



A.C.R.A.F. S.p.A.

CODE OF ETHICS AND CONDUCT

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1. INTRODUCTION

This document, known as the “Code of Ethics” or simply the “Code”, adopted by the Board of Directors, sets forth the body of rights, duties and responsibilities which A.C.R.A.F. S.p.A. (hereinafter known as “Acraf”) and its employees expressly utilise in their dealings with stakeholders and other interested parties¹ with whom they come into contact whilst performing their everyday activities.

This Code lays down a series of ethical principles and values on which the activities of everyone working at Acraf must be based, bearing in mind the importance of their roles, the complexity of their functions and the responsibilities entrusted to them for the purpose of achieving Acraf's objectives.

Acraf is an organised group of people (managers, researchers, clerks, workers, representatives) which, together with shareholders, doctors, patients, the scientific community, health authorities, suppliers, business partners and the national and local communities in which it operates, sets for itself the objective of improving the quality of human life.

From the pharmaceutical roots to the diversification of the Angelini Group – to which Acraf belongs – Acraf has always pursued the same mission: looking after individuals on an everyday basis in the realm of constant and tangible well-being.

Its objective is transformed into a clear vision: to be a spontaneous choice within the realm of everyday health and well-being.

2. RECIPIENTS

The provisions of this Code apply to everyone, with no exceptions, working at Acraf and, therefore, to directors, managers, employees, collaborators, suppliers and all who, directly or indirectly, permanently or temporarily, work for the company. In particular, purely for the sake of example:

- members of the Board of Directors draw from the principles of the Code when establishing Acraf's objectives;
- directors implement the values and principles contained in the Code by accepting both their internal and external responsibilities and consolidating the trust, cohesion and spirit of Acraf.
- employees and regular collaborators, agents and representatives, in compliance with current law and regulations, act and behave in accordance with the principles, objectives and undertakings envisaged by the Code.

The Code also establishes appropriate measures for punishing non-compliant behaviour in proportion to the gravity of the same.

An ethical focus is vital for the reliability of Acraf's behaviour towards shareholders, customers and, more generally, the entire social and economic context in which the company operates.

The adoption of some specific behavioural rules which must be observed when dealing with the Public Administration, the market and third parties also confirms Acraf's commitment regarding the prevention of the offences pursuant to Legislative Decree 231/2001 and subsequent modifications and additions thereto.

For these reasons, it is important to clearly define the set of values that Acraf recognises, accepts and shares, and the set of responsibilities that it takes upon itself concerning its internal and external relations.

These requirements are catered for by the contents of this Code, observance of which by all company staff is of fundamental importance for the performance, reliability and reputation of Acraf. The

¹ *Stakeholders* means those categories of individuals, groups or institutions whose prospects are affected by the way corporate activities are performed and which may contribute to achieving Acraf's objectives in various different ways. The following are *stakeholders*: patients, doctors, customers (chemists, hospitals, health authorities and institutions), suppliers, shareholders and associated concerns, partners and competitors, the public administration, the public, the environment and future generations.

document is completed with the contents of the Code of Ethics of Farindustria which Acraf, being a member, complies with.

Acraf will divulge the Code of Ethics, by means of specific communication activities, to all those with which it has business relations.

3. BASIC ETHICAL PRINCIPLES

3.1 Introduction

Our reactions in situations involving ethical problems are affected by many circumstances, but ethics substantially implies honesty, broadmindedness, loyalty and responsibility.

Ethics, therefore, requires a clear and conscious commitment to do the right thing, to behave correctly, and often simply using one's common sense.

3.2 Purpose

The purpose of the principles of conduct in business activities can be summarised as follows:

- highlighting the need for an ethical approach in the business activities performed by Acraf, supporting its ethical principles and special values;
- implementing Acraf's behavioural principles through their constant application while carrying out business activities;
- supporting the commitment of Acraf for wholesome and correct corporate administration, safeguarding corporate assets for the benefit of all stakeholders;
- given that the moral integrity of Acraf employees lies at the basis of relationships with sales partners, customers, suppliers and the community itself, employees are required to observe the strict principles of ethical behaviour while performing their activities.

