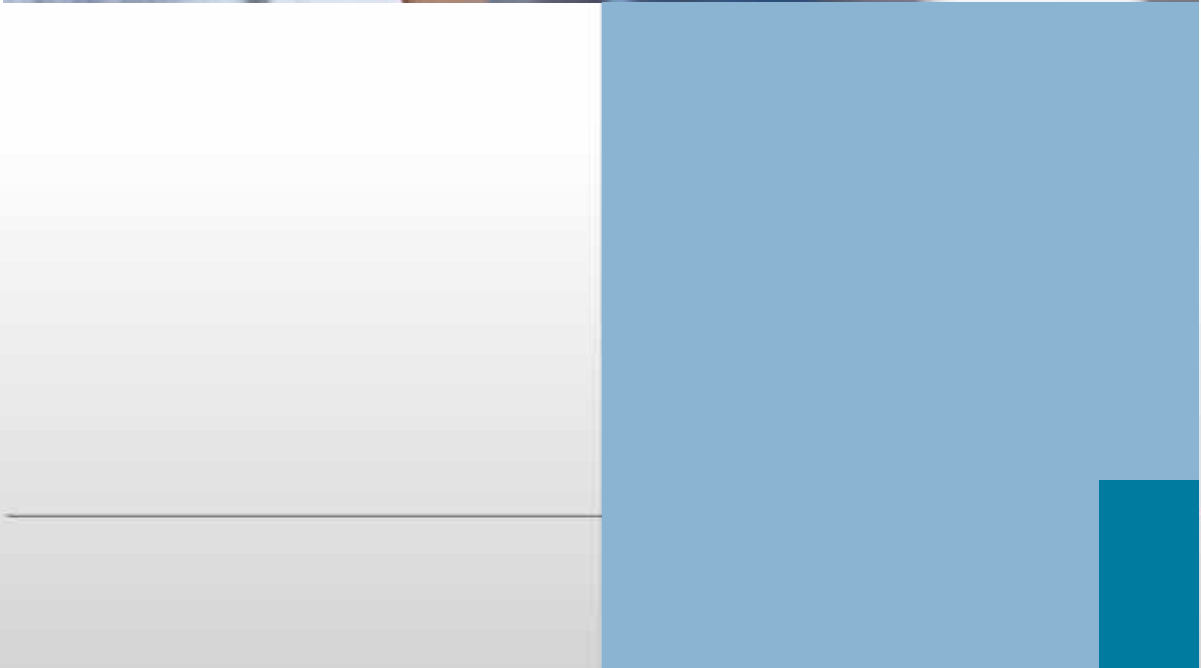




2019 SUSTAINABILITY REPORT



LIFEBRAIN

2019 Sustainability Report



Contents

| | |
|--|----|
| A message to our stakeholders | 4 |
| Caring as our mission | 6 |
| Lifebrain Group | 7 |
| Our history | 12 |
| Our governance | 16 |
| The value of our work | 20 |
| Our Sustainability Path | 22 |
| For our clients | 28 |
| Excellence in health-care | 29 |
| The importance of prevention | 32 |
| Protection of privacy | 34 |
| For our people | 36 |
| A growing team | 37 |
| Wellbeing at work and professional development | 42 |
| Health and safety of workers | 46 |
| For the environment | 48 |
| Combating climate change | 49 |
| Waste management | 52 |
| Reporting Principles and Criteria | 54 |
| Scope of Reporting | 55 |
| Material topics | 58 |
| Quality Reporting Principles | 60 |
| Calculation Methodologies | 62 |
| Content index | 64 |

A message to our stakeholders



I'm pleased to introduce to you the Lifebrain Group's first Sustainability Report, stemming from the desire to share with all our stakeholders our achievements and our future sustainability commitments.

In 2019, we decided on a course of integrating sustainability in our business, with the same sense of responsibility with which we provide excellent service to all our clients, who have chosen to entrust us with their health care. Thanks to our widespread presence in Italy, since our establishment we have been emphasising the importance of preventative healthcare to our whole community, engaging a diverse public of citizens and doctors through our services and also through the organisation of events throughout Italy. Even during difficult times like the Covid-19 pandemic, we have ensured our presence and closeness to our community, both through services and targeted campaigns related to Covid itself, without ever losing sight of the health and safety of our people.

In addition to our ongoing commitment to ensure excellence in health, for Lifebrain Group adopting sustainability also means giving the closest attention to our growing team of specialists, by fostering their well-being inside and outside the workplace, continually providing training and ensuring their health and safety at work.

In the same way, as part of our sustainability strategy, we started a process of monitoring and gradually reducing the environmental impact of our activities. Desiring to contribute to the global fight against climate change, during 2019 we engaged the entire Group in this process: from the adoption of strategic choices at central level on the type of energy supply, to encouraging our employees to opt for more sustainable transport choices.

To further strengthen and formalise our commitment to sustainability, in June 2019 we became a signatory of the United Nations Global Compact initiative, engaging the Group in implementing the ten sustainability principles of the United Nations and to take actions in support the Sustainable Development Goals (SDGs). Thus, this Report represents our first Communication on Progress in terms of sustainability performance.

Although these are only the first steps in our sustainability journey, we are strongly determined to pursue our mission of becoming an Italian leader in clinical and environmental diagnostics, by adopting a sustainability strategy and creating value for all our stakeholders.

President
Michael Havel

Caring as our mission



Lifebrain Group

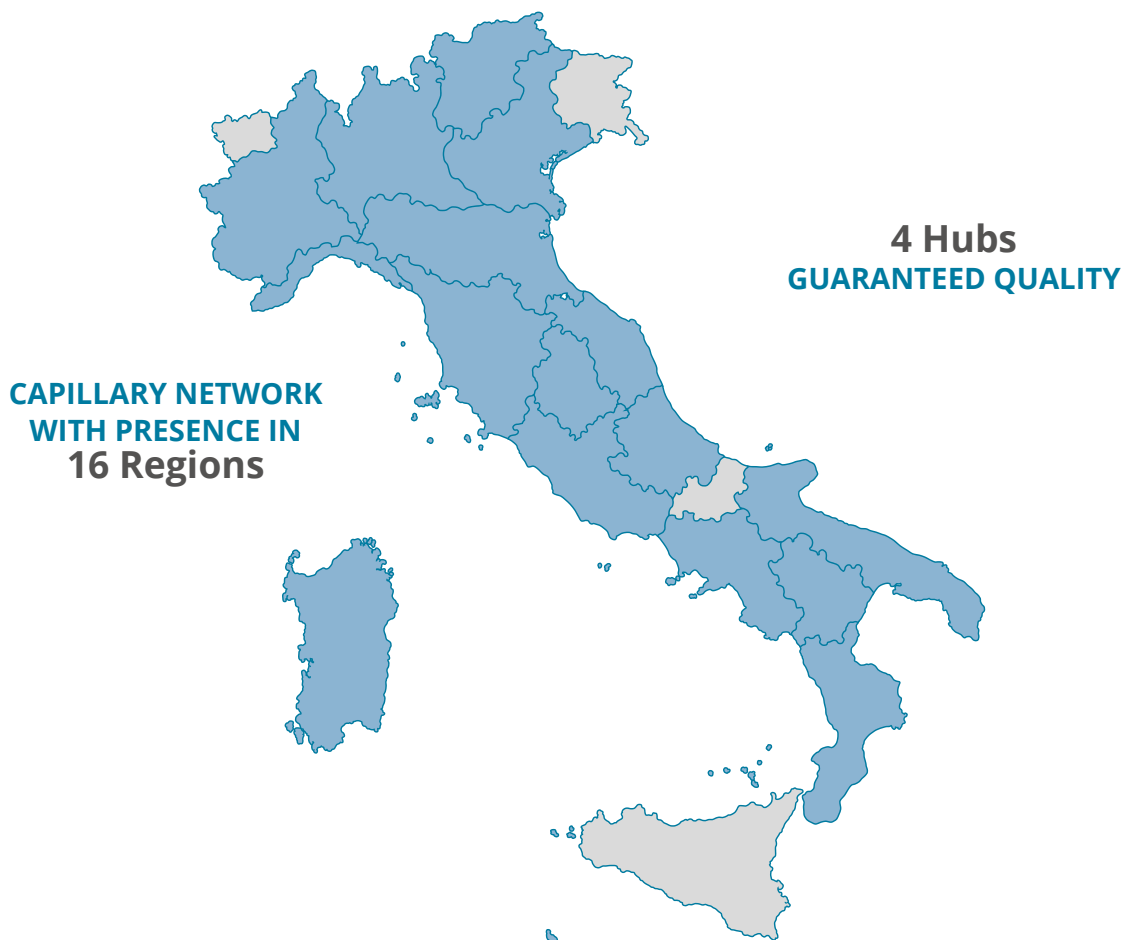
Lifebrain (hereinafter the Lifebrain Group or the Group), founded in 2013 by Prof. Michael Havel and Dr. Bernhard Auer, is today one of the largest Italian providers of clinical laboratory testing in the fields of clinical chemistry, haematology, immunochemistry, microbiology, molecular biology, cytology and pathology. In 2018, by the acquisition of Laboratorio Analisi Chimiche Dott. A. Giusto - Servizi Ambiente S.r.l., Lifebrain Group added environmental and food testing services to its portfolio.

The Lifebrain Group's business model is based on acquisitions, with an average of more than 50 laboratories acquired each year since its establishment. Creation of value is achieved by enhancing synergies between the newly acquired companies and the existing ones, resulting from the centralisation of typical laboratory activities and support services.

In 2019, the Lifebrain Group consolidated its presence with more than 300 locations in 16 Italian regions (Abruzzo, Basilicata, Calabria, Campania, Emilia-Romagna, Lazio, Liguria, Lombardy, Marche,

Piemonte, Puglia, Sardinia, Tuscany, Trentino-Alto Adige, Umbria, Veneto). The Group has more than 128 sampling collection points, 4 main laboratories, or hubs, in Rome, Limena (Province of Padua), Nocera Inferiore and Lecce and approximately 155 smaller laboratories, or mini hubs.

With more than 1,500 employees caring for its clients, nowadays the Group carries out more than 25 million tests every year and is able to analyse over 1,500 testing parameters in its regional hubs and mini hubs for more than 6 million patients per year.



