

# **CODE OF ETHICS OF CHEMI SPA**

**Approved by the Board of Directors with resolutions of June 28, 2012,  
and February 8, 2013**

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## **I. Definitions**

DECREE: Decree of Law of June 8, 2001, n. 231, bearing «*Disciplina della responsabilità amministrativa delle persone giuridiche, delle società e delle associazioni anche prive di personalità giuridica, a norma dell'articolo 11 della legge 29 settembre 2000, n. 300*» (Discipline of management responsibility of juridical persons, companies and associations, even though without juridical personality, in compliance with Article 11 of Act no. 300 of September 29, 2000) and subsequent integrations and changes;

CODE: this Code of Ethics in the version currently in force and any attachments;

MODEL: Model of organization, management and control according to the Decree of Law no. 231, of June 8, 2001;

ADDRESSEES: Individuals to which the provision of CODE apply, including CORPORATE REPRESENTATIVES, EMPLOYEES, COLLABORATORS (INCLUDING AGENTS AND CONSULTANTS) as well as persons who maintain relationships with the COMPANY, and therefore commit themselves to comply with the CODE;

CORPORATE REPRESENTATIVES: The President and members of the Board of Directors, Board of Auditors, General Managers, members of any other social organs of the COMPANY instituted according to Article 2380 of the Italian Civil Code or special laws, any other individual in the top management according to the DEGREE, that is any persons with functions of representation, administration or management of the COMPANY or of one of its units or divisions, provided with financial and functional autonomy;

EMPLOYEES: Individuals who maintain a subordinate work relationship with the COMPANY, of any degree or nature whatsoever, including seasonal workers, including those with a starter, apprenticeship or part-time contracts, as well as workers on detachment, that is employed with para-subordinate working contracts (work administration);

COLLABORATORS: Individuals who maintain with the COMPANY: (i) project work relationships; (ii) agency relationships and other relationships resulting in a coordinated and continuative activity,

mainly personal, non-subordinate; (iii) occasional collaboration relationships (for example counseling), as well as individuals subjected to the direction or vigilance of CORPORATE REPRESENTATIVE, even though they are not EMPLOYEES;

SUPPLIERS: Individuals providing the COMPANY with goods and services;

BODY OF VIGILANCE: The body of vigilance established by the COMPANY according to Article 6 of Decree;

C.D.A.: Consiglio di Amministrazione (Board of Directors) ;

PA.: Pubblica Amministrazione (Public Administration).

## **II. CHEMI S.P.A. and its corporate mission**

Company CHEMI SPA is a member of the GROUP headed by ITALFARMACO S.p.A, one of the leading Italian companies in the chemical-pharmaceutical field which operates, also through directly controlled and/or shared companies, also abroad.

CHEMI Spa is active in the manufacturing of active ingredients for the pharmaceutical field – it is of the leader companies also because it is holder of advanced technologies in the field of phospholipids, peptides and chemistry of chiral products – and it sells its products (for about 90%) on foreign markets (USA, Japan, European Union, etc.), where it cooperates with many international pharmaceutical companies. CHEMI Spa has modern and sophisticated industrial plants where it produces medicinal products for its proprietary market and for other pharmaceutical companies.

The mission of the COMPANY, in the context of a logic of enterprise and fair competition, is to contribute to the improvement of quality and prolongation of the mean lifespan through the implementation of products and pharmaceutical services concerning pathologies which mostly condition the health of the people, such as those of the immunologic-oncologic, hemato-oncologic and rare disease areas. In this sense, its commitment in research and development of new drugs is significant.

At the same time, through the accomplishment of its mission, CHEMI Spa wants to contribute also to the economical, technological and cultural advancement of the countries in which it operates.

### **III. Purpose and scope of the Code of Ethics**

CHEMI S.P.A., in order to define all the values on whose basis it intends to address its activity to achieve the entrepreneurial objectives and in compliance with the regulations included in Decree of Law 231/2001 in terms of administrative responsibility of companies and bodies, establishes, with this CODE, the general principles of behavior, so as to address the professional commitment of each collaborator and employee of the COMPANY.

By adopting this CODE, the COMPANY intends to confirm and consolidate the values and ethical responsibilities which should lead CORPORATE REPRESENTATIVES, EMPLOYEES, COLLABORATORS, and in general all those who operate in the name or on behalf of CHEMI S.P.A. (ADDRESSEES), in Italy and especially abroad, to the correct behavior and proper conduct, in their corporate life, towards all the in-house, external and institutional interlocutors and towards the group head.

Through the specific reference to the MODEL OF ORGANIZATION and CODE OF ETHICS contained in the contract clauses, the COMPANY intends to approach its relationships with third parties basing on the principles and provisions of both the MODEL and CODE. In so doing, suppliers and contract partners of CHEMI S.P.A. are bound to comply with such provisions.

The CODE is part of the Model of Organization, Management and Control established in Article 6 of the Decree of Law 231/2001 concerning “*Disciplina della responsabilità amministrativa delle persone giuridiche*” (Discipline of the administrative responsibility of juridical persons), approved by the Board of Directors of CHEMI SPA, on February 8, 2013, of which it is an attachment.

The CODE - though at present the Company has not a service of medical-scientific information as it has no relationships with the medical class - is based on the *Code of Ethics* of FARMINDUSTRIA – ASSOCIAZIONE NAZIONALE DELL’INDUSTRIA FARMACEUTICA – with which the controlling company ITALFARMACO S.P.A. complies, as well as on the FARMINDUSTRIA *Guidelines* for the certification of the procedures related to the scientific information activity .

The CODE applies to all the ADDRESSEES.

Indeed, the COMPANY ascribes the maximum importance to the compliance with the CODE by all the ADDRESSEES, also as a condition to safeguard and promote its reputation.