3.3 General principles

A fundamental principle for Acraf is compliance with current laws and regulations; consequently each Acraf employee must strive to observe current laws and regulations.

This commitment must also apply to suppliers, customers and anyone who has relationships with Acraf. The company will not start or continue relations with anyone who does not intend to commit to the principle of rigorous respect for the law.

Ethics does not simply involve the need to identify what is legal in a given situation, but it also requires one to do what is morally correct and responsible when doing business, without compromising on moral principles (honesty, legality, loyalty, reliability, reciprocal respect and dignity, responsibility, transparency).

Acraf employees must act with integrity and be frank, honest and loyal in all aspects of their work, and expect the same from everyone they do business with.

3.3.1. Development of human resources and personal integrity

Acraf safeguards and promotes the value of human resources for the purpose of increasing the skills of each employee and promoting the respect of individual physical, moral and cultural integrity.

Acraf guarantees working conditions that are respectful of personal dignity and safe working environments; it safeguards and promotes the value of human resources in order to improve and nurture the heritage of skills possessed by each employee and collaborator.

3.3.2 Legality

Acraf carries out its activities in respect of all laws and regulations in force in the territories in which it operates, as well as this Code and all corporate procedures, applying them honestly and fairly.

3.3.3 Confidentiality

Acraf considers the personal information and data it processes as strictly confidential and protects the information acquired in the course of its business activities.

It will not use this information in its own interest for the purpose of making an unfair profit or according to methods that are illegal or harmful to its objectives.

Additionally, its collaborators are required not to use confidential information for purposes other than the performing of their professional activities.

3.3.4. Responsibility towards patients

Acraf sets out to understand, in the light of scientific knowledge, the needs of patients and to develop innovative solutions for serious illnesses, for those where satisfactory treatment has still not been found and for those with treatments that can be significantly improved.

3.3.5. Honesty and correctness

The pursuit of Acraf's interest can never justify behaviour contrary to the principles of correctness and honesty.

Relations with Acraf's stakeholders are based on criteria of correctness, co-operation, loyalty and reciprocal respect.

The directors, managers, employees and collaborators of Acraf perform their activities in the company's interest and may only accept gifts, presents or benefits for reasons of common courtesy and if such gifts, presents or benefits are of a modest value and appropriate for the occasion in question. They may not yield to pressure to suit their behaviour to external interests.

Acraf also promotes the dignity, independence and value of its employees.

3.3.6 Responsibility towards society

Acraf is aware of the effects of its activity on the reference context, on social-economic development and on general public well-being.

For this reason it intends to consistently make its investments in respect of the environment and the requirements of the local and national communities, whilst promoting initiatives of scientific, cultural and social value in order to constantly improve its reputation and social standing.

3.3.7 Transparency

Acraf strives to clearly, precisely and transparently inform all its stakeholders with regard to its economic and management situation and performance, without accommodating any interest group or single individual, so as to put stakeholders in a position to make independent and informed decisions.

3.3.8 Fight against corruption and conflict of interest

Consistent with its values of honesty and transparency, Acraf strives to implement all the measures required to prevent and avoid phenomena of corruption and conflict of interest.

The latter phenomenon occurs both when a collaborator attempts to unfairly allocate stakeholders' interests or gain a "personal" advantage from Acraf's business opportunities and when the

representatives of customers, suppliers or public institutions do not act in accordance with the fiduciary duties connected with their positions.

In addition, sums of money must not be paid or accepted, nor other forms of corruption may be exercised and no gifts or favours may be made to or accepted by third parties for the purpose of obtaining direct or indirect advantages for Acraf.

3.3.9 Product and service quality

Acraf's primary objective is to optimise the satisfaction and safety of its customers, also considering the requests that may lead to an improvement in product and service quality.

Acraf therefore strives to monitor the changing market requirements and to constantly improve the quality of the products and services it offers to all its customers.

For this purpose, its research, development, production and marketing activities are based on the highest quality standards.

3.3.10 Impartiality

In its relations with stakeholders, Acraf abstains from all forms of discrimination, including age, gender, sexuality, health, marital status, race, political opinion and religious beliefs.