AREAS OF EXCELLENCE

NUTRIGENETICS



PHARMACOGENETICS

MOLECULAR ONCOLOGY



MEDICAL AND MOLECULAR GENETICS

BIOLOGY AND CLINICAL BIOCHEMISTRY



CYTOHISTOPATHOLOGY

CLASSICAL AND MOLECULAR MICROBIOLOGY



CLASSICAL AND MOLECULAR CYTOGENETICS

NUMBERS

+6 Million of patients a year

Areas of expertise **12**

10.000 Served structures

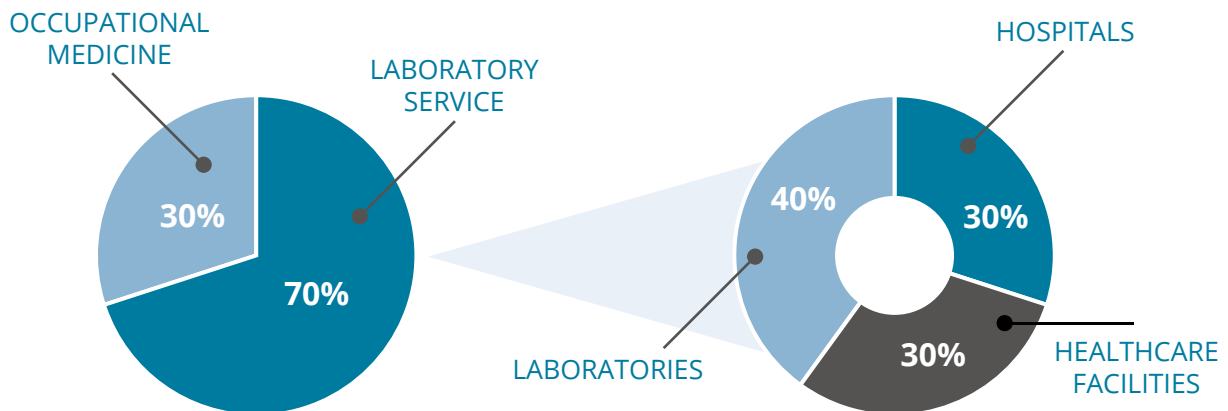
Locations **+300**

1.500 Qualified staff

Millions of tests **25**

In. In addition to public health services provided directly by the Lifebrain Group to citizens, the Group also provides external private services for public bodies, private individuals and companies of national importance. Notably, about 70% of these clients, which consist of public or private entities, such as laboratories, hospitals and healthcare facilities, entrust all or part of their laboratory activities to the Group. The remaining 30% includes companies or public entities that require occupational medicine services, such as health surveillance, periodic medical exams and screening programs for their employees.

CORPORATE CLIENTS



The Group's widespread presence throughout Italy, its technological innovation, its customised logistics service and its high standards are the basis of Lifebrain Group's excellence. The Group is committed to spreading standards of excellence in health and aims at strengthening its leadership in Italy in the field of clinical and environmental diagnostics, adopting a sustainable strategy of value creation for its shareholders and stakeholders.



MISSION

Lifebrain Group's present



Lifebrain Group aims at increasing its network to become a leader in Italy in the field of clinical, environmental and food testing, adopting a strategy of sustainability and creating value for shareholders and stakeholder.



VISION

Lifebrain Group's future



In a word that will be characterized by the affirmation of responsibility towards the community, we undertake the commitment to support the protection of health, food safety and the environment of our stakeholder by providing high value-added intersectoral testing solution everywhere.

Our hystory



Lifebrain (hereinafter the Lifebrain Group or the Group), founded in 2013 by Prof. Michael Havel and Dr. Bernhard Auer, is today one of the largest Italian providers of clinical laboratory testing in the fields of clinical chemistry, haematology, immunochemistry, microbiology, molecular biology, cytology and pathology. In 2018, by the acquisition of Laboratorio Analisi Chimiche Dott. A. Giusto - Servizi Ambiente S.r.l., Lifebrain Group added environmental and food testing services to its portfolio.

'13

The Lifebrain Group was founded by Prof. Havel and Dr. Auer with the intention of creating a Central-European laboratory network, starting in Switzerland. The founders wanted to apply economies of scale to the fragmented health care markets through acquisition of medium-sized diagnostic laboratories throughout Europe.

The Group entered the Italian market with the take-over of Laboratorio Analisi Guidonia in Lazio and its first acquisitions in Puglia (for further details see § Lifebrain origins in Italy: Laboratorio Analisi Guidonia).

'14

'15

Through a series of acquisitions, the Lifebrain Group entered the markets of Emilia-Romagna, Basilicata, Liguria, Campania, Lombardy, Marche. The Group becomes the leading laboratory group in Lazio by further acquisition.

The Group sold its Swiss activities and fully focused on the Italian market. The Lifebrain Group established 3 central hubs in North, Central and South Italy. With 145 locations already located throughout Italy, Lifebrain Group becomes the leading laboratory in Veneto and the second laboratory group in Italy.

'16

'17

The Lifebrain Group expanded its network into 4 new regions, namely Piemonte, Sardinia, Abruzzo and Calabria spreading its presence to 15 regions and more than 200 locations.

'18

A fund managed by Investindustrial, a leading European group of independently management investment, holding and advisory companies, became the majority indirect shareholder of Lifebrain Group. The Group diversified its activities through the acquisition of Laboratorio Analisi Chimiche Dott. A. Giusto - Servizi Ambiente S.r.l., specialized in environmental and food testing. Moreover, the Group achieved revenue of Euro 100 million and expanded its presence in 16 regions with 270 locations. Since January 2018, Laboratorio Analisi Guidonia with Lazio Regional Resolution G18631 has become Lazio's reference hub of the Rete Romana Diagnostica.

In 2019, with the expansion of its network in Umbria, the Lifebrain Group consolidates its presence in 16 regions with more than 300 locations and revenue of Euro 158 million (+1.6% compared to 2018).

'19



Lifebrain origins in Italy: Laboratorio Analisi Guidonia

Lifebrain S.r.l., formerly Laboratorio Analisi Guidonia S.r.l., was founded in 1976 in the district of ASL Rome G, as one of the public health institutes of Rome. The Company was an accredited laboratory to the National Health Service. Since its creation, the laboratory was characterized by continuous growth in size, in the number of patients and in the continual pursuit of technical and scientific quality in the clinical tests performed. The Company serves approximately 40,000 citizens annually, in addition to the laboratory tests carried out on behalf of other public bodies, private individuals and nationally significant companies.

In 2002, the Company became one of the reference laboratories of the Public Prosecutor's Office at the Ordinary Court of Tivoli, with the opening of the Chemistry and Toxicology section for forensic use. Moreover, Lifebrain was registered as a qualified laboratory by the Ministry of Education, University and Research. During 2010, the Company obtained accreditation with the ASL Rome G, ASL Rome E and ASL Rieti for the performance of second level toxicological tests, in compliance with D.G.R. 332/2009. Since 2014, the laboratory has been part of Lifebrain Group.



Our governance

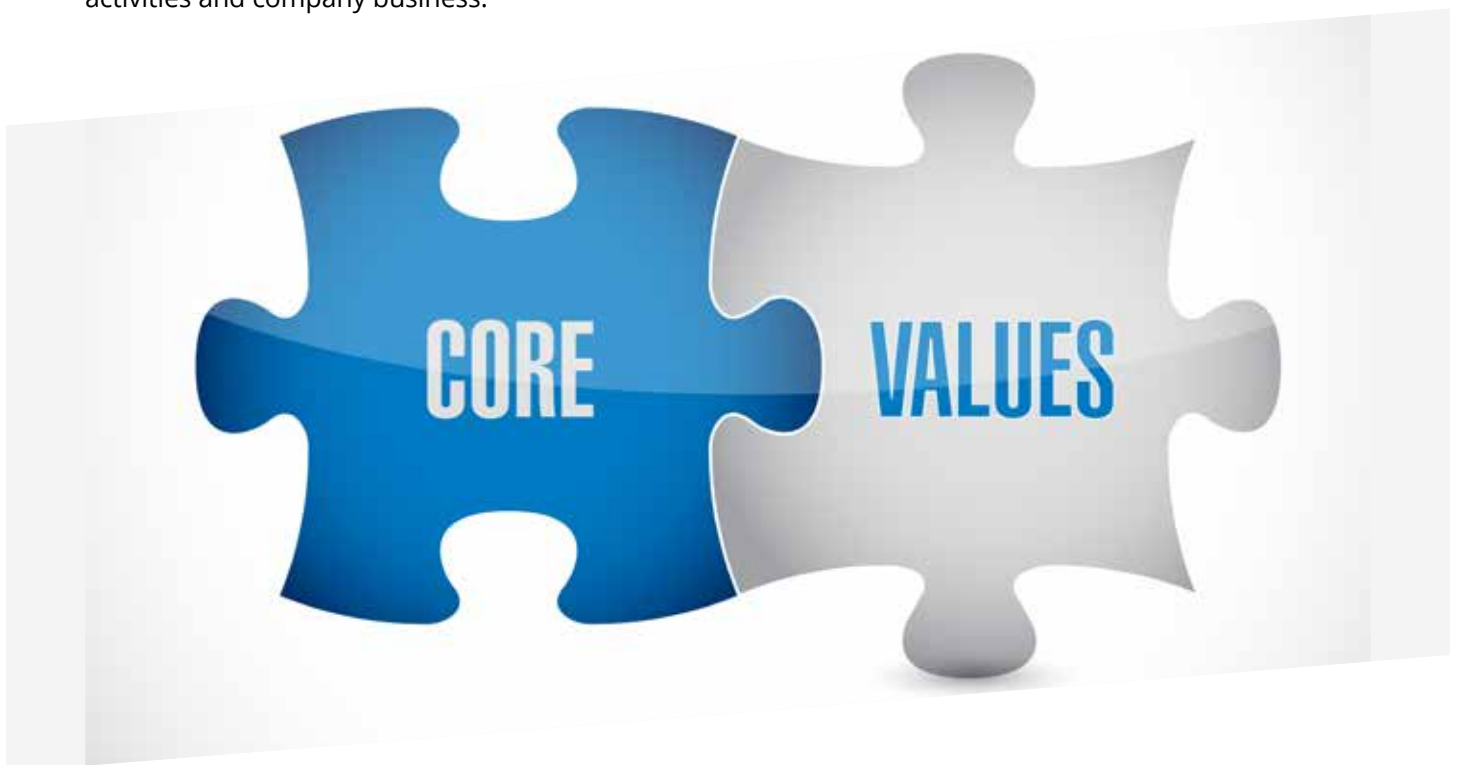


The Lifebrain Group's governance is managed centrally at the headquarters of Tecnopolo in Rome, where all the Group's shared functions are located, with the exception of Sales, HR, Quality and safety and Security of the environmental business sector, which is conducted in sub-headquarters in the province of Treviso.

