



GLOBAL POLICY on DIVERSITY AND INCLUSION



MENARINI
group



I. PURPOSE

This document, the **Menarini Group's Diversity and Inclusion Policy**, sets out to clearly and concretely define the **commitments** that the Menarini Group (hereinafter also referred to as "the Group" or "Menarini") intends to pursue in the field of diversity and inclusion.

Creating an inclusive culture that promotes diversity is one of the main priorities for Menarini: each employee brings different perspectives and strengths, and by embracing them, the Group encourages a real sense of belonging.

All Menarini people are part of an international family that has a real impact on patients' lives. Cultural diversity helps the Group to drive innovation, face challenges, inspire ideas and develop growth. Menarini promotes the development and growth of its employees and encourages the adoption of corporate behavior based on inclusion and mutual respect.

This policy describes Menarini's approach to diversity and inclusion in order to:

- discourage all forms of discrimination at work;
- promote, disseminate and implement principles and guidelines which are inclusive of all expressions of diversity;
- ensure a work environment in which individual dignity is respected and free from all forms of abuse, harassment, as well as discrimination.



II. SCOPE

This policy applies to **all employees belonging to the Group's companies and business units**.



III. DEFINITIONS

- **Diversity:** refers to the similarities and differences that exist between people and that can impact employment and business opportunities and outcomes¹. The types of differences relevant for the scope of this policy are the following:
 - **gender identity:** an individual's deeply felt internal and individual experience of gender, which may or may not correspond with the sex assigned at birth²;

¹ International Labour Office, (2022). "Transforming enterprises through diversity and inclusion".

² Office of the United Nations High Commissioner for Human Rights (2015), "Discrimination and violence against individuals based on their sexual orientation and gender identity: report of the Office of the United Nations High Commissioner for Human Rights".



- **sexual orientation:** a person's sexual and emotional attraction to another person and the behavior and/or social affiliation that may result from this attraction³;
- **generation:** a generation is an age cohort whose members are born during the same period in history and who thus experience significant events and phenomena at similar life stages⁴;
- **culture:** the set of distinctive spiritual, material, intellectual and emotional features of society or a social group, and that it encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs⁵;
- **disability:** long-term physical, mental, intellectual or sensory impairments which in interaction with various barriers may hinder their full and effective participation in society on an equal basis with others⁶;
- **religious beliefs:** the ideas or principles held by individuals or groups concerning the existence, nature, and worship of a deity or deities, and often involving ritual observances, moral codes, and sacred texts⁷.
- **Inclusion:** it refers to the experience people have in the workplace and the extent to which they feel valued for who they are, the skills and experience they bring and the extent to which they have a strong sense of belonging with others at work⁸.
- **Harassment:** any improper or unwelcome conduct that might reasonably be expected or be perceived to cause offense or humiliation to another person. It may take the form of words, gestures or actions which tend to annoy, alarm, abuse, demean, intimidate, belittle, humiliate or embarrass another or which create an intimidating, hostile or offensive work environment⁹.
- **Discrimination:**
 - **direct discrimination:** it occurs when one person is treated less favourably than another in a similar situation because of the specific criterion under consideration;
 - **indirect discrimination:** it occurs when an apparently neutral measure, criterion, practice, act, agreement or form of conduct leads to a situation of particular disadvantage for certain categories of people, due to the specific criterion considered¹⁰.
- **Equality:** focuses on ensuring every person can flourish at work, experiencing equal opportunities and treatment. That is, all persons, regardless of their personal characteristics can participate in and contribute according to their capacity without interference of discrimination or bias. Equality recognizes that each person has different circumstances, that historically, some groups of people have experienced discrimination and that reaching equal outcomes will not be achieved by treating everyone the same. Equality and reaching equal outcomes require the allocation of resources and opportunities according to circumstance and need¹¹.

³ American Psychological Association (2015), "Guidelines for psychological practice with transgender and gender nonconforming people".

⁴ Harvard Business Review (2022), "Harnessing the Power of Age Diversity".

⁵ Office of the United Nations High Commissioner for Human Rights (2001), "Universal Declaration on Cultural Diversity".

⁶ United Nations Department of Economic and Social Affairs (2006), "Convention on the Rights of Persons with Disabilities (CRPD) Article 1".

⁷ Cambridge Dictionary.

⁸ International Labour Office, (2022). "Transforming enterprises through diversity and inclusion".

⁹ United Nations Secretariat, (2008). "Prohibition of discrimination, harassment, including sexual harassment, and abuse of authority".

¹⁰ Italian Ministry of Labour and Social Policies, (2023). "Discrimination in the workplace" (<https://www.lavoro.gov.it/single-digital-gateway/equal-treatment/discrimination-workplace>)

¹¹ International Labour Office, (2022). "Transforming enterprises through diversity and inclusion".



