

SUANFARMA SUSTAINABILITY POLICY

Background and context

SUANFARMA is committed with the sustainability and the ethical commitment to society, focusing on the development and manufacture of products that ensure health, always under the premise of environmental protection.

Promoting actions to reduce the environmental impacts that we can generate is an activity that SUANFARMA promotes as an organization in all its work centers.

We are committed to a rational use of resources optimizing their potential and making efficient use of them. The participation of workers in environmental and resource management is encouraged through training and communication in these practices.

We believe in sustainable development that guarantees the balance between economic growth, environmental care and social welfare.

Scope of Policy

Our Sustainability Policy refers to our responsibility towards society, our environment, our investors, our subsidiaries, our suppliers, our staff and the communities in which we operate.

This policy applies to our company and its subsidiaries and is endorsed by the General Management and the Board of Directors. Each member of SUANFARMA is responsible for promoting the principles and commitments contained herein while performing their duties. Wherever possible, it also applies to suppliers and partners.

This policy should be read in conjunction with other relevant company policies, Supplier Code of Conduct, Human Rights Policy and Code of Ethics.

Key elements of our Sustainability Policy

SUANFARMA is committed to running our business in a responsible and sustainable way. We manage our environmental and social impacts, whilst creating shared value for our clients, staff and shareholders.

We believe this approach brings many benefits including minimising risks, saving money and reinforcing our brand values.

To ensure a responsible, sustainable approach to business we will:

- Manage and reduce our environmental impacts.
- Encourage our suppliers to adopt a responsible approach to business.
- Uphold human rights in our business and encourage our value chain to do the same.
- Treat our employees fairly and protect their health and safety.
- Invest in and support our communities – local, national and international.
- Set targets and regularly monitor, review and report our sustainability performance at a group level; and strive to improve.

Our policy therefore has the following key elements:

1. Ensuring a Responsible Business

SUANFARMA will:

- Manage our business in a responsible way, operating fairly and transparently.
- Comply with all applicable legislation, regulations and codes of practice, as well as voluntary commitments where appropriate.
- Enforce our commitments, particularly in the areas of equal opportunities, anti-harassment, anti-corruption and bribery, anti-slavery and human trafficking.
- Aim to incorporate sustainability considerations in all our business activities and decisions.
- Communicate and promote our approach to sustainability within our organisation, ensuring all staff are committed to implementing and improving our ways of working, and communicating our approach externally: to key stakeholders, partners, suppliers and clients.
- Procure goods and services that match our values and encourage our suppliers to adopt a responsible approach to business.

2. Protecting the environment

SUANFARMA recognizes the need to protect the natural environment for a sustainable future. We seek to minimise and reduce our own environmental impacts, including greenhouse gas emissions, and subsequently minimise our organisational carbon footprint.

This means using all resources wisely and minimising waste and pollution. In particular we will:

- Ensure compliance with all applicable environmental legislation.
- Aim to minimise resource consumption by a focus on resource efficiency.
- Focus on understanding the implications of climate change for our business including risks and mitigation measures.
- Work to understand and reduce our carbon footprint in line with Science Based Targets.
- Work to reduce energy consumption in our operations by adopting energy savings measures and deploying low energy equipment where possible.
- Seek to minimise the use of non-renewable resources and use low impact, sustainably sourced products and materials in our own facilities where possible.
- Focus on waste prevention, ensuring any waste we produce is efficiently managed and recycled where possible in line with a circular economy approach.
- Aim to manage water resources effectively, reducing consumption and reducing environmental impacts in waste-water discharges.
- Encourage our staff to use low impact forms of transport.

- Strive for sustainable options in our facilities, from efficient layouts to insulation to sustainable furnishings and equipment. We will aim to achieve the highest possible certified standard of sustainability in our buildings.

3. Protecting people

Protecting people within our business means treating our employees fairly through responsible employment contracts and fair labour practices, with supporting policies and practices that are reflected in our Code of Ethics.

Our responsibilities to protecting people extend beyond our own employees to our clients/customers, partners and suppliers. We have a duty of care to protect people's health and safety where we work, and to flag other welfare of human rights issues where we become aware.

We are committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains. We expect the same high standards from all of our contractors, suppliers and other business partners and we expect that our suppliers will hold their own suppliers to the same high standards.

4. Supporting Our Staff

SUANFARMA is committed to creating an environment where all its employees are treated with dignity and respect at work and which is free from discrimination, victimisation, harassment and bullying. Such conduct is harmful to the Company's employees and its business and the Company will seek to address any form of discrimination, victimisation, harassment or bullying where it occurs in the workplace.

SUANFARMA will continue to develop practical and inclusive ways to support and develop a happy and productive workforce both within and outside the workplace.

We will also encourage our people to develop their learning and their careers and will aim to provide additional support in these areas for long term benefit.

5. Supporting Communities

As part of the SUANFARMA commitment to making a difference, we initiate and support community investment and give support to non-profit organizations to promote cultural and economic development of global and local communities.

In our working environment and operations, this means being a good citizen where we operate and joining with other businesses to improve the working environment and to identify opportunities to help our local communities

6. Approval and amendment

This Sustainability Policy was approved by the Board of Directors of SUANFARMA S.A.U., at its meeting held on 5 November 2020. The contents of this Sustainability Policy shall be revised from time to time and amended and updated accordingly, following the same procedures used for its preparation, to reflect the inevitable process of change in society in general and in SUANFARMA in particular. The most recent version of this Sustainability Policy shall be made available on SUANFARMA Italia's website at: <https://italia.suanfarma.com/>