Lifebrain S.r.l. has implemented a control and governance system consisting of:

- a Board of Directors, comprising 3 members¹, which is entrusted with the power of ensuring the ordinary and extraordinary management of the Group;
- a Board of Statutory Auditors, comprising 5 members (including 2 alternates), with the task of supervising proper administration and the administrative-accounting system;
- Supervisory board (Organismo di Vigilanza or "OdV"), comprising 3 members, responsible for supervising the functioning, compliance and updating of the Model of Organization, Management and Control in terms of Italian Legislative Decree 231/01 (hereinafter referred to as "Model 231") and the Code of Ethics.

The principles that have always guided the Group's business are honesty and compliance with Italian law, with particular reference to the health sector regulations in force in each region in which the Group operates. Moreover, among its core values, the Group is committed to guaranteeing the rights of its clients to access to high quality health-care services. These values and principles are defined in Lifebrain S.r.l.'s Code of Ethics, which is applicable in all the Group's companies and was updated in 2019 after it signed the United Nation Global Compact (for further details see § Signing the United Nations Global Compact). The Code of Ethics outlines the key elements on which the Group's identity and culture are based. It provides guidelines for future choices as well as the conduct standards for all Group collaborators in running their activities and company business.



¹ Among them, one board member is between 30 and 50 years old, while the remaining 2 members are more than 50 years old. Two members are female, and the other member is male.

According to Legislative Decree 231/2001, in order to contribute to crime prevention, Lifebrain S.r.l. first adopted Model 231 in 2012, which includes whistleblowing procedures. At present, each Lifebrain Group entity has its own Model 231, built on the example of the parent company document. In the next few years, the Lifebrain Group aims at improving the reporting system of each of the Group's companies strengthening the whistleblowing channel currently in use.

In order to guarantee proper implementation of Model 231, the Group conducts two audit cycles per year on sensitive processes in the parent company and on a representative sample of its companies. To date, the main non-financial risk identified with respect to the Group's activities is corruption of doctors and public authorities in seeking accreditations. In the last two years, there were no cases of corruption or non-compliance with health regulations, nor any cases of revocation of authorisations or accreditations.

In order to better organise its governance structure concerning the Group's sustainability strategy, in 2020 the Lifebrain Group intends to set up a Sustainability Committee, composed of delegates of each of the Group's departments and the Sustainability coordinator. The Sustainability Committee will be responsible for overseeing sustainability issues related to the Group's activities and stakeholder relations, such as the drafting of a sustainability policy and the analysis of non-financial risks related to climate change.





The value of our work



The Lifebrain Group achieved a positive financial performance over the last few years, thanks to its strategy centred on continual acquisitions. Lifebrain Group revenues have increased by 46 % over the last year, from Euro 108.6 million in 2018 to Euro 158.4 million in 2019. As regards 2019, about 77% of revenue derived from clinical services, which consist of services for private patients (49%), for ASL (23%), for external laboratories (23%) and services in occupational medicine (5%). The remaining 23% of revenue is related to the environmental analysis business, of which 79% is made up of chemical analysis activities and 21% consulting activities.

The Group economic value generated² in 2019 was equal to Euro 158 million, which increased by 46% as compared to 2018. This economic growth was followed by a 31% increase of the economic value distributed to major stakeholders between 2018 and 2019, from Euro 121 million to Euro 159 million in 2019. The increase in economic value distributed across different categories of stakeholders is equally related to an increase in operating costs and in employees' wages and benefits, which have increased proportionally over the last 2 years resulting from the Group's growth.

| Value generated and distributed (all data are expressed in k€) | 2018 | 2019 | Change 2019-2018 (%) |
|--|----------------|----------------|----------------------|
| Direct economic value generated | 108,875 | 158,575 | 46% |
| Direct economic value distributed | 120,937 | 158,591 | 31% |
| Operating costs | 64,464 | 73,172 | 14% |
| Employee wages and benefits | 43,879 | 68,198 | 55% |
| Payments to lenders | 17,110 | 14,680 | -14% |
| Payments to government (taxes) | 4,551 | 2,432 | -153% |
| Payments to shareholders | - | - | - |
| Community investment | 34 | 108 | 216% |
| Economic value retained | -12,062 | -17 | 100% |



Our reaction to the COVID-19 emergency

In the early months of 2020, the whole planet experienced an emergency situation of epochal proportions due to the COVID-19 pandemic. In the midst of the emergency, thanks to its widespread presence in the country and its broad network in the health sector, Lifebrain Group was on the front line in the battle against the virus, prioritising its employees and customers' safety in each of its operational choices.

The Group was able to respond to the needs of its employees right from the start, encouraging smart-working and updating its risk assessment documents in accordance with the specific national law regarding the COVID emergency, consistently applying ministerial and regional decrees. From the first months of the pandemic, Lifebrain Group tested all its employees in order to map and isolate positive cases and thus combat the spread of the virus. In addition, the Group initiated special staff training courses on COVID-19, which are still in progress. Lifebrain Group was one of the first groups in Italy to provide its clients with screening services for the spread of COVID-19, carrying out analysis activities in its own laboratories and at its client's facilities. All screening activities were carried out in full compliance with various national and regional regulations.

Our Sustainability Path



With the interest of the Group and its stakeholders at heart, in 2019, the Lifebrain Group began its sustainability journey focusing on:

- establishing a cross-functional Sustainability Department, to focus on the definition of its sustainability strategy, on monitoring and analysing sustainability performance, on managing the Group's relations with stakeholders;
- becoming a signatory to the United Nations Global Compact (UNGC) (for further details see § Signing the United Nations Global Compact);
- joining and supporting the Fondazione Global Compact Network Italia (Italian Global Compact Network Foundation);
- the renewal of the Group's Mission and Vision as reported in its Code of Ethics.



Signing the United Nations Global Compact



United Nations Global Compact

In June 2019 Lifebrain subscribed to the United Nations Global Compact (UNGC), a voluntary global coalition initiative aimed at implementing universal sustainability principles with more than 9,000 member companies in over 160 countries.

Through its participation, the Group committed to align its operations, strategy and culture with the ten universally accepted UNGC principles in the areas of human rights, labour, environment and anticorruption, and to take action to contribute to the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda for Sustainable Development.

HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

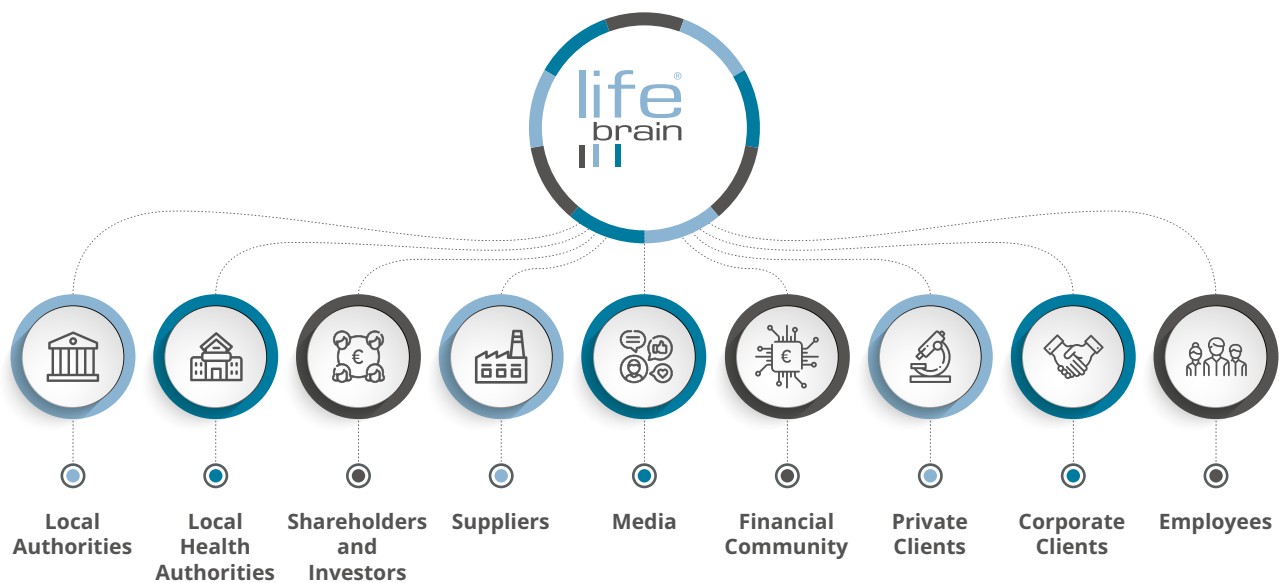
7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

In order to better structure its sustainability commitment and actions, Lifebrain Group identified its key stakeholders and its material sustainability topics, which reflect the Group's economic, environmental and social impact and issues that influence decisions of its stakeholders. The identification of stakeholder and material sustainability issues is a fundamental step in drawing up the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" ("GRI Standards" for short).

The Lifebrain Group stakeholders were mapped based on an analysis of the Group structure, its business activities, its value chain and of the Group relationship network. With the assistance of the Group's management, they were then classified based on their influence and dependency on the Group.