IV. COMMITMENTS

IV.1 People Attraction & Acquisition

Recruiting

Menarini commits to guaranteeing **selection processes based on the recognition of merit and equal opportunity**, exclusively considering professional skills and abilities.

Menarini also guarantees that during selection **processes no actions that could be a source of discrimination** are carried out.

IV.2 People Integration

Work environment

Menarini commits to **ensuring the progressive integration** of every individual and **strives to foster an inclusive work environment** where each employee feels **welcomed and respected**, effectively **precluding any form of direct or indirect discrimination**. Accordingly, Menarini encourages its workforce to embrace behaviors that contribute to this commitment.

IV.3 People Empowerment

Training

The **training** and education process plays a **strategic role for the Menarini Group**, as it provides all employees with the knowledge and competences necessary to fulfil their **specific roles** and be **compliant** with the **laws** and **industry standards**.

Hence, Menarini believes that training is an indispensable aspect for **increasing employees' skills and value**. It also believes that training is a key element in **promoting cultural change** with a view to diversity, equity and inclusion.

The Group therefore commits to **ensuring continuous and accessible training** for all employees. It also commits to ensuring training programs based on real need, on merit and without discrimination.

Performance and Talent Management

In order to **promote professional growth**, Menarini commits to evaluating performance **objectively, neutrally as well as in complete respect of individual characteristics**, with respect to eligible employees.

IV.4 People Rewarding

Salary Review & Promotion

Menarini commits to adopting – with respect to eligible employees – **remuneration and incentive processes and practices based on fairness and impartiality**.

The recognition of salary increases or other incentive measures, as well as access to higher roles or positions, are linked to the individual merits of employees.



V. IMPLEMENTATION

V.1. Grievance mechanism

Menarini **encourages reporting any actions or omissions that may violate or encourage violations of the principles stated in this document.**

All reports received are treated fairly by Menarini, reviewed appropriately, and investigated with the utmost confidentiality.

Please refer to the Group Whistleblowing Policy for more details.

V.2. Responsibility

The **Global Head of Human Resources** is responsible for:

- Approving this policy and future amendments and/or supplements.

The **Human Resource Department** is responsible for:

- supervising the implementation of this policy and bringing it to the attention of employees;
- providing for the periodic update of this policy;
- providing the BoD and the CEO with an annual report on the topics covered in this policy, both related to our company and to the main market trends;
- coordinating the development of specific programs on diversity and inclusion matter;
- providing advice and guidance to employees and coordinating the monitoring of the commitments set out in this policy.

The **Line Managers** are responsible for:

- promoting the creation of an inclusive and discrimination-free working environment;
- reporting behavior not in line/or potentially not in line with this policy;
- ensuring that their team are aware of this policy;
- ensuring that the conduct of their team is in line with the principles contained in this policy.
- The Employees are responsible for:
 - familiarizing themselves with this policy and acting in accordance with the principles it contains;
 - reporting behavior not in line/or potentially not in line with this policy;
 - working in partnership with colleagues to promote a working environment free from any kind of discrimination;
 - implementing behavior that cannot harm others in any way and promote diversity and inclusion.



VI. REFERENCES

VI.1. Internal References

This policy integrates the internal documents already operating within the Group and has been drafted in coherence with them. In detail:

- Menarini HR Manifesto;
- Menarini Human Right Policy;
- Menarini Code of Business Practice;
- Menarini Global Code of Conduct;
- Menarini Whistleblowing Policy.

VI.1. International Framework

In drafting this policy and defining its commitments, Menarini considered the main Laws and Regulations of the countries in which Menarini operates (with particular attention to the EU and US Regulations mentioned below), as well as the Principles and Guidelines issued by the main international organizations. In detail:

- Laws and Regulations
- Directive 2023/970: Pay transparency and enforcement mechanisms (EU);
- Equal Pay Act 1963 (EPA) (29 U.S.C., Chapter 8 sec. 206(d)) (United States);
- Directive 2006/54/EC: Equal opportunities and equal treatment (EU);
- Fair Labor Standards Act of 1938 (FLSA) (29 U.S.C., Chapter 8) (United States).
- Principles and Guidelines issued by the following international organizations
- ILO Declaration on Fundamental Principles and Rights at Work;
- UN Global Compact;
- Charter of Fundamental Rights of the European Union;
- Universal Declaration of Human Rights;
- Sustainable Development Goals (SDGs);
- ILO Curriculum on Building Modern and Effective Labour Inspection Systems;
- ILO Transforming enterprises through diversity and inclusion;
- OECD Guidelines for Multinational Enterprises.

VII. APPROVAL, COMMUNICATION AND UPDATE OF THE POLICY

This policy, as well as any amendment and/or integration to it, is approved by the **Global Head of Human Resources**, Effective 14/06/2024.

Menarini is committed to disclosing this policy among all employees and all relevant stakeholders.

Menarini monitors the actual implementation of this policy and periodically makes the necessary amendments and/or integrations in accordance with significant changes in the regulatory and organizational context.