Therefore, all the ADDRESSEES are requested to comply with the indications formalized in the CODE, each of them according to the range of their responsibilities and functions: any conduct violating the CODE by the above mentioned individuals in the performance of the different activities constitutes a disciplinary offence or at any rate source of contract responsibility.

The CODE should be applied with reference to all the activities of CHEMI S.P.A. and should also represent a constant reference for all the procedures, policies, Guidelines and contract relationships of the COMPANY.

The indications of the CODE prevail, wherever contrasting, over the instructions provided by the in-house hierarchic organization and the in-house procedures.

In no instance the belief of the ADDRESSEES of pursuing the COMPANY's interest could legitimate the failure to comply with the provisions of the CODE or any behavior not in line with its regulations.

It is duty of all the ADDRESSEES to be familiar with the contents of the CODE, to understand its meaning and ask for clarifications.

The EMPLOYEES are bound to comply with the CODE according to Article 2104 of the Italian Civil Code.

The ADDRESSEES are bound to comply with the CODE both in their in-house relationships and in their relationships with third parties (so-called external relationships). Therefore, the ADDRESSEES should inform these latter concerning the obligations established by the CODE and impose their compliance. Accordingly, CHEMI S.P.A. makes the provisions of this CODE legally binding with appropriate deeds and juridical negotiations (for example contract clauses).

In particular:

- a) the CORPORATE REPRESENTATIVES, within the range of their functions, conform their conduct to the provisions of the CODE, both inside the COMPANY and towards third parties coming in contact with the COMPANY itself;
- b) the persons in charge of the functions and offices of the COMPANY demand the compliance with the CODE from both EMPLOYEES AND COLLABORATORS and control their behavior in order to prevent the occurrence of violations. More precisely, each of them is bound:
  - to inform its EMPLOYEES and COLLABORATORS as clearly, precisely and thoroughly as possible concerning their obligations, including the compliance with the CODE;
  - to inform them as clearly as possible that any violation of the CODE is reprobated and could be a failure to comply with the contract or a disciplinary offence;
  - to report immediately to the VIGILANCE BODY any violations of the CODE, directly ascertained or made aware of by other persons;
  - to implement or promote, within the range of the functions assigned to them, the adoption of actions to be taken in order to avoid any violations of the CODE and their reiteration;

- to prevent any retaliations against any ADDRESSEES who reported to the BODY OF VIGILANCE or a person in charge any alleged violations coming to his/her knowledge;
- to carry out an accurate selection of their EMPLOYEES and COLLABORATOR on the basis of their personal attitudes and their willingness to comply with this CODE.

## **IV. Structure of the Code of Ethics**

This CODE consists of five sections:

- in the first section, the general reference principles in the management of the COMPANY are arranged;
- the second section deals with the principles of conduct towards the ADDRESSEES of the CODE and the categories of in-house, external and institutional interlocutors considered relevant for the COMPANY, including: Staff, Customers, Suppliers, Consultants, Agents, Public Administration, Judicial Authority and Public Authorities of Vigilance, Health Operators, Competitors and Category Associations, Organizations, Political Parties, Trade Unions and Environment Defense Associations;
- the third section contains the modes of implementation of the CODE, including the activities of divulgation and communication of the CODE and the instruments available to report any behaviors not in line with the provisions of the CODE;
- the fourth section deals with the information of the ADDRESSEES concerning the sanctions in case of non-compliance with the contents of the CODE;
- the last section deals with the relationships with the controlling company ITALFARMACO S.P.A.

## **1. General principles of conduct in corporate management**

### **1.1. Compliance with ethical laws, principles and values**

The COMPANY has as its unavoidable principle the compliance with laws, regulations, self-discipline rules, as well as with ethical values and principles applicable in all the Countries in which it operates, and therefore it shall neither start nor continue any relationships with those not intending to adopt and comply with such principles.

### **1.2. Transparency and correctness of information and book-keeping entries**

The activities and processes inside the COMPANY are always transparent and retraceable.

In order to achieve this goal, the COMPANY commits itself to assure that any activities, operations, and corporate transactions are correctly registered, authorized, verifiable, legitimate, consistent and suitable in order to assure its accurate and complete registration, with the maximum accounting transparency and truthfulness towards both associates and vigilance and control authorities.

All the operations should be documented and the documents should be kept in their original version (or in an authenticated true copy), in order to enable to trace back all the individual actions performed during the various steps, the authors and, wherever available, the reasons why they were taken. The documentation should also enable to find the individuals who participated in the preparation of the operation, in its decision or implementation and in its control, as well as in the modes and criteria adopted in the assessments.

All the individuals participating in the development of data contained in the balance sheets, corporate reports and all the social communications established by the law, should comply with such principles and accurately check the correctness of information, so as to enable to achieve a reliable and faithful picture of the situation of the company.

Accounting audits and the documents in which they are contained should be based on precise, exhaustive and verifiable information, also with regard to the nature of the operations to which they make reference.

The book-keeping entries should be kept by qualified individuals, in compliance with laws and technical principles, in accordance with the accounting procedures manual.

Appropriate and suitable modes of storage of the accounting documentation should be used, in order to assure the authenticity and truthfulness of each document.

The management and accounting activities are performed by means of computer-based instruments and procedures aimed at assuring their efficiency, completeness and matching with the accounting principles, as well as promoting the necessary controls and verifications of legitimacy, consistency and suitability of the process of decision, authorization and performance of the actions and operations of the COMPANY.

The auditing company should have free access to all data, documents and other information needed to perform its activity.

All the ADDRESSEES are bound to report immediately both the presence of errors or omissions in the accounting detection process and behaviors not in line with the indications of this article.

All the ADDRESSEES should assure the maximum truthfulness, transparency and completeness of the information, both verbal and documental (in paper and electronic formats), produced in the performance of the activities, according to the part within their competence and responsibility. All the individuals who take part in the development of data contained in balance sheets, corporate reports and all the corporate communications established by the law should comply with such principles and check the correctness of the information carefully.