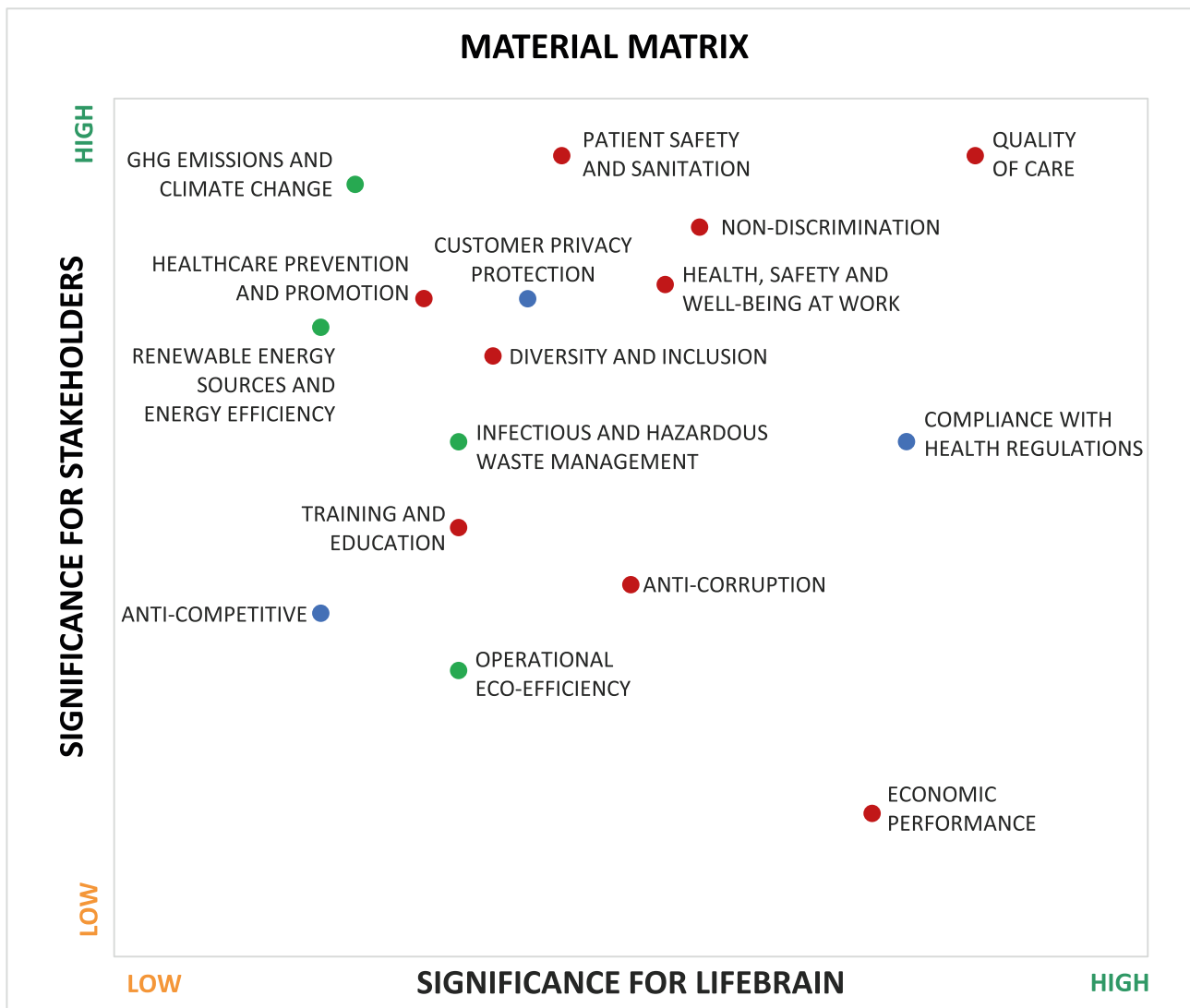


For the first edition of the Sustainability Report, Lifebrain Group conducted a thorough analysis in two principal areas: the execution of preliminary desk analyses and consultation of the managerial functions. More specifically, to determine the relevance of the sustainability topics from the stakeholder perspective, the Group submitted a survey to a limited number of its employees, asking them to give an assessment of the sustainability topics' relevance, and conducted the following desk evaluations:

- a benchmark analysis of comparable Italian and international companies operating in the healthcare industry that enabled the Group to understand which sustainability topics are more often included in public documents;
- a sector analysis of sustainability pressures on the healthcare industry, by identifying those topics most often included in the publications of several international organisations (RobecoSam, SASB, etc.);
- an analysis of global sustainability trends, by mapping the sustainability topics most often considered by major international organisations (GRI, UNGC, etc.) and governmental institutions (EU, UN, etc.).

In order to determine the Lifebrain Group's principal sustainability impact, the Group asked top management to fill in a survey ranking the sustainability topics encompassing not only their personal perceptions, but also the formal Group's commitment with regard to the topics analysed, the Group priorities and the main areas of environmental, economic and social impact of the organisation.

The results of these analyses represent the Lifebrain Group's materiality matrix, which reflects the Group's economic, environmental and social impact, and the issues that may influence decisions of the key stakeholders identified. The results of these analyses represent the Lifebrain Group's materiality matrix, which reflects the



- Environmental Topics
- Social Topics
- Governance Topics

As a result of this materiality analysis, the relevant topics for both Lifebrain Group and its stakeholders are:



- Environmental topics associated with operations’ activities**

| | | | |
|---|---|--|---|
|  <p>7 AFFORDABLE AND CLEAN ENERGY</p> |  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> |  <p>13 CLIMATE ACTION</p> |  <p>15 LIFE ON LAND</p> |
| Renewable energy sources and energy efficiency | Infectious and hazardous waste management | GHG emissions and climate change | Operational eco-efficiency |

- Topics most closely related to clients and services provided:**

| | | |
|--|--|---|
|  <p>3 GOOD HEALTH AND WELL-BEING</p> |  <p>3 GOOD HEALTH AND WELL-BEING</p> | <p>Not directly linked to SDGs</p> |
| Patient’ safety and sanitation | Quality of care | Customer Privacy Protection |

- Topics related to public health and local communities:**

| | |
|--|---|
|  <p>3 GOOD HEALTH AND WELL-BEING</p> |  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> |
| Healthcare prevention and promotion | Compliance with health regulations |

- Topics linked to Lifebrain relations with its workforce:**

| | | | |
|---|---|--|---|
|  <p>5 GENDER EQUALITY</p> |  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> |  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> |  <p>10 REDUCED INEQUALITIES</p> |
| Diversity and Inclusion | Health, safety and well-being at work | Training and Education | Non-discrimination |

- Topics associated to Lifebrain governance and financial performance:**

| | | |
|---|---|---|
|  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> |  <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> | <p>Not directly linked to SDGs</p> |
| Economic performance | Anti-corruption | Anti-competitive behaviour |

SUSTAINABLE DEVELOPMENT GOALS



For our clients



Excellence in health-care

Thanks to its commitment to disseminating the value of excellence for health, the Lifebrain Group provides high added value solutions that guarantee the inalienable **right to health** to every citizen. The Group is also fully aware of the responsibility that its activities have towards the community in terms of health protection, as well as food safety and environment safeguard. Since its establishment, the Lifebrain Group's objective has been to meet the needs of all its customers by providing the highest level of quality clinical, food and environmental services.

In particular, the Group's healthcare performance aims at achieving excellence for patients' health in terms of quality, reliability, safety, timeliness, punctuality and customisation. The Group ensures efficiency, continuity and easy access to the services offered throughout the Italian peninsula, fully respecting **centrality of the individual**, patient rights, national and regional health plans. Thanks to the high level of quality of care that the Lifebrain Group offers to its patients the Group has not identified any non-compliance with regulations or voluntary codes regarding health and safety of its products and services during the reporting period.

In order to raise the quality level of its service, the Lifebrain Group periodically updates its procedures, innovates its instrumentation and provides continual training to its highly qualified staff. In addition, feedback received from clients serves as an essential and valuable resource and input to continuously improving services. For this purpose, the Group periodically carries out surveys to monitor customer satisfaction through online questionnaires distributed at the collection points. The results of these questionnaires are collated in an annual statistical analysis, used by management to identify those aspects that show the greatest potential for development, entirely from a client-oriented perspective. The questionnaire showed very positive results of customer satisfaction regarding the quality of the services offered and the degree of continuous improvement achieved by the Group.



To further guarantee the quality of its service, Lifebrain S.r.l. has put in place an **ISO 9001 Quality Management System**³ at its headquarters in Rome. Moreover, Lifebrain S.r.l. also has **accreditation** in terms of **UNI EN ISO 15189:2013**⁴, the international standard regarding quality and expertise of Medical Laboratories. These certifications guarantee the continuous process of improvement, in terms of quality, reliability, safety and timeliness, thanks to periodical investigations conducted by internal and independent third parties.

Furthermore, the analytical performances of all the Group's laboratories are subjected to internal and external quality assessment programs (**CQI and VEQ**⁵), which evaluate the reliability of each analysis performed by the laboratories.

The excellence of the laboratory services offered by the Lifebrain Group is also ensured by the high quality of the laboratory equipment and material used. In particular, in accordance with the European Directive 98/79/EC and related national laws, all in vitro diagnostic medical devices used by the Group have the **CE IVD** marking, which certifies the level of performance and safety of the instrument, apparatus, appliance and material used in the analyses.

With the goal of offering an excellent service to its customers, the Lifebrain Group carefully oversees its supply chain by monitoring its suppliers and the purchased materials necessary for its activities. In particular, in order to include suppliers in the Register of Qualified Suppliers, currently consisting of about 200 suppliers, the Group carries out an evaluation process for all its new suppliers. This process includes an assessment of the quality of the products and services offered and a verification of the suppliers' reliability and standing by requesting specific documentation.

Starting from 2020, as a further guarantee of suppliers' conduct, the Group will include in its contract several clauses concerning corruption and money laundering as well as requiring acceptance of the Group's Model 231 and Code of Ethics. In 2019, spending on materials, such as reagents and consumables, amounted to approximately € 19 million, 80% of which comes from about 20 large national and international market-leading suppliers, with whom the Group has cemented strong commercial partnerships and has signed collaboration contracts lasting several years.



Continuing medical education

Throughout Italy, the Lifebrain Group has always been committed to extending the most advanced and innovative health technologies and practices adopted, as part of its dedication to ensure excellence in health. In particular, the Group organises and sponsors continuing medical education events (ECM - Educazione continua in medicina) for professional upskilling and specialisation for health-care professionals, through which each participant obtains training credits. In 2019, among the main medical training events, the Group supported:

- a course focused on the role of Laboratory Medicine in the diagnosis of thyroid disease in Bari;
- a training day on cardiovascular disease prevention held during the World Heart Day in Rome;
- a course on gastroenterology and food intolerances in Genoa;
- in-depth training focused on medically assisted procreation in Naples, in collaboration with Roche;
- a course on chronic cardiovascular diseases in Parma, under the patronage of FIMMG;
- a training event on human gut microbionics in Tradate.

³ The other Group companies that have UNI EN ISO 9001 certification are: Igea S.r.l., Lifebrain Bari Lab S.r.l., Lifebrain Cosenza S.r.l., Lifebrain Crotona S.r.l., Lifebrain Lecce S.r.l., Lifebrain Taranto S.r.l., Rete Diagnostica Italiana S.r.l., Lifebrain S.r.l.

⁴ The other Group companies that have UNI EN ISO 15189 certification are: Rete Diagnostica Italiana S.r.l., Lifebrain Trentino S.r.l.

⁵ CQI (Controllo di Qualità Interno - Internal Quality Control) and VEQ (Verifica Esterna di Qualità - External Verification of Quality) are programs of internal and external quality assessment carried out through appropriate monitoring tests in the analytical phase of the laboratories.

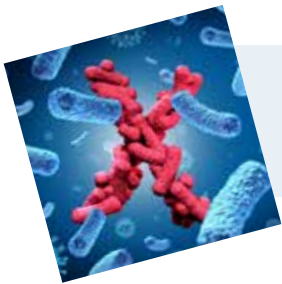


The importance of prevention



Prevention is the main tool that can reduce the incidence of diseases and promote citizens' well-being and quality of life. The Lifebrain Group actively contributes to the dissemination of the culture of prevention all over Italy, as the best tool that each one of us has to achieve a higher standard of living and to continuously take care of ourselves.