3.3.11 Environmental protection

The environment is a primary asset that must be protected; consistent with this principle, Acraf plans its activities by striking the best possible balance between economic initiatives and environmental needs, considering the rights of present and future generations.

Acraf therefore strives to prevent risks to the public and the environment, in accordance with current regulations.

3.3.12 Equity of authority

Acraf strives to ensure that, in its contractual relations involving the establishment of hierarchical relationships, authority is wielded fairly and correctly and all abuses are prevented.

3.3.13 Shareholder relations

Shareholders require all available information in order to make correct investment decisions and corporate deliberations.

Acraf therefore strives to establish and maintain all the conditions necessary to ensure the informed and widespread participation of shareholders in the decisions they are responsible for.

Acraf also works to ensure that its economic/financial performance generates an increase in the value of the company by adequately remunerating the investment risk taken by its shareholders.

4. PRINCIPLES OF CONDUCT IN EMPLOYEE RELATIONS

Respect for people and their professional development is a fundamental value for Acraf, together with the awareness that the comprehensive relational, intellectual, organisational and technical skills of each manager, employee and collaborator are a true advantage and a strategic resource for Acraf.

When performing their professional activities, Acraf staff base their conduct on compliance with the general principles of interaction with stakeholders and with contractual requirements, in observance of the technical independence of each.

For this purpose, in its dealings with its directors, employees and collaborators, Acraf bases its conduct on the fundamental principals described below.

4.1 Staff selection and management

Staff are hired on the basis of the extent to which candidates' profiles match job profiles and suit corporate requirements.

Therefore, staff is searched and selected according to criteria of objectivity, fairness and transparency, guaranteeing equal opportunities and avoiding any form of favouritism, nepotism and patronage.

The information required is necessary and sufficient to verify the candidates' professional and psycho-attitudinal profiles, in full respect of their private lives and opinions.

Similarly to the selection stage, the decisions taken concerning staff management and development processes are based on the effective conformity of employees' profiles and the required profiles and on objective considerations concerning the expected and real performance.

Acraf prohibits all and any form of psychological, physical or sexual harassment towards managers, employees, collaborators, suppliers, customers or visitors. By harassment, we mean any form of intimidation or threat that prevents people from peacefully performing their duties or the abuse of authority by their superiors.

Anyone claiming to have been subject to harassment or discrimination for any reason may report the fact to the Supervisory Body.

Acts of reprisal against employees who refuse, complain of, or report such unpleasant episodes are forbidden.

4.2 Health, safety and the environment

Acraf has always been committed to promoting, spreading and consolidating the culture of safety, developing all its employees' awareness of risks and attitude towards responsible behaviour; with regard to prevention, it works to safeguard occupational health and safety.

Acraf therefore protects the environment and pays particular attention to the creation and management of suitable working areas and environments regarding occupational health and safety, in compliance with national directives.

4.3 Protection of privacy

Acraf follows the regulations governing the confidentiality of personal data as per legislative decree n° 196 of 2003, known as the "Data protection act", and subsequent modifications and additions thereto, together with the relative implementation regulations.

With regard to the processing of employees' personal data, Acraf takes special care in informing each employee of the nature of the personal data processed by the company, the relative processing methods, the subjects it is communicated to and, in general, any information referring to them.

4.4 Independence and impartiality of scientific judgement

In respect of confidentiality requirements, Acraf guarantees the independence and impartiality of its researchers, factors that are vital for safeguarding the reliability of the scientific information provided by the company to its external interlocutors.

4.5 Duties of managers, employees and collaborators

4.5.1 Diligence and good faith

Each employee and collaborator of Acraf must act loyally and in good faith, in accordance with the obligations established in the work contract, performing the required services and making a personal contribution of ideas, initiative and enthusiasm, contributions that are indispensable for the balanced and long term development of the company.

They must also know and observe the ethical regulations contained in this Code and base their conduct on reciprocal respect, co-operation and reciprocal collaboration.