### **1.3. Conflict of interests and principle of transparency**

The ADDRESSEES should always act in order to avoid any situations where the individuals involved in the transactions are, or may seem, to be in conflict of interests. Such situations include, in a general way, all the cases in which the pursuit of one's own interest is in contrast with the interests and the mission of the COMPANY. In addition, situations through which an ADDRESSEE could gain advantages and/or undue profits from known opportunities in the performance of their activities should also be avoided.

However, in case the COMPANY should be operating in a conflict of interests situation, it acts not only in compliance with the provisions regulating the relevant situation, but also with the principle of transparency, intended as a precautionary statement of the conflict and subsequent communication of the essential terms of the operation, as well as the reasons for the decision made. Being the specific hetero-regulatory and self-regulatory provisions accepted, the situations of conflict of interests should always be manifested and properly managed, in order to avoid any prejudice for customers, counterparts or the COMPANY.

Whenever the conflict of interests situation could jeopardize the interest of either the customers or the COMPANY, the abstention of the ADDRESSEE holder of the extra-social interest from the activity is in any case compulsory.

#### **1.4. Impartiality and principle of non-discrimination**

In the relationships with its in-house, external and institutional interlocutors in general, the COMPANY avoids any discriminations on the basis of age, gender, sexuality, health status, race, nationality, political opinions and religious beliefs of its interlocutors.

#### **1.5. Respect for the person**

The ADDRESSEES are bound to respect the dignity of people and their private lives, in both in-house and external relationships. No harassment or offences of any kind whatsoever are allowed.

All the ADDRESSEES should personally contribute to the building and maintenance of a context of mutual respect, showing attention towards their fellow-workers and their sensitivity, in an atmosphere of collaboration and help.

#### **1.6. Protection of the environment**

The environment is a primary asset which the COMPANY commits itself to safeguard. Therefore, the COMPANY develops its business in the utmost compliance with the current environmental regulations, also taking into account the development of scientific research and best experiences in that field, so as to search for the compatibility between economic initiative and environmental needs.

The COMPANY promotes behaviors and activities aimed at reducing its impact on the environment and is actively committed in the constant adjustment of its manufacturing sites to the best reference practice.

#### **1.7. Respect for Privacy**

The COMPANY commits itself to handle, according to the specific confidentiality laws in force, all personal data and confidential information gathered and managed within its activity. Accordingly, the ADDRESSEES are bound to act in accordance with the corporate data safety policy established by the COMPANY for the handling of data, in line with the regulations concerning the privacy .

### **1.8. Information to be disclosed outside and confidentiality**

The information and communications to be disclosed outside the company should be truthful, accurate, complete, clear, transparent and understandable, in order to enable the ADDRESSEES to take mindful decisions.

The COMPANY protects, in compliance with the legal regulations, the confidential character of the information in its possession, respecting the confidentiality of the persons and the confidentiality obligations established by the CODE itself.

The information may be disclosed only by the specifically delegated corporate functions.

The ADDRESSEES are not allowed to use confidential information for purposes not strictly related to the performance of their professional activity.

### **1.9. (follows): Know-How of the COMPANY. Handling of information and obligation of confidentiality**

The scientific, manufacturing and business know-how of the COMPANY makes its resource and fundamental asset. Confidentiality is an unavoidable requirement for the protection of the industrial and intellectual properties of the COMPANY. The violation of the confidentiality duty could cause irreparable damages to the COMPANY.

Therefore, each employee or collaborator is bound to keep the maximum confidentiality and not to disclose to unauthorized persons, and in any case outside, the information which constitute the know-how of the COMPANY, including, but not limited to, all that concerning: research projects; patent applications; techniques and technologies; lawsuits and legal actions; manufacturing; strategies; negotiations; brands; contracts; launches, promotions and business actions, if not in the cases and obligations strictly and specifically established by the law.

### **1.10. (follows): Confidential information**

Confidential information refers to all data and knowledge not accessible to the public, regardless of the mode of processing or registration, concerning: organization of the COMPANY, corporate assets, business and financial operations planned or started by the COMPANY, judicial and management procedures, relationships with the customers and other institutional counterparts.

Confidential information of which the COMPANY becomes aware during the course of its different activities, cannot be used, disclosed to third parties or widespread, unless it is done within the limits of the needs required by a proper working activity and, in any case, only for institutional purposes.

In view of the confidentiality of the information of which the COMPANY becomes aware and the consequences of their disclosure, the communication of news not yet made public, concerning the activity of the COMPANY and the drawing and circulation of prospects, reports and communications on the market are a task exclusively reserved to the specifically authorized functions.

Persons who, either according to the in-house regulations or accidentally, become aware of confidential information, are bound to comply with the confidentiality rules established by the COMPANY and by in-house Regulations.

The ADDRESSEES should always comply with the provisions mentioned by laws, regulations, self-discipline rules aimed at the acquisition, communication and management of privileged information.

The ADDRESSEES should comply with all the further prescriptions established by the competent corporate bodies concerning the circulation and diffusion of information.

### **1.11. Compliance with real market conditions, free trade, fair competition and industrial property. Compliance with copyright laws.**

The COMPANY commits itself to comply with the legitimate performance of other persons' industry or trade, as well as to operate in accordance with the principles of a fair competition, without changing its general objective maximization of profits in compliance with the law.

Therefore, the COMPANY commits itself to carry out any types of controls in order to prevent the sale or circulation of industrial products with trade names, brands or counterfeited or altered marks or the sale and circulation of industrial products with mendacious signs, such as the manufacturing or marketing of goods produced by violating patents or usurping titles of industrial property.

As regards the non-patented confidential know-how received from third parties according to secrecy agreements or other type of agreements, the COMPANY assures that the communication is performed within its premises only on the basis of the "need to know" principle, by qualified persons who are actually involved in the assessment and/or use of such know-how.