Every year, the Group promotes several free disease prevention campaigns at its own facilities or during public events open to all citizens. The Group's prevention approach, overseen by its Chief Medical Officer, includes simple routine controls and check-ups, consistently provided after consultation with personal doctors. The Lifebrain Group also organises, often in collaboration with local institutions, information events aimed at educating the local population on specific pathology and prevention techniques. In particular, among the main free events of 2019, the Lifebrain Group organised:



A prevention campaign concerning colorectal cancer in collaboration with the Municipality of Supino and IDP-Medica.

Mini hematologic check-ups at its test centres in Emilia-Romagna on the National day against Leukaemia, Lymphoma and Myeloma, 21st June.



Vitamin D tests for all women at the Lifebrain Toscana - Labor Service in Poggibonsi.

Mini anaemia check-ups at its test centres in Tuscany on Mother's Day



A training course on emergency situations and first aid, including theory and practical experience, held in Lombardy and Tuscany.

On World Heart Day, 29th September, the Lifebrain Group took part in the Cardio Race held in Rome, an awareness marathon for the prevention of cardiovascular disease. On this occasion, at the Group stand more than 3,000 participants were able to calculate their risk of cardiovascular disease by submitting themselves to pressure, weight, abdominal circumference and blood sugar measurements for free.

With the aim of reaching as many people as possible, the Group publicises information on the value of medical prevention through all digital channels and by distributing information material available at each collection point and in affiliated medical practices. In recent years, there have been no incidents of non-compliance with regulations concerning marketing communications, including advertising, promotion and sponsorship.

Protection of privacy



Given the sensitivity of the data collected and processed in the health sector, the protection of clients' personal information is a central issue for Lifebrain. The Group gives the greatest priority to protecting its customers' data, recognising the importance of the highest degree of confidentiality for personal and clinical information.

Since 2017, the Lifebrain Group has implemented a system of privacy protection adopting all measures required by European and national laws, with particular reference to the General Data Protection Regulation (GDPR), that applies to all Group entities. Moreover, all new companies acquired by the Group are subject to an initial evaluation with the aim of identifying any oversights and fully implementing all GDPR requirements.

In addition, data management procedures are regularly updated after internal audits and gap analysis activities carried out on annual basis. Notably, during 2019, an in-depth analysis was carried out on 15 laboratories, which led to the updating of procedures with the aim of continuously improving the Group's services. During 2019, all Lifebrain Group's employees received specific training on the provisions of the GDPR and on internal implementation procedures.

The monitoring of compliance in terms of data protection is carried out by the Group's Data Protection Officer (DPO), which centrally verifies all Group's entities, with particular attention to newly acquired entities.

Prior to each clinical service, the Lifebrain Group provides its clients with all necessary information about data processing and use. Once the analyses have been affected, clients are also provided with access to all information concerning their state of health and participate in decisions with respect to the services to be provided. The patient privacy information sheet is distributed at the Group's collection points. It contains precise information concerning respect of privacy and confidentiality rights and describes how the data are acquired and the purpose of the treatment. Moreover, it includes a pertinent section in which the patient explicitly gives consent to the processing of his/her data. All clients may also request the withdrawal and deletion of their data through a special online format made available by the Group on its website.

The Lifebrain Group is able to handle the large amount of data about its patients thanks to continuous monitoring of its computer systems by specialist personnel. The Group is aware that the highest degree of security of its customers' data can be achieved through the maximum efficiency and quality of its IT systems. In order to constantly improve the level of IT safety, periodic audits of IT systems and infrastructures are carried out twice a year. In addition, during relevant system developments, special penetration tests are also carried out to verify the level of security and reliability of its systems.

During 2019, there were only two cases of data breaches involving some employees' mailboxes, that did not affect any customers or suppliers' personal data. According to applicable regulations, the mailboxes affected by the attack were blocked ensuring the security of their systems. Over the last two years, the Group has not received any complaints concerning breaches of customer privacy from third parties or regulatory bodies.

For our people



A growing team

The Lifebrain Group recognises the fundamental and irreplaceable contribution of its people to the achievement of its success. Relationships and collaboration within its growing team are based on transparency, full respect of workers' rights, enhancement of professional development, the guarantee of a safe working environment and eliminating any discriminatory behaviour.

At the end of 2019, Lifebrain Group's employees numbered 1,519, corresponding to 50.9% of the total workforce, recording an overall increase of 41.8% as compared to the previous year. The other 49.1% of the total workforce is composed of interns (0.3%), agency workers (0.7%) and self-employed workers (48%), consisting mainly of doctors. The upward trend in the total number of employees is linked to the high number of acquisitions made each year by the Group.

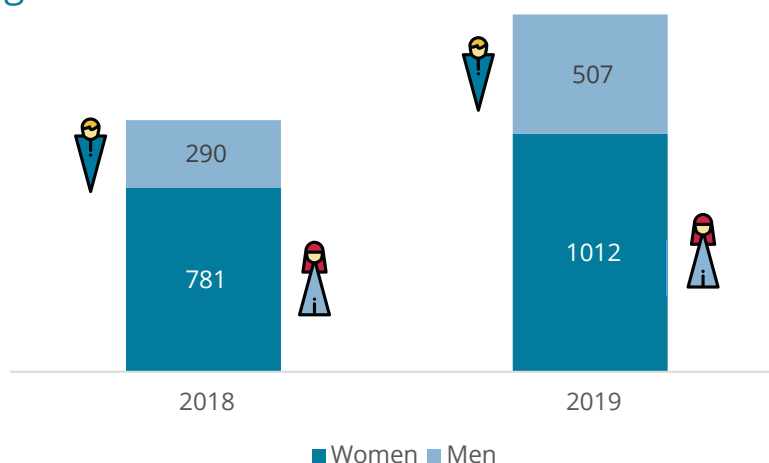
The majority of the Group's employees are female workers, mainly because of a preponderance of women in the health-care sector, representing around 66.6% of total employees in 2019, while men account for the remaining 33.4%.

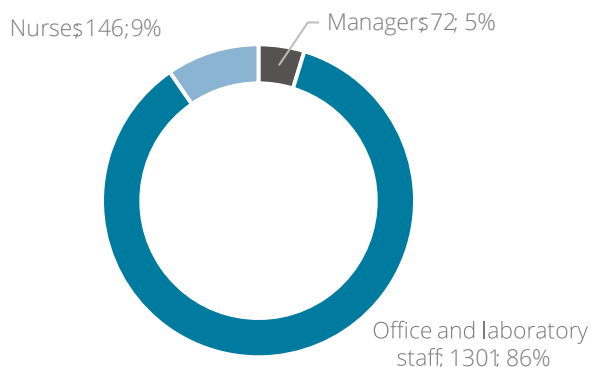
In 2019, office and laboratory staff represented 85.6% of the Group's employees, while nurses make up 9.6% of the total and the remaining 4.7% is made up of management staff.

From 2018 to 2019, the percentage of employees under 30 years of age more than doubled, representing in 2019 about 15.6% of the total employees. This trend demonstrates the Group's commitment to investing in the future and enhancing the value of the younger generation, guaranteeing them a continuous path of professional growth.

In terms of employment contracts, the majority of the employees has a permanent contract, around 92.1% in 2019, which reflects the Group's commitment to building stable and positive relations with its employees. In addition, the percentage of full-time contracts increased by 81.8% with respect to the previous financial year, which overall represents around 52.7% of the employment contracts signed by the Group. All Lifebrain Group's employees are covered by Italian collective bargaining agreements, principally the national collective labour agreement for professional firms (Contratto Collettivo Nazionale del Lavoro degli studi professionali).

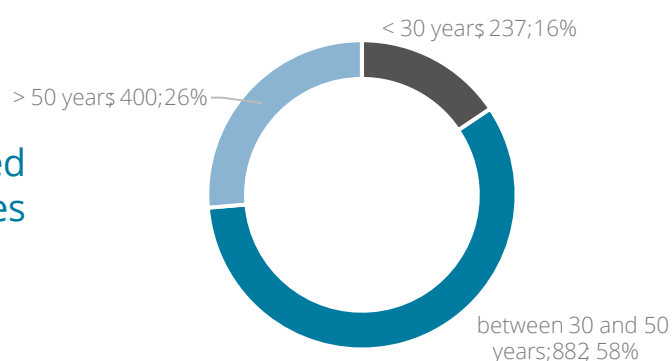
Employees by gender





Employees by employment category, expressed in total amounts and percentages (2019)

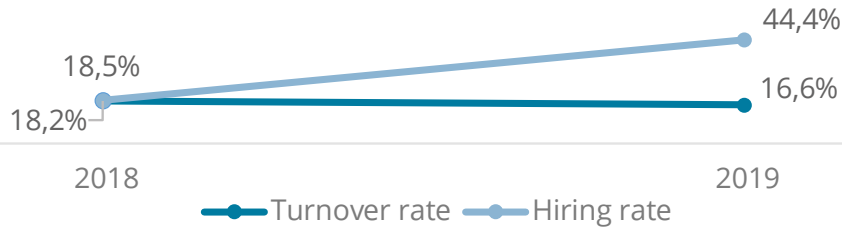
Employees by age range, expressed in total amounts and percentages (2019)



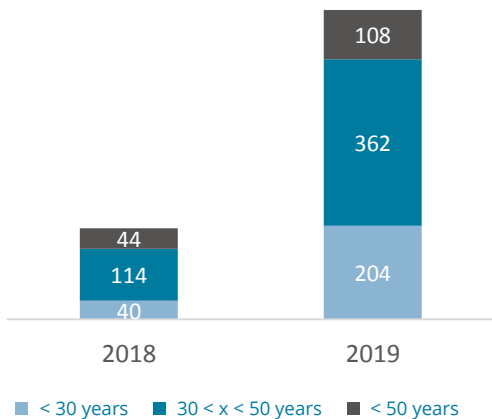
| Total Workforce by type of contract | Unit | 2018 | 2019 |
|-------------------------------------|-----------|--------------|--------------|
| Employees | n. | 1,071 | 1,519 |
| Permanent Contracts - total | n. | 1,038 | 1,399 |
| women | n. | 758 | 933 |
| men | n. | 280 | 466 |
| Temporary Contracts - total | n. | 33 | 120 |
| women | n. | 23 | 79 |
| men | n. | 10 | 41 |
| Full-time Contracts | n. | 440 | 800 |
| women | n. | 270 | 456 |
| men | n. | 170 | 344 |
| Part-time Contracts | n. | 631 | 719 |
| women | n. | 511 | 556 |
| men | n. | 120 | 163 |
| Interns | n. | 10 | 10 |
| Agency workers | n. | 22 | 21 |
| Self-employed workers | n. | 1,306 | 1,433 |
| TOTAL WORKFORCE | n. | 2,409 | 2,983 |

During 2019, the Group's service terminations amounted to 252, an increase of 29% compared to 2018, while new employees hired numbered 647, more than three times as many as the previous year⁶. The high total hiring rate recorded during 2019 (44.4%) showed a strong growth trend compared to the previous year (+140%), mainly due to the continued expansion of the Group's business, whereas the turnover rate (16.6%) slightly decreased compared to 2018.