Regardless of their role and/or level of responsibility, all Acraf staff must know and implement the provisions established by Acraf in terms of environmental protection, occupational safety and hygiene as well as the protection of privacy.

4.5.2 Conflict of interest

Acraf employees and collaborators must avoid situations in which conflicts of interest may arise and must not perform activities that may potentially conflict with the interests of Acraf.

Purely by way of example, conflicts of interest can include:

- a business interest – evident or concealed – of an employee or a member of his/her family with a supplier, customer or competitor;
- exploitation of his/her position in order to promote interests contrasting with those of Acraf;
- the use of information acquired during business activities to his/her advantage or that of third parties contrasting with the interests of Acraf;
- working activities of any kind (labour or intellectual) for customers, suppliers, competitors and/or third parties contrasting with the interests of Acraf;
- the conclusion, stipulation or start of negotiations and/or contracts - for and on behalf of Acraf - with an employee's family members or partners, or legal persons of which he is the owner or in which he/she has an interest;
- acceptance of money or other benefits in favour of persons or companies which enjoy or intend to enjoy business relations with Acraf.

It is forbidden for an employee to take personal advantage of business opportunities that came to his/her knowledge whilst performing his/her activities at Acraf.

Before accepting a consulting, management, administration or other appointment in favour of another subject, or if a real or potential conflict of interest arises, each employee is required to inform the Management Representative accordingly.

If the report is not followed up or the employee feels uncomfortable about reporting to his/her direct superior, he/she may contact the Supervisory Body.

4.5.3 Safeguard of company assets

All members of company bodies, managers, employees and collaborators are required to safeguard company assets.

They are also responsible for protecting the corporate resources allocated to themselves and must promptly inform their direct superiors of any matters that may be potentially damaging for Acraf.

Everyone must feel responsible for the company assets (tangible and intangible) they use to perform their activities

Acraf reserves the right to prevent and, if necessary, regulate the use of its assets by establishing accounting, reporting, financial control and risk analysis and prevention systems, subject to the requirements of current regulations (protection of privacy, workers' statute of rights, etc.).

In particular, all members of company bodies, managers, employees and collaborators are required to:

- strictly observe company policies;
- always use professional language, both in written and verbal form, without any elements that may cause personal offence and/or damage the corporate image;
- use the Internet strictly according to the relative internal regulations.

4.5.4 Accounting transparency and accuracy

All transactions and operations must be adequately recorded and it must be possible to verify the relative decision-making, authorisation and performance processes.

Each operation must be adequately documented in order to allow the characteristics and reasons for the operation to be checked at any time and to identify the persons who authorised, performed, recorded and verified the operation in question.

Accounting records must be accurately, completely and promptly kept in respect of company accounting procedures, in order to give a true representation of corporate assets/finances and of management activities.

Accounting entries comprise all the documents which numerically represent management events, including internal expense reimbursement reports.

All accounting information, both general ledger and management, must comply with the principles of clarity, transparency, correctness, completeness and accuracy.

Staff members who become aware of omissions, errors or falsifications of accounting entries must promptly inform their superior accordingly.

Staff responsible for drawing up forecasts for budget purposes must work according to prudential criteria, supported by knowledge of accounting or more specific techniques concerning the sector involved and, in any case, with the diligence required from experts in the sector.

No false or artificial accounting record may be entered in Acraf's ledgers for any reason.

No measures may be taken for the purpose of preventing or obstructing the performance of all control or auditing activities that are legally attributed to partners, other company bodies or auditing firms.

In this regard, Acraf strives to guarantee maximum co-operation and transparency in its relations with Auditing Firms and with the Board of Auditors.

No employee may perform unlawful activities, even on the request of a superior.

The entire organisational structure is responsible for implementing an effective internal control system. Company managers must make sure that other employees and collaborators perform the tasks they have been assigned in this respect.

4.5.5 Money-laundering

Acraf is committed to observing all national and international regulations and provisions concerning money-laundering.

Acraf employees must not establish relationships or stipulate agreements with business partners if they are aware that their interlocutors are involved in laundering money deriving from illegal or criminal activities.