The COMPANY commits itself to comply with the current laws on the copyright. The COMPANY assures that the diffusion of publications, either scientific or of any other nature, as well as of reprints or copies of them, is authorized by the specific corporate function only after the Legal Function has checked that the current laws on the copyright have been followed.

### **1.12 Homages and gifts**

It is forbidden to all the ADDRESSES to promise and offer to third parties and to accept the promise of receiving from third parties, directly or indirectly, even in simulated forms, gifts, benefits or other utilities, save that they are conform with the laws and their relevant association code. Their nature and value should not be or appear finalized to obtain a treatment of favor and, however, should be such as not to jeopardize the image of the COMPANY.

The above mentioned prohibition accepts exceptions for goods or services of moderate value whose offer is within the customs, on condition that they are not solicited by the ADDRESSEE and are not such as to give the impression that their offer involves undue advantages for he/she who receives or for other persons.

The ADDRESSES who, receives against his/her will, goods, services or other utilities in a way differing from the above mentioned one, should promptly inform the BODY OF VIGILANCE.

### **1.13 Liberal supplies and donations**

Activities of donations of money and/or equipment should be managed in compliance with the corporate procedures ad current regulations.

Initiatives of donations concerning instrumentations closely connected with the medical profession and liberalities may be performed only in favor of University Institutions, Hospitals, Non-profit organizations, Associations and Foundations in compliance with the administrative procedures of the COMPANY.

### **1.14. Research**

Along with the development of new drugs, the research structure of CHEMI SPA is also aimed at developing new knowledge and modes of use of already marketed drugs. The objective of the research activity of CHEMI SPA is, within the setting of a logic of enterprise and fair competition, to find increasingly effective and safe drugs, not only in order to improve the patient's health, but also to assure a better quality and longer life expectancy.

### **1.15 Clinical trials**

In every step, both before and after the issue of the marketing authorization of medicinal products, only clinical trials authorized in accordance with the relevant applicable regulations are allowed.

Clinical trials of all types, including post-marketing studies, should be conducted for scientific purposes.

The performance of non-interventional (observational) clinical trials is subject to the compliance with the provisions in force and should always be managed by a specific convention between the COMPANY and the bodies involved.

### **1.16. Corporate Governance**

The COMPANY adopts a corporate governance system complying with the prescriptions of the law and the relevant applicable regulations.

### **1.17. In-house control**

The COMPANY should arrange a system of in-house controls, entrusted to appropriate functions, provided with a suitable structure, complying with the prescriptions of the law, the vigilance regulations and the self-regulatory provisions.

The tasks of these structures are those established by the Law, the CODE, and by other hetero-regulatory and self-regulatory provisions.

Each ADDRESSEE, within the range of his/her functions and responsibilities, should actively contribute to the correct functioning of the in-house control system.

### **1.18. Relationships with the Board of Auditors, auditing companies and other bodies**

In the relationships with the Board of Auditors and auditing companies, each structure or function of the COMPANY, as well as each ADDRESSEE also follows the indications provided by the CODE, in accordance with the relevant institutional roles.

The COMPANY gives, at any level, its maximum collaboration to both the Board of Auditors and the certifying individuals, providing truthful and correct information concerning activities, assets and corporate operations, as well as in terms of any other reasonable request received from them.

The requests for compliance and documentation should always be promptly dealt with, taking full responsibility for truthfulness, completeness and accuracy of the information provided. All data and documents requested are punctually and thoroughly made available. Such information should be accurate, complete, faithful and truthful, avoiding, and if necessary reporting, in the proper form and modes, any situations of conflict of interests.

The COMPANY refrains from entrusting different tasks to the company in charge of the compulsory accounting auditing.

### **1.19. Corporate assets**

The use of corporate assets should be made in accordance with laws, CODE, in-house regulations and depending on the need of functionality and efficiency.

Each employee and collaborator is bound to use corporate assets by operating diligently, behaving responsibly and with willingness to protect them. Corporate assets should be used properly and in accordance with the corporate interest, thus preventing any third parties from using them improperly. Any exceptions are allowed only if specifically authorized.

Audiovisual, electronic, reprographic or photographic recordings or copies of corporate documents are allowed only if needed and in cases strictly related to the performance of a task or function assigned, within the limits allowed by law, by the CODE and other in-house regulations.

### **1.20. Computerized systems, safety of accesses and information**

The use of computerized systems and data banks of the COMPANY is made in compliance with the regulations in force and according to the principles of correctness and honesty.

The COMPANY adopts appropriate protection systems in order to assure the safety of the accesses to data and programs filed in the computers of the COMPANY.

Each ADDRESSEE is responsible for the proper use of the computer resources assigned and is also in charge of the relevant access codes. Illegal accesses to computerized systems protected by safety measures are forbidden and gaining or diffusing access codes of any systems and damaging information, data and computer programs is also prohibited.

## **2. Principles of Conduct in the relationships with in-house, external and institutional interlocutors**

### **2.1. Staff**

The Staff (including all the EMPLOYEES and COLLABORATORS, as well as CORPORATE REPRESENTATIVES who are EMPLOYEES or COLLABORATORS), represents the strategic assets of the COMPANY, which views such resources as essential to create a competitive advantage, as well as to achieve its entrepreneurial objectives and development.

Therefore, CHEMI S.P.A. is committed to select and maintain a particularly qualified Staff. The value of the staff is increased by a special attention to motivational aspects and specific training needs, taking into account individual potentials and promoting the conditions for a gratifying and non-conflicting workplace.

The primary objective of the COMPANY is to maintain a workplace in agreement with the provisions of the CODE so as to assure the respect for the individual, in compliance with the national laws and the international principles of protection of the human rights. All the ADDRESSEES are bound to cooperate to achieve such an objective.

The COMPANY acknowledges the importance of corporate in-house communication, as a tool for sharing institutional information and a motivational vehicle towards the Staff.

