104	

INDICATOR		PAGE	NOTES
Material aspect: Diversity and equal opportunity			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 27, Page 32, Pages 127-128	
103-2	The management approach and its components	Page 27, Page 32	
103-3	Evaluation of the management approach	Page 27, Page 32	
GRI-405: Diversity and equal opportunity (2016)			
405-1	Diversity of governance bodies and employees	Page 104, Page 116	
405-2	Ratio of basic salary and remuneration of women to men	Page 105	
Material aspect: Local communities			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Page 40-44 , Pages 95-98, Pages 127-128	
103-2	The management approach and its components	Pages 40-44 , Pages 95-98	
103-3	Evaluation of the management approach	Pages 40-44 , Pages 95-98	
GRI-413: Local communities (2016)			
413-1	Operations with local community engagement, impact assessments, and development programs	Pages 40-44, Pages 95-98, Pages 120-126	
Material aspect: Customer health and safety			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 38-39, Pages 52-53, Pages 87-91, Pages 127-128	
103-2	The management approach and its components	Pages 38-39, Pages 52-53, Pages 87-91	
103-3	Evaluation of the management approach	Pages 38-39, Pages 52-53, Pages 87-91	
GRI-416: Customer health and safety (2016)			
416-1	Assessment of the health and safety impacts of product and service categories	Pages 38-39, Pages 52-53	

INDICATOR		PAGE	NOTES
Material aspect: Customer privacy			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 80-82, Pages 93-94, Pages 127-128	
103-2	The management approach and its components	Pages 80-82, Pages 93-94	
103-3	Evaluation of the management approach	Pages 80-82, Pages 93-94	
GRI-418: Customer privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		During the year 2019, the Group did not record any cases of violations of customer privacy and loss of customer data.
Material aspect: Digital innovation			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 54-55, Pages 92-94, Pages 127-128	
103-2	The management approach and its components	Pages 54-55, Pages 92-94	
103-3	Evaluation of the management approach	Pages 54-55, Pages 92-94	
Material aspect: Bioethics and transparency in clinical trials			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 56-58, Pages 127-128	
103-2	The management approach and its components	Pages 56-58	
103-3	Evaluation of the management approach	Pages 56-58	

INDICATOR		PAGE	NOTES
Material aspect: Environmental protection and safety			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 60-62, Pages 127-128	
103-2	The management approach and its components	Pages 60-62	
103-3	Evaluation of the management approach	Pages 60-62	
Material aspect: Research and development and intellectual property			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 46-51, Pages 127-128	
103-2	The management approach and its components	Pages 46-51	
103-3	Evaluation of the management approach	Pages 46-51	
Material aspect: Product and service quality			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 52-53, Pages 90-91, Pages 127-128	
103-2	The management approach and its components	Pages 52-53, Pages 90-91	
103-3	Evaluation of the management approach	Pages 52-53, Pages 90-91	
Material aspect: Promotion of the culture of health			
GRI-103: Management approach (2016)			
103-1	Explanation of the material topic and its boundaries	Page 4, Page 23, Pages 40-44, Pages 97-98, Pages 127-128	
103-2	The management approach and its components	Pages 40-44, Pages 97-98	
103-3	Evaluation of the management approach	Pages 40-44, Pages 97-98	



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