5 PRINCIPLES OF CONDUCT IN CUSTOMER RELATIONS

Customers are a fundamental asset of Acraf.

Acraf bases its dealings with customers on the principles of transparency, reliability, responsibility and quality.

All members of company bodies, managers, employees and collaborators of Acraf must therefore:

- scrupulously observe the provisions of this Code and the internal procedures governing the management of relations with customers, as well as all contractual provisions defined in accordance with current legislation;
- ascertain the quality and reliability of the products and services offered.

5.1 Customer contracts

Customer contracts and communications by Acraf are based on the principles of correctness and honesty, professionalism, transparency and, in all cases, full co-operation.

5.2 Customer satisfaction

Acraf considers it a fundamental requirement to maintain high quality standards of its products and services and to optimise customer satisfaction.

In order to achieve this objective, Acraf has certified both its production and distribution processes according to ISO 9001. It has also obtained quality certification for the activities of its representatives, as required by the Code of Ethics and Guidelines issued by Farmindustria. Internal procedures and scientific technologies support these aims, also through continual customer monitoring.

5.3 Collaboration with institutions

As taxpayers, citizens entrust the financial resources allocated for the development and purchase of pharmaceuticals for health purposes to public health institutions, authorising the latter to make major allocation decisions. Consistent with its objectives, Acraf may therefore request the relative Institutions to allocate sufficient resources to address the care and health needs of all citizens.

Similarly, Acraf strives not to do anything that may make health resource allocation decisions generate inefficiencies, waste or duplications.

Acraf also works to compete in order to increase its market share by offering medicines and pharmaceutical products that most fully meet the requirements of the health system, applying purchase and merger strategies that are compatible with the principles of fair competition.

6 PRINCIPLES OF CONDUCT IN SHAREHOLDER RELATIONS

It is a primary interest of Acraf to add value to the investment of its shareholders by implementing an industrial policy which assures an adequate long-term financial return through the optimisation of available resources and the increase in competitiveness and financial solidity.

6.1 Market transparency

Acraf pursues the objective of assuring full external transparency of management decisions and performance.

Acraf provides complete, correct, symmetrical and prompt information to allow investors to base their decisions on strategic corporate choices, management performance and the expected return of their investments.

7 PRINCIPLES OF CONDUCT IN STAKEHOLDER RELATIONS

7.1 Data processing

Data referring to stakeholders is processed in full respect of the confidentiality and privacy of the interested parties by means of specific data protection procedures.

In particular, Acraf:

- assures the correct separation of roles and responsibilities;
- classifies information according to incremental levels of criticality and adopts adequate countermeasures in each processing phase;
- requires third parties involved in processing to sign confidentiality agreements.

7.2 External communication

Acraf's communication to its stakeholders (also through the media) respects their right to information; it is forbidden to divulge false or biased news or comments.

All forms of communication:

- are based on compliance with the law, regulations and good professional conduct;
- are clear and transparent;
- protects, among other things, industrial secrets;
- quote the relative sources;

Media relations are exclusively reserved to the authorised functions.

It is forbidden to apply pressure or attempt to improperly assure favourable treatment from the media. With regard to research, participation in conferences, courses and seminars and publication of experimental results are integral parts of scientific activities and take place in accordance with current procedures.

7.3 Competition

Acraf strives to compete with other pharmaceutical companies without participating in any form of collusive behaviour or abuse of dominating position that may breach the principle of fair competition. Acraf does not deny, conceal or delay any information required by the antitrust authority or by regulatory bodies in their inspection functions and actively collaborates during investigations.

7.4 Patents, trademarks and copyrights

The protection of Acraf's intellectual property, such as patents, industrial secrets, copyrights, trademarks, technical and scientific knowledge, know-how and skills acquired during corporate activities, is fundamental for maintaining the company's competitive advantage.

Employees are required to define, protect, maintain and defend the rights of Acraf in all realms of intellectual and commercial property and to exercise these rights in a responsible way.

As well as protecting Acraf's intellectual ownership rights, the intellectual ownership rights of other subjects must also be respected.