The principles described here below assure the respect for the individual, in accordance with the national laws and the international principles for the protection of human rights. Therefore, all the EMPLOYEES and COLLABORATORS of the COMPANY should strictly comply with the following principles; any violations will be firmly punished.

#### **2.1.1. Selection and management of the Staff**

The selection, compensation, training and progression of the careers of the Staff should be based on predetermined and objective criteria, inspired by correctness, impartiality and merit.

The persons are recruited on the basis of their experience, attitude and expertise. The selection of the Staff is based exclusively on the matching between expected and requested profiles. Merit is the essential requirement for professional growth and career advancements, which are based on correctness and equal opportunities, without discriminations of sex, race, age, sexual orientation, religious beliefs and any other factors not relevant in terms of professional attitude.

The persons are hired with a regular working contract, in compliance with all the legal and collective contract regulations, promoting the settling of the employee in the working environment. In particular, the competent Functions of the Company have to check that the subject with whom it is intended to start a working relationship is in possession of all the requirements prescribed by the law for the stay and performance of the working activity requested in the Italian territory.

The COMPANY promotes the professional and personal growth of the EMPLOYEES and therefore it involves them in sharing the objectives and taking responsibilities according to their roles. All the EMPLOYEES have the right to perform tasks in keeping with those for which they were hired or those assigned for their merits and professional growth.

The decisions concerning the selection of the STAFF and all the decisions regarding the working relationship should be explained and documented by the competent Function.

It being understood that imperative rules, as well as trade regulations and agreements should be complied with, the remuneration system, at any level, both in money and in benefits, should be based on pre-established, recognizable criteria, in the implementation of the principle according to which a remuneration should be given only on the basis of objective assessments concerning school training, specific professionalism, experience acquired, demonstrated merit and achievement of the objectives assigned.

The criteria established by the company in order to access variable compensations should be the topic of regular evaluations and validations performed by different corporate structures in order to assure the necessary decisional in-house counterweights, pre-established in a clear and objective way and communicated to the involved persons (Senior Managers, Junior Managers, Middle Managers, Medical Visitors, Area Managers, etc.).

### **2.1.2. Rewarding system and incentives**

The rewarding system is oriented towards the acknowledgement of abilities and merits according to specific, fair and measurable criteria. The main factors defining meritocracy are the following: achievement of purposes that can be reached and are objectively determined, respect for corporate values and rules, professionalism, responsabilization, team work abilities. The achievement of business objectives fully complying with applicable in-house regulations, laws and provisions actually represents an essential factor for a positive assessment of the performances of the STAFF, which should be made from a quantitative point of view, that is the results obtained, and from a qualitative point of view, that is according to behavioral aspects. Another important factor is a

behavior consistent with the COMPANY's mission and aimed at highlighting the strong points characterizing the presence of the COMPANY on the market.

As regards Medical Visitors, in the assessment of their performance, the quality of the scientific information, subject to training and check by the Scientific Service (Scientific Management) of the COMPANY, should be taken into account.

The mere proposal of remuneration increases, other advantages or career advancements, as a compensation for activities non-complying with laws, the CODE and in-house provisions and regulations is forbidden, even though only in terms of competence.

### **2.1.3. Harassment**

The COMPANY views as unacceptable any form of violence, harassment or untoward behavior violating the dignity of the person towards whom such attitudes are taken. Therefore, any form of harassment either sexual or concerning personal, cultural and religious differences, is not allowed.

### **2.1.4. Workplace**

All the employees and collaborators should give their personal contribution to the building and maintenance of an atmosphere of mutual respect, showing attention towards their fellow-workers and to their sensitivity, in a setting of collaboration and help.

### **2.1.5. Health and safety**

The protection of health and safety of the persons is one of the primary objectives of the COMPANY. The activities of the COMPANY are carried out in full compliance with the regulations in force in terms of protection of health and safety on the workplace and in accordance with the specific applicable accident preventive regulations. The COMPANY commits itself to assure safe and healthy working conditions, aimed at protecting the physical and moral integrity of the persons operating at their manufacturing sites and offices.

The COMPANY commits itself to diffuse and consolidate the culture of safety by developing the awareness of risks and the knowledge of and the compliance with the regulations in force concerning prevention and protection, promoting responsible behaviors of all its workers.

Each EMPLOYEE and COLLABORATOR should not expose the other employees to risks and hazards which could result in health and physical impairment, summoning that each worker is responsible

and should act in such a way as to assure an effective management of the safety on the workplace. All of them are involved and therefore requested to give their active contribution to a constant improvement of the safety conditions on the workplace.

## **2.2. Customers**

### **2.2.1. Relationships with the customers**

Customers are the main asset of the COMPANY.

The relationships with Customers or potential Customers (that is Local Health Units, Hospitals, Pharmacies, Wholesalers, Purchasers and Dealers), should always be based on the maximum transparency and correctness and always managed in compliance with the applicable laws and corporate procedures.

The COMPANY provides clear and truthful information on every product in order to enable the customer to make a mindful and rational choice; the style of communication adopted is based on courtesy, efficiency and collaboration towards each person dealing with the COMPANY.

In their relationships with the Customers, the ADDRESSEES are bound:

- to operate in absolute compliance with the applicable regulations;
- to base their activity on correctness and transparency, abstaining from any disparaging evaluation of activities and products of the competition;
- to enable the customer to make mindful choices through an appropriate and accurate information;
- to respect the negotiating autonomy of the customers, abstaining from inducing them to make a choices that may be not sensible and self-standing;
- to strictly comply with the in-house procedures for the management of the relationships with the customer;
- to promptly report to the BODY OF VIGILANCE any behaviors of a customer not in accordance with the principles of the CODE.

### **2.2.2. Quality of products and services**

The COMPANY commits itself to assure the achievement and maintenance of high-quality standards of the products and services offered, with the purpose of assuring the total satisfaction and protection of its Customers.