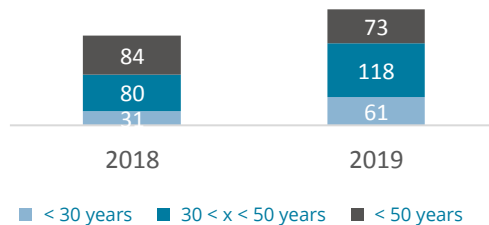
In the future, the Lifebrian Group aims to expand this collaboration to universities, in order to increase employer branding at university level and thus expand the pool of future partnerships.



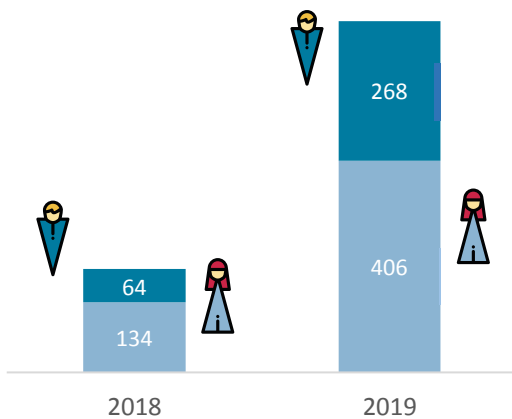
New hires by age gender



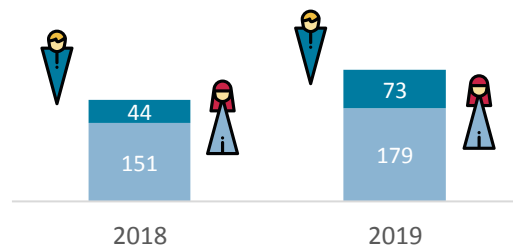
Terminations by age range



New hires by age gender



Terminations by age range



⁶ It is to be noted that, due to the acquisitions made by the Lifebrian Group in 2019, the 2018 headcount and 2019 hiring and terminations are not comparable with the 2019 headcount.

| Hiring rate | | | |
|-------------------|------|------|------|
| By age range | Unit | 2018 | 2019 |
| < 30 years | % | 44.0 | 86.1 |
| 30 < x < 50 years | % | 18.7 | 41.0 |
| > 50 years | % | 11.9 | 27.0 |
| By gender | Unit | 2018 | 2019 |
| Women | % | 17.2 | 40.1 |
| Men | % | 22.1 | 52.9 |

| Turnover rate | | | |
|-------------------|------|------|------|
| By age range | Unit | 2018 | 2019 |
| < 30 years | % | 34.1 | 25.7 |
| 30 < x < 50 years | % | 13.1 | 13.4 |
| > 50 years | % | 22.8 | 18.3 |
| By age range | Unit | 2018 | 2019 |
| Women | % | 19.3 | 17.7 |
| Men | % | 15.2 | 14.4 |





Wellbeing at work and professional development



The Lifebrain Group is committed to fostering a stimulating, agreeable and healthy working environment in all its facilities around Italy. To this end, it promotes professional development paths and welfare plans that contribute to establishing a climate of belonging and well-being.

With the aim of improving welfare and promoting the importance of preventative healthcare among its teams, the Group carries out several initiatives involving all its people. The Lifebrain Group offers a free annual check-up for all employees over 40 years of age, cost reduction of particular types of analysis by up to 50% and a health insurance plan. For future years, the Group is working on the development of an application for its employees, through which they can remotely access medical assistance and consultations.

Thanks to the ongoing training of its employees and the development of their professional skills, the Group guarantees continuous improvement of the services offered to its customers. Employee growth programs include mandatory training and additional guidance and personal development courses, including leadership courses for managers. A specific on-the-job training activity is provided for new hires. In the case of acquisitions of new companies, the Group verifies that all mandatory training has been carried out and organises courses to fill any gaps identified.

In 2019, considerable importance was given to training on privacy and data processing. In particular, the Group has included all its employees through online courses in the in-depth examination of the new provisions of privacy legislation and in the proper management of patients' personal data.

The total training hours recorded in 2019 amounted to 20,000, with an increase of 32.3% compared to the previous year, and equal to approximately 13.2 hours of training per employee per year. This decrease in hours of training per employee between 2018 and 2019 is mainly due to the increase of the number of employees as a result of the acquisitions made by the Group, including those made in the second half of 2019: for these employees it was not possible to carry out training activities by the end of the year.

| Training per employee | Unit | 2018 | 2019 |
|--|-------------------|---------------|---------------|
| Total hours | h | 15,115 | 20,000 |
| Women | h | 11,042 | 15,133 |
| Men | h | 4,073 | 4,867 |
| Average hours | h/employee | 14.1 | 13.2 |
| Women | h/employee | 14.1 | 15 |
| Men | h/employee | 14 | 9.6 |
| By age range | Unit | 2018 | 2019 |
| Training provided to managers | h/employee | - | - |
| Training provided to office and laboratory staff | h/employee | 13.7 | 12.7 |
| Training provided to nurses | h/employee | 21.5 | 23.8 |

In addition, the Lifebrain Group assure its employees of the absence of discriminatory behaviour on grounds of colour, sex, religion, political opinion, national extraction, or social origin. This Group's commitment is confirmed by the lack of any cases of discrimination during the reporting period and by the results of the human rights assessment carried out by the Group during 2019 (for more information see § Human Rights Assessment).



Human Rights Assessment

During 2019, the Lifebrain Group conducted a human rights assessment, that evaluated the Group's level of exposure to incidents related to respect for human rights over the past three years. For this assessment Lifebrain used the HRCA tools of the Danish Institute for Human Rights.

The assessment was carried out internally through a survey involving the top management, which analysed respect for human rights at three different levels: employment practice, community impact and supply chain management. The results highlighted extremely positive findings concerning non-discrimination, forced labour and youth work, freedom of association and corruption.





Health and safety of workers



The Lifebrain Group is committed to ensuring the highest levels of safety to all its employees and collaborators, thanks to increasingly efficient management of resources necessary to disseminate and consolidate a culture of safety, develop risk awareness and require responsible behaviour.

The Group implements preventive actions, periodic audits and updating of the risk assessment documents in compliance with Italian Legislative Decree No. 81 of 9 April 2008 (Consolidated Law on Health and Safety at Work) and subsequent amendments and additions. In order to promote a culture of safety, the Group provides all workers with the tools and personal protective equipment (PPE) required by law, as well as the knowledge necessary for the correct management of risks through continuous training and information. The Health and Safety Department centrally manages at Group level the processes of analysis, monitoring, planning and management of activities, collaborating with the Human Resources function to define, plan and implement the health and safety training plan for all workers.

Between 2018 and 2019, the number of injuries increased from 14 to 20 mainly due to the increase in the Group's size and number of employees, corresponding to a 4% increase in the injury rate from 8.6 to 9.0, while no high consequence injury or fatalities have been recorded. As identified in the Group's risk assessment document, injuries are mainly related to laboratory activities, with particular reference to the use of potentially harmful biological and chemical materials. Among the most frequent causes of injury are slipping, spills of solutions, puncture wounds and abrasions. Each accident is recorded and, where necessary, the Group makes an on-site visit to assess possible implementation of corrective actions.

The Lifebrain Group is finalizing a health and safety management system, based on the requirements of the ISO 45001:2018 standards and the UNI-INAIL guidelines, and is planning to draw up a health and safety policy and an HSE manual applied at Group level.

| Health and safety indexes | Unit | 2018 | 2019 |
|--|----------|-----------|-----------|
| Worked hours | hours | 1,628,255 | 2,231,348 |
| Number of injuries | n. | 14 | 20 |
| Injury rate [number of injuries/ hours worked x 1,000,000] | n./hours | 8.6 | 9.0 |

For the environment



Combating climate change

The global community is becoming more and more aware of the need to limit global warming and to combat climate change. During the Paris Climate Conference (COP21) held in December 2015, 195 countries adopted the first universal and legally binding agreement on climate. The agreement established a global action plan to limit the average rise in global warming to 1.5°C compared to preindustrial levels, in order to avoid irreversible damage to our ecosystem.

Within this global scenario and in order to achieve sustainable business growth, the Lifebrain Group is committed to progressively reducing its overall carbon footprint, which is principally caused by its electricity consumption and, consequently, to indirect emissions of climate-changing gases. In 2019, the Group started monitoring its energy consumption and greenhouse gas emissions (GHG), with the aim of identifying all possible ways of reducing those emissions over the following few years.

The Lifebrain Group's energy consumption is mainly related to heating and cooling purposes in its offices, sampling points and laboratories and to fossil fuel consumption for the corporate vehicle fleet. The growth trend in electricity consumption purchased from the national grid, +6% from 2018 to 2019, is closely linked to the switch-over of the heating systems of several buildings from natural gas to electricity and to new acquisitions. Moreover, the Group consumed around 60% of the electricity produced by its solar plants installed at some of its laboratories, which yearly produced approximately 270 GJ. The fuel consumption of cars and commercial vehicles considerably increased due to the continuous growth of the Group in 2019.

| Energy consumptions | UdM | 2018 | 2019 |
|--|-----------|---------------|---------------|
| Energy consumptions – for vehicle fleet (owned and leased), of which: | Gj | 1,019 | 5,721 |
| Diesel vehicles* | Gj | 634 | 5,484 |
| Gasoline vehicles | Gj | 173 | 174 |
| Compressed natural gas vehicles | Gj | 211 | 64 |
| Energy consumptions - for buildings, of which: | GJ | 19,843 | 12,374 |
| Natural gas purchased for heating | Gj | 9,047 | 904 |
| Electricity purchased from national grid | Gj | 10,795 | 11,471 |
| Electricity auto produced by photovoltaic plants | Gj | 161 | 161 |
| Total | GJ | 21,023 | 18,257 |

* Diesel consumption was estimated based on the monitoring of kilometres travelled annually by the Group's fleet. The increase in consumption of diesel by the vehicle fleet from 2018 to 2019 is partially explained by an improvement in data collection.

In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, the Lifebrain Group identified and monitored all relevant direct GHG emissions (Scope 1) and indirect emissions resulting from energy purchased (Scope 2)⁷.