The unauthorised use of the intellectual ownership rights of other parties may expose Acraf to civil lawsuits and claims for compensation; the theft and misappropriation of intellectual property may lead to elevated fines and penal consequences for Acraf and individuals.

8 PRINCIPLES OF CONDUCT TOWARDS DOCTORS AND PATIENTS

8.1 Well-being of patients

Acraf focuses the research, development, production and marketing of pharmaceuticals on increasing the hopes, quality of life and, consequently, the well-being of patients, understood as being a state of health and capacity to lead a life that is as independent and close to the expectations of the patient as possible.

Clinical research activities performed for this purpose must comply with the ethical criteria of respect for the independence of the subject, whether a volunteer or a patient, and must give patients reasonable expectations to obtain benefits from such experimentation with maximum risk control.

8.2 Obligations of trust towards patients

As patients entrust their healthcare to doctors and health organisations, the latter have precise obligations of trust towards the former and must always act in their primary interest.

Acraf works to provide complete, true and accurate information concerning its products and not to attempt to persuade doctors and health operators to betray their obligations of trust towards patients in any way.

In other words, Acraf will never offer an advantage or benefit to those responsible for prescription, registration and regulation in the health sector for the purpose of persuading them to take decisions in real or potential conflict of interest with their duty to serve patients.

9 PRINCIPLES OF CONDUCT IN SUPPLIER RELATIONS

9.1 General rules of conduct towards suppliers

Acraf bases its dealings with suppliers on the principles of transparency, equality, loyalty and free competition.

In particular, Acraf managers and employees must:

- observe and respect applicable legal provisions and contractually agreed conditions in supplier relationships;
- scrupulously observe the internal procedures governing the selection and management of relations with suppliers;
- obtain the co-operation of suppliers with regard to assuring satisfaction of requirements in terms of quality, cost and delivery times of goods or the performance of services;
- observe the principles of transparency and completeness of information in correspondence with suppliers;
- avoid being conditioned by third parties with regard to decisions and/or actions relating to their working activity.

9.2 Choice of supplier

The purchase processes are focused on achieving the maximum financial advantage for Acraf whilst safeguarding its image.

For this purpose, the Acraf managers and employees participating in these processes must:

- ensure that all suppliers, in possession of the necessary requirements, have equal opportunities of participation in the selection process;
- ensure that more than two suppliers participate in the selection process, except in exceptional cases which are governed by special company procedures;
- ensure, also by means of suitable documentation, that the suppliers participating in the selection process possess sufficient financial, structural and organisational means, technical expertise and experience, quality systems and resources to satisfy the requirements and protect the image of Acraf.

Given the nature of its activity, Acraf collaborates with scientific bodies, universities, hospitals and professionals; in these relationships, the only selection criteria are related to the quality and scientific or specific expertise of the supplier.

9.3 Integrity and independence in supplier relations

Supplier's relations are governed by the general ethical principles of Acraf and are constantly monitored by the company.

9.4 Safeguard of ethical principles in supplies and business agreements

Acraf makes the contents of this Code available to suppliers.

Parties to contracts are required to sign declarations that they are familiar with the principles of this Code and agree not to persuade Acraf or its managers, employees or collaborators to breach the principles indicated in the Code in any way.

9.5 Gifts and other benefits received from suppliers

Managers, employees and collaborators of Acraf may not directly or indirectly (through relatives, friends or acquaintances) receive:

money or other benefits from any party other than Acraf for the purpose of performing an official act or an act contrary to their official duties;
 gifts, hospitality or other benefits, except for reasons of common courtesy and if such gifts, hospitality or other benefits are of a modest value and appropriate for the occasion in question.

Managers, employees and collaborators who receive gifts or other benefits that are not commensurate with the above must take appropriate action to refuse the gift or other benefit and inform their direct superior accordingly. If the report is not followed up or the manager, employee or collaborator feels uncomfortable about reporting to his/her direct superior, he/she may contact the Supervisory Body.

9.6 Ethical aspects in supplies

Breaches of the general principles of the Code of Ethics involve punishment mechanisms, which also aim to prevent offences against the Public Administration or environmental disasters deriving from activities performed by Acraf.