The Company commits itself to assure adequate control mechanisms, so that the product delivered to the customer is not different in terms of nature, origin, source, quality or quantity from that declared or agreed upon.

### **2.3. SUPPLIERS, BUSINESS PARTNERS, CONSULTANTS and AGENTS**

The assessment and selection of the SUPPLIERS, the purchase of goods and services are performed only and exclusively by specifically authorized central Corporate Functions. The centralization of the purchase process enables to obtain a full traceability of the process itself and also allows to find the corporate individuals who determined and authorized the purchase operations.

The SUPPLIERS are selected exclusively by following the criteria of competition, quality, inexpensiveness, price and regular turnover. Obviously, the COMPANY selects the contractors without discriminations.

Individuals working for the COMPANY or acting on its behalf are not allowed to have relationships with any SUPPLIER in case they should have any interest, even not proprietary or indirect, in the activity of such a supplier.

The relationships with the SUPPLIER are based on correctness and good faith and should also be documented and led in such a way as to allow to be rebuilt.

The COMPANY binds its SUPPLIERS by contract to comply with the laws as well as to be aware of and comply with the principles of the CODE.

The COMPANY reserves the faculty of adopting any appropriate measures (including contract resolution) in case the SUPPLIERS, in the performance of their activity in the name or on behalf of CHEMI S.P.A., should violate the laws or the CODE.

Whoever has relationships with the SUPPLIER should always report to the person in charge of the function any significant professional misconducts or non-compliances with the CODE.

The conditions under which the supply is actually performed should be those agreed upon by contract.

On starting any business relationships with new partners and in the management of the existing ones, it is necessary, in view of the available information, to avoid any relationships with individuals involved in illegal activities, especially if related to recycling, organized crime and terrorism, and, in any case, with persons lacking the necessary prerequisites of seriousness and business reliability.

The COMPANY establishes relationships only with reliable and reputable business partners and contract counterparts, with a knowledge of corporate ethics comparable to that of the COMPANY. Such Relationships are based on the following principles, arranged into specific procedures:

- the COMPANY and ADDRESSEES abstain themselves from stipulating agreements not in compliance with the law, simulated and secret;
- the relationships with business partners and contract counterparts in general are maintained in accordance with the CODE;
- the relationships in question are maintained by professionally qualified and competent subjects, selected by means of in-house regulations of the COMPANY;
- the ADDRESSEES report to the BODY any behavior of business partners and contract counterparts appearing to be in contrast with the CODE.

The COMPANY commits itself to assign tasks and mandates to business partners and COLLABORATORS using criteria in keeping with the principles of competence, inexpensiveness, transparency and correctness, in compliance with the applicable in-house procedures.

More specifically, the compensations and/or payments made in case of professional assignments should be adequately documented and proportional to the activity performed, also in view of the market conditions.

#### **2.4. Public Administration**

In the relationships with the Public Administration (P.A.) and, in general, with Italian, supranational or foreign public bodies, the COMPANY scrupulously complies with the provisions of the CODE.

The above mentioned relationships are maintained only by the competent CORPORATE REPRESENTATIVES or EMPLOYEES according to the in-house regulations of the COMPANY, that is specifically authorized, with the assignment of adequate powers. However, a person responsible for the procedure will be selected to coordinate the assignees and to assure the compliance with the CODE.

All the activities and negotiations performed by the EMPLOYEES and COLLABORATORS of the COMPANY are based on honesty and transparency; behavioral patterns should reflect commitment and professionalism in every situation, in order to assure and protect the image and reputation of the COMPANY.

The EMPLOYEES and COLLABORATORS who, during the performance of their functions, interact and deal with the Italian or foreign P.A., are bound to take a clear, correct and transparent attitude, and should never impair the autonomy of the representatives of the latter or their impartiality of judgment.

More specifically:

- whoever has interests, even if neither proprietary nor indirect, in any way related or referable to the bodies of the P.A. or with persons belonging to the P.A., cannot maintain the above mentioned relationships in the name and on behalf of the COMPANY;
- it is not allowed to promise or give, at any title, even indirectly or under simulated forms, money or other utilities to persons belonging to the bodies of the P.A. or to persons linked to them by family, personal or business relationships;
- whoever becomes aware of requests for money or other utilities from persons belonging to the above mentioned bodies should immediately inform the person in charge of the procedure, the person in charge of the function as well as the BODY;
- in the specific case of a tender with the P.A., operations will be performed in compliance with the law and fair business practice guidelines;
- it is not allowed, in the production of company's documents, to give false descriptions of the facts, which could potentially induce to make mistakes or alter the ability of the P.A. to analyze and make decisions;
- it is also forbidden to use contributions, endowments and funding, from the State or other public bodies or the European Community for other purposes than those for which they were granted;
- any conduct aimed at obtaining contributions, funding, favorable credits or other grants, from the State or other public bodies or the European Community by means of false declarations or altered or forged documents, that is by omitting information, using artifices or deceit, including computer or data transmission systems, aimed at inducing the allocating body to make mistakes, is prohibited.

## **2.5. (follows): Judicial Authorities and Public Vigilance Authorities**

In compliance with the indications provided in the above Section, the relationships between COMPANY and National, Supranational and foreign Vigilance Authorities are based on the principles of legality, transparency and fair collaboration.

The COMPANY – aided by specifically delegated Functions – operates in accordance with the law as regards communications and information flows towards the competent Authorities, with particular reference to the Authorities of Vigilance and Control, thus assuring the completeness, truthfulness and integrity of the news, the objectiveness of the evaluations and also assuring a timely forwarding.

In case of controls or audits by the competent Public Authorities, the ADDRESSEES are bound to show an attitude of willingness and collaboration with the audit and control Authorities and should also provide the information requested in a clear and truthful way.