⁷ GHG emissions resulting from the electricity purchased from the national grid have been calculated by both the location-based and the market-based method. The first reflects the average emission factor associated with the national energy mix, taking into account both renewable and non-renewable production. The second reflects emissions resulting from the electricity source that the Group has purposefully chosen through, for instance, contractual arrangements; if an organisation does not fully cover its electricity requirement according to such arrangements, an emission factor associated to the energy only produced by solar power plants is used for the portion not covered.

Furthermore, where data are available and reliable, the Group monitored and reported also indirect emissions occurring outside the scope of the organisation (Scope 3), in particular those resulting from employee commuting and business travel.

In line with the energy consumptions trend, in 2019 GHG emissions also increased as compared to 2018. With respect to 2018, direct emissions from fossil fuel consumption (Scope 1) decreased by 12% and amounted to 685 tCO_{2e} in 2019, of which 131 tCO_{2e} due to fugitive emissions of refrigerant gases (F-gas). According to the location-based approach, indirect emissions from electricity consumption amounted to 1,144 tCO₂, where, using the market-based approach, they were equal to 1,540 tCO_{2e}, since the Group did not purchase electricity with any guarantee of origin certificates.

Other indirect emissions, resulting from business travel and employees daily commuting, increased by 37% due to the growth of the Group's workforce following acquisitions which occurred in 2019. The wide variation of emissions from business travel by air is due to the Group's policy incentivising land travel rather than air travel in 2019.

In order to reduce GHG emissions linked to electricity consumption, the Lifebrain Group's goal for 2020 is to purchase electricity with certificates of origin, which certify that the electricity supplied is exclusively produced from renewable energy sources. Moreover, during 2020, in order to optimise transport services among Group sites, the Group will insource the entire logistics service. In particular, to reduce fuel consumption and therefore the emissions of climate-altering gases, the Lifebrain Group will provide its drivers with an app that will allow them to calculate the best route and to ensure more efficient and environmentally friendly transport. Lastly, the Group aims at replacing diesel-powered vehicles, which currently make up almost the entire vehicle fleet, with methane powered ones in 2020.

| GHG Emissions | UoM | 2018 | 2019 |
|--|-------------------------|--------------|--------------|
| Direct emissions (Scope 1) | tCO_{2e} | 1,019 | 5,721 |
| Emissions resulting from natural gas burning used for Group's heating | tCO ₂ | 506 | 51 |
| Emissions resulting from fuel (diesel) used for Group's vehicle fleet | tCO _{2e} | 58 | 462 |
| Emissions resulting from fuel (gasoline) used for Group's vehicle fleet | tCO _{2e} | 17 | 16 |
| Emissions resulting from fuel (compressed natural gas vehicles) used for Group's vehicle fleet | tCO _{2e} | 72 | 25 |
| Emissions of refrigerant gases resulting from leakages in air-conditioning systems | tCO _{2e} | 122 | 131 |
| Indirect emissions (Scope 2) - Location-based | tCO_{2e} | 1,077 | 1,144 |
| Emissions resulting from electricity purchased from national grid | GJ | 1,077 | 1,144 |
| Indirect emissions (Scope 2) - Market-based | tCO_{2e} | 1,429 | 1,540 |
| Emissions resulting from electricity purchased from national grid | GJ | 1,429 | 1,540 |

| | | | |
|--|-------------------------|--------------|--------------|
| Other indirect emissions (Scope 3) | tCO_{2e} | 1,163 | 1,592 |
| Emissions resulting from business travel by air* | tCO _{2e} | 933 | 16 |
| Emissions resulting from business travel by car | tCO _{2e} | 0 | 25 |
| Emissions resulting from business travel by train | tCO _{2e} | 8 | 14 |
| Emissions resulting from employee commuting** | tCO _{2e} | 221 | 1,537 |
| Total (Scope 1 + 2 + 3) emissions (Location-based method) | tCO_{2e} | 3,019 | 3,421 |
| Total (Scope 1 + 2 + 3) emissions (Market-based method) | tCO_{2e} | 3,368 | 3,817 |

* The emissions linked to business travel by air were estimated based on from trips recorded internally by the Group. The increase of emissions resulting from business travel by air from 2018 to 2019 is partially explained by an improvement in data collection.

** The emissions linked to commuting were estimated based on kilometres travelled annually declared by Group employees. The increase of emissions resulting from employee commuting from 2018 to 2019 is partially due to an improvement in data collection.



Waste management



In addition to its energy consumption, the Lifebrain Group monitors its waste production, which is mainly related to the activities of its clinical and environmental laboratories. All the Group's entities manage the waste generated by their activities in compliance with the requirements of national and European legislation. Over the past two years, the Lifebrain Group did not incur any significant monetary or non-monetary sanction regarding environmental regulations.

Waste resulting from laboratories are mainly chemical, biological and sanitary waste. It is managed by an external certified provider that ensures proper storage, transport, treatment and disposal, whereas paper and cardboard produced by office activities is collected and delivered to municipal treatment plants.

The percentage of the Lifebrain Group recycled waste is around 8%, mainly due to the fact that most of the chemical, biological and sanitary waste produced by laboratory activities cannot be recycled but must be sent for disposal. The total production of waste increased by 37% between 2018 to 2019, mainly due to the Group's annual acquisitions.

| Waste | UoM | 2018 | 2019 |
|----------------------------|------------|--------------|--------------|
| Hazardous waste | ton | 504.7 | 662.6 |
| Of which sent to recycle | ton | 0 | 18.6 |
| Of which sent to disposal | ton | 504.7 | 644 |
| Non-hazardous waste | ton | 15.8 | 51.7 |
| Of which sent to recycle | ton | 0 | 36.3 |
| Of which sent to disposal | ton | 15.8 | 15.4 |
| Total waste | ton | 520.5 | 714.3 |



WATER RECOVERY PROJECT

The importance of water resources

Thanks to a business strongly focused on the use of chemical reagents, the water consumption of the processes conducted by the Group is extremely low. Civil aqueducts supply the entire volume of water consumed, which is intended for civil use in the Group's offices and laboratories.

In 2019, in order to reduce its water consumption, the Lifebrain Group, in collaboration with Roche, incorporated the Tradate laboratory in the "Water Recovery Project". Thanks to a wastewater purification machine, the Group aims at reusing discharged water to irrigate the laboratory's green areas.



Reporting Principles and Criteria



Scope of Reporting

This document represents the first Sustainability Report (hereinafter also “Report”) of Lifebrain Group and provides key information relating to environmental, social and economic aspects that characterise the Group business.

The Sustainability Report of Lifebrain Group has been prepared in accordance with the GRI (Global Reporting Initiative) Global Reporting Standards, according to the Core option.

The first Sustainability Report of Lifebrain relates to reporting year 2019 (1st January to 31st December) and contains, when available, the performance trends for the two-year period 2018-2019 for comparative purposes. On the date of publication of this Report, no significant events that took place in 2020 are reported, except for those already illustrated, with particular reference to the recent Covid-19 pandemic. The data collection process and the report publication activities are structured on an annual basis.

The reporting boundaries of the Report include Lifebrain S.r.l. and its subsidiaries, unless otherwise indicated. The list of companies included in the perimeter is reported in the Annex. The Group registered and administrative offices are in Rome, in Via Giacomo Peroni, 452.

As a signatory of the United Nations Global Compact (UNGC) initiative since 2019, through this report the Group is also fulfilling its commitment to producing an annual Communication on Progress – a public disclosure outlining its progress in implementing the Ten Principles of the UNGC. The UNGC Principles are mapped against the GRI indicators in the GRI Content Index. At present, Lifebrain Group 2019 Sustainability Report does not directly address the UNGC issues and principles related to Human Rights, since the majority of the Group’s direct activities and suppliers are located in Europe, where Human Rights are regulated by laws. In addition, some of the most important human rights issues related to Lifebrain Group’s activities, such as the protection of workers’ occupational health and safety, are already included among the “Labor” principles the Group reports on. Moreover, in 2019 Lifebrain Group conducted a human right assessment, in order to evaluate the Group’s level of exposure to incidents related to the respect for human rights over the past three years (for further details see § *Human Right Assessment*).

The first Sustainability Report of Lifebrain was not audited by an independent third party.

The process of drawing up the Sustainability Report, coordinated by an internal working group, involved the top management and various Group’s functions, who actively contributed to defining the relevant topics and the document layout, as well as gathering the data and information needed to draw up the Report.

In line with the requirements of this standard, the initial stages for the preparation of the Sustainability Report are the identification and prioritisation of the Group stakeholders and the analysis of the materiality of each topic for the Group (materiality analysis), illustrated below in more detail.

| STAKEHOLDER | TOPICS/EXPECTATIONS INDICATED BY STAKEHOLDERS | TYPE OF ENGAGEMENT |
|----------------------------|--|--|
| Shareholders and investors | <ul style="list-style-type: none"> • Create value for the Shareholder • Transparency and timeliness in financial information • Risk management evaluations (ESG factor) | <ul style="list-style-type: none"> • Institutional channels and written communications • Group's Project • Meeting • Press releases • Exchange of experiences and information |
| Local health authority | <ul style="list-style-type: none"> • Support to health protection and prevention policies • Compliance with health regulations and laboratory activities. | <ul style="list-style-type: none"> • Healthcare partnership projects (local and regional initiatives) • Sustainability report |
| Local authorities | <ul style="list-style-type: none"> • Compliance with regulations • Contribution and support to local initiatives and local communities • Reduction of corruption • Safety and health of citizens | <ul style="list-style-type: none"> • Continuous discussions and communications; • Partnership for local programs and initiatives • Meetings |
| Employees | <ul style="list-style-type: none"> • Respect labour regulations • Professional development • Involvement in corporate strategy • Reduce environmental impact due to commuting (home-work shift) | <ul style="list-style-type: none"> • Meetings • Consultations with group departments • Workshop • Survey |
| Private customers | <ul style="list-style-type: none"> • Quality of care; • Innovation in health services provided by the group • Sustainability of business activities | <ul style="list-style-type: none"> • Customer care services • Website |
| Corporate customers | <ul style="list-style-type: none"> • Sustainability of the business activities • Transparency • Accurate emission measurement | <ul style="list-style-type: none"> • Customer care services • website • survey • workshop |
| Suppliers | <ul style="list-style-type: none"> • Business compliance and payment term • Policy and governance • Transparency • Anti-corruption | <ul style="list-style-type: none"> • Survey • Involve in the "stakeholder's committee" • Workshop |
| Financial community | <ul style="list-style-type: none"> • Financial management • Economic performance • ESG PKIs for investments | <ul style="list-style-type: none"> • Meetings • survey • presentation of the sustainability report • investor relations • workshop |
| Media | <ul style="list-style-type: none"> • Group approach to sustainability trends in the healthcare industry • Environmental impacts of business activities • Transparency and reliability of reporting | <ul style="list-style-type: none"> • Periodic discussions and communications • press releases • workshop |



| | 1 | 2 | 3 | 4 | 5 | 6 |
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Material topics



In accordance with the first paragraph of the Report, the topics discussed in the Report and their level of detail are based on the results of the materiality analysis conducted by the Company.