Consequently, special clauses are inserted in individual contracts.

In particular, in contracts stipulated between Acraf and suppliers from “at risk” countries, as defined by recognised organisations, contractual clauses are introduced requiring:

- the supplier to provide self-certification concerning its compliance with specific social obligations (e.g.: measures guaranteeing the respect of fundamental worker rights, the principle of equality of treatment and of non-discrimination, the prohibition of child labour, etc.);
- the supplier to allow Acraf to inspect its production facilities or operative headquarters in order to ensure that the above requirements are met.

10 PRINCIPLES OF CONDUCT IN RELATIONS WITH COLLABORATORS AND CONSULTANTS

All collaborators and consultants with contracts or commissions received from Acraf, with no exceptions, are required to behave correctly, in good faith and loyally, according to the applicable requirements of this Code, company regulations and the instructions and directives received from Acraf employees.

10.1 Establishment and development of relationships

Acraf considers the observance of current legislation and the principles contained in this Code by collaborators and consultants when performing their professional services as an indispensable requirement for the establishment and development of relationships with them.

Acraf identifies and selects collaborators and consultants with absolute impartiality, autonomy and independence of judgement, without yielding to pressure or making compromises for the purpose of giving favours or privileges to third parties or obtaining favours or benefits.

When identifying and selecting collaborators and consultants, Acraf considers their professional expertise, reputation, independence, organisational capacity and suitability to correctly and precisely perform their relative contractual obligations and duties.

10.2 Importance and knowledge of the Code

In each individual agreement, Acraf requires collaborators or consultants to observe all the applicable sections of the Code.

The company also sends copies of the Code to its collaborators and consultants who are required to observe the principles contained therein.

The company may consider behaviour contrary to the principles expressed in the Code as a serious breach of the requirements of correctness and good faith when performing the contract, a breach of its relationship of trust and just cause for the termination of the contract.

10.3 Conduct in contractual relationships

When carrying out their professional services, collaborators and consultants are required to avoid all conflicts of interest with the company. If a situation of this kind should occur, they must immediately report it to their company interlocutors and abstain from carrying out their services unless otherwise directed by the company.

Each collaborator or consultant must abstain from performing acts that are or are deemed to be illegal, even if these acts generate or could generate benefits for Acraf.

Each collaborator or consultant must protect and add value to the image of Acraf, also by basing their conduct on dignity, personal care, courtesy and respect for other people.

Collaborators and consultants are required to correctly use and protect any assets entrusted to them by Acraf.

11 PRINCIPLES OF CONDUCT IN INSTITUTIONAL RELATIONS

Acraf's relationships with local, national or international institutions are based on maximum transparency and correctness.

All relations between Acraf and Italian and foreign Public Institutions are based on the principles of correctness, transparency, collaboration and non-interference, in observance of their reciprocal roles.

Relations with representatives of public institutions are exclusively carried out by regularly authorised company functions, in full observance of the law and regulations and may in no way compromise the integrity and reputation of Acraf.

For this purpose, Acraf will not directly or indirectly offer sums of money or other means of payment or other benefits to public officers or subjects performing public services for the purpose of influencing the way they perform their duties.

These requirements cannot be eluded by using different forms of contributions, disguised as sponsorships, appointments, consultancies, advertising, etc., incorporating the above forbidden aims.

12 PRINCIPLES OF CONDUCT IN RELATIONS WITH OTHER STAKEHOLDERS

12.1 Economic relations with political parties, trade unions and associations

Acraf does not allow its managers, employers or collaborators to apply direct or indirect pressure on politicians or trade union representatives.

The directors, managers and employees of Acraf, in turn, may not carry out political activities during working hours or use the company's assets or equipment for this purpose; they must also make clear that any political opinions they may express to third parties are strictly personal and do not represent the opinion and orientation of the company.

In its dealings with associations of stakeholders (trade associations, environmental organisations, etc.) no director, employee or collaborator may personally promise or pay sums of money, promise or make contributions in kind or other benefits for the purpose of promoting or supporting the interests of Acraf.