Any ADDRESSEE should neither try to convince the others not to provide information nor to give false and deceitful information to the competent authorities nor to start any business activities, assign professional tasks, give or promise gifts, money or other advantages to the staff performing the checks and audits, that is the competent judicial authorities.

Whoever has interests, even if neither proprietary nor indirect, in any way referable to the P.A., that is the bodies mentioned in the first subsection or with persons belonging to it, is not allowed to maintain the above mentioned relationships in the name and on behalf of the COMPANY.

## **2.6. Health Operators**

The relationships with all the health operators (that is health professionals, pharmacists, health managers, nursing, technical and administrative staff of public and private health facilities) should always be managed in full compliance with the applicable laws and the behavioral regulations established by the *Code of Ethics of FARMINDUSTRIA*.

### **2.6.1. Direct scientific information**

The contents of the information should always be documented or documentable. No exaggerated information, universal and hyperbolic declarations and comparisons which cannot be demonstrated and lacking a clear objective basis are allowed.

The Medical Visitors should present to the health operator in their specific function.

The information material prepared by the company concerning its products and that the company itself uses to inform the physicians, should refer to the official documentations provided by AIFA – Italian Medicines Agency - at the time of the marketing approval or subsequently approved by the same Agency according to the specific applicable regulations.

The training of the Medical Visitors of the COMPANY is performed with substantial and strict criteria and in an exhaustive and detailed way exclusively by the Scientific Management of the COMPANY, which is the appointed function.

### **2.6.2. Promotional material**

With specific reference to the activity of information and presentation of medicinal products to physicians and pharmacists, it is forbidden to grant, offer or promise rewards, money or in nature.

The promotional material concerning medicinal products and their use should be of negligible value, not fungible and, in any case, referable to the activity performed by the physician or pharmacist. In addition, on such material the sponsoring company or sponsored product should be clearly mentioned. All the promotional material to be given to physicians and pharmacists is always bought by the company at a central level.

It is also forbidden to offer financial incentives aimed at compensating health operators for the time not devoted to their normal professional activity due to the participation in congressional activities.

The information material for scientific or working consultation, not specifically concerning the medicinal product, can be given free of charge only to public health facilities except for the material with negligible perceived value, that is below 25 euro. Such material should be bought by the COMPANY at a central level.

### **2.6.3. Congresses, meetings and scientific conferences**

The participation of the COMPANY in congresses, meetings and conferences as defined in Article 124 of the Decree of Law 219/06 and subsequent changes, takes place in compliance with the regulations in force, the *Code of Ethics* of FARMINDUSTRIA and the applicable in-house procedures and should be in any case based on ethical, inexpensive and scientific criteria. In no instance the organization of scientific initiatives involving touristic purposes will be allowed.

### **2.6.4. Visits to corporate laboratories**

Visits of health professionals to corporate laboratories are allowed only if they include an appropriate training-information period, any visit takes no longer than the time necessary to its performance, the hospitality offered is limited to the period between the twelve hours prior to the

beginning and the twelve hours following the conclusion of the visit and the characteristics of any visit do not prevail over the technical purposes of the visit itself.

### **2.6.5. Advertising on newspapers and magazines**

As regards the question of advertising on newspapers and magazines, it is necessary to guarantee the clear distinction between information and advertisement, always enabling the reader to recognize the promotional message immediately and in any form, both editorial or in tables.

The corporate and product advertising promotion of the COMPANY complies with the basic ethical values, always maintains the truthfulness of its contents and rejects the use of vulgar or offensive messages.

The COMPANY edits publications of general interest and the maintenance of institutional web sites that are complete, effective and in line with the market expectancy.

### **2.6.6. Scholarships and scientific counseling**

Within the range of the activities of scientific collaboration, the regulations in force, the provisions of the *Code of Ethics* of FARMINDUSTRIA and the corporate procedures in force should be always met. The collaboration could also be started by scholarships and scientific counseling, provided that the suitability, appropriateness and documentability of the initiative are assured.

However, the decisional aspect of such initiatives should be always reserved to the top management of the company.

## **2.7. Relationships with competitors and Category Associations**

### **2.7.1. Fair Competition**

In the performance of its activity, the COMPANY commits itself, within the setting of a logic of enterprise and fair competition, not to defame the image of competitors and their products and to abstain from any behavior violating the principle of fair competition.

### **2.7.2. Category associations**

Wherever the COMPANY decides to join any category associations, it commits itself to participate in the associative activities in full compliance with the rules shared and established by the association itself.

## **2.8. Relationships with trade-unions, political, social and cultural organizations**

The COMPANY builds its relationship with Trade-unions Organizations with sense of responsibility and in constructive terms, promoting an atmosphere of mutual trust and dialogue, in the constant search for profitable industrial relationships.

In its relationships with political parties, political and trade-unions organizations and associations representative of collective or category interests, the COMPANY complies scrupulously with the CODE and takes into account the respective roles as far as the social behavior is concerned.

The relationships in question are managed exclusively by CORPORATE REPRESENTATIVES or competent EMPLOYEES according to the in-house regulations of the COMPANY or specifically authorized, with the assignment of appropriate powers. Wherever requested by the circumstances, in agreement with the in-house regulations of the COMPANY, a person in charge of the procedure is appointed. He/she is responsible, among the other tasks, of the coordination of the appointed individuals as well as for the CODE compliance control.

Individuals with interests, even though neither proprietary nor indirect, at any title related or referable to the individuals mentioned in the second Subsection of this paragraph or to persons belonging to it, are not allowed to have any of the above mentioned relationships in the name or on behalf of the COMPANY.

It is always absolutely forbidden to promise or give, at any title whatsoever, even indirectly or under simulated forms, money or other utilities to persons included in the categories of individuals mentioned in the second section or to persons related to them by virtue of family, personal or business relationships.