The following table provides a list of the material aspects for Lifebrain Group and its stakeholders, linked to the corresponding GRI Standards topics (Topic-specific Disclosures), with the corresponding boundaries in terms of impact and any limitations to the scope due to the non-availability of data related to the entities outside the organization.

| Lifebrain Group material aspects | GRI material aspects | Aspect boundary | | Limitations of reporting on boundary | |
|--|---------------------------------|-------------------------|--------------------------|--------------------------------------|-------------------------------------|
| | | Within the Organization | Outside the Organization | Within the Organization | Outside the Organization |
| Patients safety and sanitation | Customer Health and Safety | Lifebrain Group | Clients | - | Reporting not extended to clients |
| Quality of care | - | Lifebrain Group | Clients | - | Reporting not extended to clients |
| Healthcare prevention and promotion | Marketing and Labeling | Lifebrain Group | Clients | - | Reporting not extended to clients |
| Diversity and Inclusion | Diversity and Equal Opportunity | Lifebrain Group | - | - | - |
| Health, safety and well-being at work | Occupational Health and Safety | Lifebrain Group | Suppliers | - | Reporting not extended to suppliers |
| | Employment | Lifebrain Group | - | - | - |
| Training and Education | Training and Education | Lifebrain Group | - | - | - |
| Economic performance | Economic Performance | Lifebrain Group | - | - | - |
| Non-discrimination | Non-discrimination | Lifebrain Group | - | - | - |
| Infectious and hazardous waste management | Effluents and waste | Lifebrain Group | - | - | - |
| Renewable energy sources and energy efficiency | Energy | Lifebrain Group | Suppliers | - | Reporting not extended to suppliers |
| GHG emissions and climate change | Emissions | Lifebrain Group | Suppliers | - | Reporting not extended to suppliers |
| Operational eco-efficiency | Environmental Compliance | Lifebrain Group | - | - | - |
| Anti-corruption | Anti-corruption | Lifebrain Group | - | - | - |
| Compliance with health regulations | Socioeconomic Compliance | Lifebrain Group | Clients | - | Reporting not extended to clients |
| Customer Privacy Protection | Customer Privacy | Lifebrain Group | Clients | - | Reporting not extended to clients |
| Anti-competitive Behavior | Anti-competitive Behavior | Lifebrain Group | - | - | - |

Quality Reporting Principles



In line with the requirements of the GRI Standards, the contents of this Report were defined based on the following principles:

- **completeness:** the Report should cover the main social, economic and environmental topics, enabling stakeholders to make the most complete assessment possible of Lifebrain Group sustainability performance.
- **sustainability context:** the Report should present the performance of the Group business in the wider context of sustainability;
- **stakeholder inclusiveness:** the Report indicates Lifebrain Group main stakeholders and their engagement;
- **materiality:** the content of the Report is based on the concept of materiality and therefore includes the topics (as defined by GRI Standards) that are most relevant to the Group and to its stakeholders.

In line with the reporting standard, the following principles were also applied to guarantee the quality of the content: **accuracy, reliability, clarity, comparability, balance and timeliness.**



Calculation Methodologies



The social, environmental and economic-financial qualitative and quantitative information contained in this Sustainability Report has been gathered through direct interviews with the heads of various Group departments, and by sending specific data collection forms, based on an annual reporting process. The main calculation methods and assumptions used to calculate the performance indicators are described below, in addition to that already reported in the Report:

- To calculate the indicators relating to health and safety, accidents that have entailed at least one day of absence are included, while commuting accidents are not included if the transportation was not organized by the Group. More specifically, the accident frequency index was calculated as shown below:

Frequency index = number of accidents / hours worked x 1,000,000.

- For environmental data, where not available, conservative estimates were used, which led to the assumptions associated to the Group less positive environmental performance figures.
- The calculation of greenhouse gas emissions was made using the following formula:

*Greenhouse gas emissions = activity data (e.g. kWh of electricity) * respective emission factor.*

- The emission factors and the GWPs used to calculate GHG emissions are as follows:
 - To calculate direct greenhouse gas emissions (Scope 1), the conversion factors used were taken from the “Defra - Department for Environment, Food and Rural Affairs” (2018-2019) database.
 - To calculate indirect greenhouse gas emissions (Scope 2), the emission factors published by Terna Group in the document entitled “International Comparisons” (2016-2017) and by the Association of Issuing Bodies within the “European Residual Mixes” (2017-2018) were used.
 - To calculate other indirect greenhouse gas emissions (Scope 3), where not directly provided by the transport companies, the conversion factors were taken from the “Defra - Department for Environment, Food and Rural Affairs” (2017-2018-2019) database.

For information and further details on this document, please contact:

Lifebrain

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Content index



| GRI Standards | Disclosure | UNGC | References | Omissions |
|---|---|--------|------------|-----------|
| GENERAL DISCLOSURES | | | | |
| GRI 102: General Disclosures 2016 | Organizational profile | | | |
| | 102-1 Name of the organization | | | |
| | 102-2 Activities, brands, products, and services | | | |
| | 102-3 Location of headquarters | | | |
| | 102-4 Location of operations | | | |
| | 102-5 Ownership and legal form | | | |
| | 102-6 Markets served | | | |
| | 102-7 Scale of the organization | | | |
| | 102-8 Information on employees and other workers | UNGC | | |
| | 102-9 Supply chain | | | |
| | 102-10 Significant changes to the organization and its supply chain | | | |
| | 102-11 Precautionary Principle or approach | | | |
| | 102-12 External initiatives | | | |
| | 102-13 Membership of associations | | | |
| | Strategy | | | |
| | 102-14 Statement from senior decision-maker | UNGC | | |
| | Ethics and integrity | | | |
| | 102-16 Values, principles, standards, and norms of behaviour | | | |
| | Governance | | | |
| | 102-18 Governance structure | | | |
| | Stakeholder engagement | | | |
| | 102-40 List of stakeholder groups | | | |
| | 102-41 Collective bargaining agreements | UNGC | | |
| | 102-42 Identifying and selecting stakeholders | | | |
| | 102-43 Approach to stakeholder engagement | | | |
| | 102-44 Key topics and concerns raised | | | |
| | Reporting practice | | | |
| | 102-45 Entities included in the consolidated financial statements | | | |
| | 102-46 Defining report content and topic Boundaries | | | |
| | 102-47 List of material topics | | | |
| | 102-48 Restatements of information | | | |
| 102-49 Changes in reporting | | | | |
| 102-50 Reporting period | UNGC | | | |
| 102-51 Date of most recent report | | | | |
| 102-52 Reporting cycle | | Yearly | | |
| 102-53 Contact point for questions regarding the report | | | | |

| GRI Standards | Disclosure | UNGC | References | Omissions |
|---|---|------|---|-----------|
| | 102-49 Changes in reporting 102-50 Reporting period 102-51 Date of most recent report | | <i>This report is not subject to external assurance</i> | |
| MATERIAL TOPIC | | | | |
| GRI 200 - ECONOMIC TOPICS | | | | |
| Economic performance | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | | | |
| Anti-corruption | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 205: Anti-corruption 2016 | 205-3 Confirmed incidents of corruption and actions taken | UNGC | | |
| Anti-competitive Behaviour | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 206: Anti-competitive Behaviour 2016 | 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | UNGC | | |
| GRI 300 - ENVIRONMENTAL TOPICS | | | | |
| Energy | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | UNGC | | |

| GRI Standards | Disclosure | UNGC | References | Omissions |
|---|---|------|------------|-----------|
| Emissions | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | UNGC | | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | UNGC | | |
| Effluents and waste | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 306: Effluents and waste 2016 | 306-2 Waste by type and disposal method | UNGC | | |
| Environmental Compliance | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 307: Environmental Compliance 2016 | 307-1 Non-compliance with environmental laws and regulations | UNGC | | |
| GRI 400 – SOCIAL TOPICS | | | | |
| Employment | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | UNGC | | |
| Occupational Health and Safety | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 403: Occupational Health and Safety 2018, Management Approach | 403-1 Occupational health and safety management system | UNGC | | |
| | 403-2 Hazard identification, risk assessment, and incident investigation | UNGC | | |
| | 403-3 Occupational health services | UNGC | | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | UNGC | | |

| GRI Standards | Disclosure | UNGC | References | Omissions |
|--|---|------|------------|-----------|
| GRI 403: Occupational Health and Safety 2018, Management Approach | 403-5 Worker training on occupational health and safety | UNGC | | |
| | 403-6 Promotion of worker health | UNGC | | |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | UNGC | | |
| GRI 403: Occupational Health and Safety 2018 | 403-9 Work-related injuries | UNGC | | |
| Training and Education | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | UNGC | | |
| Diversity and Equal Opportunity | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | UNGC | | |
| Non-discrimination | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | UNGC | | |
| | 103-2 The management approach and its components | UNGC | | |
| | 103-3 Evaluation of the management approach | UNGC | | |
| GRI 406: Non-discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | UNGC | | |
| GRI 300 - ENVIRONMENTAL TOPICS | | | | |
| Customer Health and Safety | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |

| GRI Standards | Disclosure | UNGC | References | Omissions |
|--|---|------|---|-----------|
| GRI 416: Customer Health and Safety 2016 | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | | | |
| Marketing and Labelling | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |
| GRI 417: Marketing and Labelling 2016 | 417-3 Incidents of non-compliance concerning marketing communications | | | |
| Diversity and Equal Opportunity | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | | | |
| Customer Privacy | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |
| GRI 418: Customer Privacy 2016 | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | | | |
| Socioeconomic Compliance | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |
| GRI 419: Socioeconomic Compliance 2016 | 419-1 Non-compliance with laws and regulations in the social and economic area | | During 2018 and 2019, the Group did not incur any significant monetary and non-monetary sanction regarding socioeconomic regulations. | |
| | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data | | | |

| GRI Standards | Disclosure | UNGC | References | Omissions |
|---|--|------|------------|-----------|
| Topics not covered by GRI disclosure | | | | |
| Quality of care | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its Boundary | | | |
| | 103-2 The management approach and its components | | | |
| | 103-3 Evaluation of the management approach | | | |



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