13 PRINCIPLES OF ENVIRONMENTAL CONDUCT

13.1 Environmental policy

Acraf's environmental policy is based on the conviction that, as well as being a public asset to safeguard, the environment can be a competitive advantage in a market that is becoming more and more global and attentive to the quality of life and corporate behaviour.

13.2 Environmental testing

The use of animals for research and testing purposes is only admissible because it is necessary and currently irreplaceable for the progress of scientific knowledge, and the discovery and development of medicines and innovative services.

The animals used for this purpose make an essential contribution to the realisation of Acraf's objectives.

Consistently with the requirements of scientific research, Acraf recognises and fully accepts its moral responsibility to treat animals as well as possible and reduce suffering to a minimum.

With regard to the research and development of new medicines, Acraf makes use of laboratory animals only when strictly necessary and where there are no alternatives or where expressly required by the authorities and requires and verifies that the research institutes it collaborates with meet the strictest standards with regard to animal testing.

14 METHOD AND IMPLEMENTATION OF THE CODE OF ETHICS

14.1 The Supervisory Body as per art. 6 of legislative decree n° 231/2001

Acraf has established an autonomous and independent Supervisory Body.

The Acraf Supervisory Body is authorised to verify the application and implementation of the Code.

The Supervisory Body, if it so considers, may report on its activities to the Board of Directors.

The Supervisory Body has the following tasks:

- periodically audit the application and observance of the Code;
- implement activities for the distribution of the Code,
- propose modifications and additions to the Code to the Board of Directors;
- receive reports of breaches of the Code and investigate accordingly;
- draw up an annual report on its activities to submit it to the Board of Directors.

The Supervisory Body is assisted by the necessary resources selected from Acraf staff on a case-by-case basis.

All Acraf employees and collaborators are required to co-operate with the Supervisory Body, providing any company documentation required to allow it to carry out its duties.

In case of doubt as to the legality of a certain action, its ethical value or its consistency with the Code, the person involved may contact the Supervisory Body.

Reports of any illegal actions must be made in writing and may be sent to the person's direct superior and/or posted to the Supervisory Body at A.C.R.A.F. S.p.A. – Organismo di Vigilanza – Viale Amelia 70 – Roma.

Reports relative to any breaches of the Supervisory Body may be sent to the Board of Directors which may appoint one of its members to carry out the investigations deemed necessary and/or appropriate.

All reports received will remain strictly confidential.

14.2 Distribution of the Code of Ethics

The Supervisory Body distributes the Code to its recipients as indicated below:

- delivery by e-mail and/or fax and/or post and/or by hand to employees and collaborators of Acraf (indicating that the Code is considered binding for all employees) and to the members of the Board of Auditors who are required to sign a special declaration;
- publication on the company's website;

- posting in a location accessible to all employees and collaborators, pursuant to art. 7, paragraph 1, of Law 300/1970;
- information to external collaborators and suppliers concerning the existence of the Code;
- verification that a clause has been inserted in contracts stipulated by Acraf informing third parties of the existence of the Code.

14.3 Effectiveness of the Code of Ethics and consequences of any breaches

It is obligatory for everyone to observe this Code and make sure it is observed by others.

Observance of the regulations contained in this Code must be considered an essential contractual obligation for Acraf employees, pursuant to article 2104 of the Italian civil code, as well as for its collaborators.

Breaches of the above regulations shall be deemed as non-fulfilments of the obligations deriving from the work contract and/or a disciplinary offence, with all connected legal consequences, including that of the continuation or not of the work contract.

Acraf strives to establish and deliver penalties coherently, impartially, uniformly and in proportion to the respective breaches of the Code, in compliance with provisions governing labour relations.

In particular, in the event of breaches of the Code of ethics by company employees, the relative provisions will be adopted and the relative penalties will be delivered in full compliance with art. 7 of Law 300 of 20th May 1970, current legislation and the contents of the labour agreement.

Individual punishable breaches and relative penalties will be set forth in a special document which will be affixed in an area accessible to all, in accordance with the relative National Labour Contract.

This Code makes it obligatory to take disciplinary action in case of non-observance of the rules of behaviour established herein.