Whoever becomes aware of requests for money or any other utilities from persons included in the categories mentioned in the second section, is bound to inform immediately the person in charge of the procedure and the person in charge of the function, as well as the BODY.

Obviously, the COMPANY does not support any demonstrations or initiatives with clear political purposes, nor does it support political parties or representatives, trade unions and/or their representatives neither financially nor in any other ways.

The COMPANY promotes or participates in initiatives concerning the above mentioned purposes only to reach institutional, cultural or social solidarity objectives, also by offering contributions in money

or other services. In that case, a person in charge of the procedure is always appointed and the participation in the initiative should always be properly justified, even in terms of suitability of the financial commitment and quality of the initiative and its participants. In particular, the COMPANY can support, with the means made available by the current activity, institutions and initiatives having a religious, cultural, artistic, scientific, health, care, environmental, sports character and more generally of social benefit.

The relationships with trade-union organizations are based, in a setting of logic of enterprise, on the principles of correctness and respect for the counterpart and are limited to the delegated Corporate Functions.

Whenever the COMPANY decides to join any Category Associations, it commits itself to participate in association activities in full compliance with the rules shared and established by the Association itself.

### 3. Implementation and Control

#### 3.1. Disclosure, training and implementation

The COMPANY informs all the ADDRESSEES on the provisions and applications of the CODE, recommending its compliance.

All the EMPLOYEES of the COMPANY will be made aware of the provisions included in this CODE, by hand-delivering the CODE itself, of which they will release a written receipt.

The competent functions can request similar formal acceptance of the provisions of the CODE from the COLLABORATORS.

The CODE, is also available on the corporate website (www....); one copy of it can be requested at XXX Office.

In particular, among the activities of training and professional updating and in the performance of the disciplinary authority, the COMPANY, also by appointing specific in-house functions, will manage:

- the promotion, by continuous and effective actions, of CODE knowledge and compliance by the ADDRESSEES, at any organizational level;
- the arrangement and implementation of periodical communication plans aimed at promoting the knowledge of principles and ethical regulations contained in the CODE, by means of suitable instruments depending on the situation. The training and communication plans will be updated and widened in time in order to assure the constant diffusion of the CODE and the relevant principles;
- the interpretation and clarification of the provisions;
- the control, by suitable facilities and presides, of the compliance with the CODE ;
- the arrangement of an appropriate system of sanctions and its applications;
- the adoption of measures related to the removal of the consequences of non-compliance with the regulations included in the CODE;
- the updating of the provisions in order to assure the efficacy and adjustment of the CODE to the activities of the COMPANY and the reference regulations. The efficacy of the CODE in the light of the development of new regulations and *best practice* of the sector, as well as the changes in the organization and activities of the COMPANY undergo constant controls. In case of violation, a specific check of both the CODE and the in-house regulations will be

carried out and, if appropriate, they will be changed in order to prevent any further violations.

### **3.2. Roles and responsibilities**

The BODY OF VIGILANCE, appointed according to Decree of Law 231/2001 for the implementation of the MODEL, is responsible for the vigilance and control of CODE application.

In the performance of such activities, the BODY will receive the support of all the corporate functions involved and gain access to the whole documentation deemed to be useful.

### **3.3. Reporting**

Each ADDRESSEE has the obligation to report immediately any violations of the CODE or MODEL. All the ADDRESSEES of the CODE should also cooperate in the in-house investigations concerning violations and behaviors not in line with this CODE.

The reports are forwarded exclusively to the BODY, which performs further controls and takes the necessary actions. All the reports to the BODY should be sent to the following e-mail address: [odv@chemi.com](mailto:odv@chemi.com).

All the reports received by the BODY are managed confidentially: the MODEL or the regulations of the BODY bind the member of this latter to keep the confidentiality of the reports received and of the identity of the author.

The reports submitted in good faith will not result in negative actions against the reporting person even in case such reports should turn out to be unjustified, unless in case of legal obligations and the protection of the rights of either the COMPANY or of the persons accused wrongly or in bad faith.

## 4. Sanctions

The ADDRESSEES violating the CODE or the organizational MODEL of the COMPANY receive a proportional, effective and dissuasive sanction.

The violation committed is equalized to the attempted one. The sanctions should be pre-established according to the single deeds.

The compliance with the CODE makes integral part of the conditions regulating the working, mandate and business relationships with the COMPANY and any violations of this CODE, committed by managers and/or other EMPLOYEES results in disciplinary actions and contract remedies, proportional to the seriousness or the recurrence of the violation, the degree of guilt, the existence of malice, in compliance with the provision of the law and/or the applicable collective contracts, henceforth always including any immediate resolution of the relationship, except the recovery of the damages caused to the COMPANY.

The sanctions on the EMPLOYEES are performed in compliance with the legal regulations and the provisions contained in the trade union agreements and contracts and especially with reference to Article 7 and subsequent Sections of Act no. 300, of May 20, 1970, and the provisions included in the applicable C.C.N.L. (National Collective Work Contract).

For ADDRESSEES that are not EMPLOYEES, the sanction for the violations of the CODE should be established in advance in the contract or in the resolution of the social bodies on which the relationship is based. In particular, the Board of Administrators takes the necessary actions towards any of their members committing violations of the CODE, except the recovery of the damages caused to the COMPANY.

## **5. Relationships with the controlling company Italfarmaco S.p.a.**

CHEMI Spa receives the CODE of Ethics processed by the controlling Company ITALFARMACO SPA and adjusts on its base the drawing-up, interpretation and implementation of the present CODE of Ethics. ITALFARMACO SPA is timely informed of the adoption of the Code of Ethics.

If you deem to adopt different or further regulations versus those of the CODE OF THE CONTROLLING COMPANY, due to the peculiar characteristics of your activity, this should be promptly communicated, with the relevant reasons, to the BODY.

The relationships with the controlling company should be obviously based on the principles contained in the present CODE.