



# CODE OF CONDUCT

ERREGIERRE S.p.A.

Document approved by Board of Directors of Erregierre S.p.A. during the meeting on 12/12/2017

<b>SUBSEQUENT AMENDMENTS AND INTEGRATIONS:</b>	
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## FOREWARD

Strong inclination to innovation, research and development of new technologically advanced solutions - able to address our clients' specific needs effectively and, in so doing, allowing us to be perceived as a trustworthy partner - have always characterized our corporate strategy.

This attention to innovation and the strong orientation to clients have been possible thanks to the professionalism, dedication and teamwork spirit of all those who work in the company. In fact, valuing the human capital, we have always cherished our human resources, taking into account both the educational profile and the satisfaction and wellbeing of those who contributes to the company development so decisively.

The wellbeing of our people depends also on our way of interacting with the local community. Fostering the social and economic development of the territory in which we operate and protecting the natural environment, through different initiatives, contribute to the differentiation of our company and, at the same time, to the increase of proudness and feeling of belonging in our employees.

At this point, the definition of a Code of Conduct represents a milestone for our company, as it allows clarifying the values that guide our company management and permit to accomplish our mission, without losing sight of who we are.

## INTRODUCTION

Founded in 1974, nowadays Erregierre S.p.A. is one of the leader companies in the Italian market for the production of active ingredients for pharmaceutical application. The Company operates in two locations situated in Bergamo area (San Paolo d'Argon and Sovere) and employs around 210 workers overall.

In its day-to-day activities, Erregierre S.p.A. (hereinafter referred to as “Erregierre” or “the Company”) has identified some ethical values and behavioral principles, which guide the behavior of its collaborators. Such collaborators are managers, employees and all those who operate in the name, on behalf and to the benefit of the Company, in order to ensure the fairness of business management and corporate activities, safeguarding not only Company assets and image but also stakeholders’ expectations. Main stakeholders are:

- Collaborators
- Clients
- Suppliers
- Sponsors
- Public Administration
- Community and Environment

The present Code of Conduct (hereinafter also referred to as “the Code”) formalizes such values and principles and constitutes part of the Organization, Management and Control Model (hereinafter also referred to as “the Model”), which the Company has adopted pursuant to the Legislative Decree no. 231 of 8 June 2001.

By implementing the Code, Erregierre intends to:

- Recommend and foster high standards of professionalism
- Forbid those behaviors in contrast to laws and current Code contents.

In this regard, Erregierre underlines that the pursuing of Company’s interests cannot disregard the compliance with regulations and above-mentioned principles in any way.

The Company will monitor the compliance with the Code by providing adequate information, prevention and control tools as well as guarantee the transparency of behaviors, intervening, whenever necessary, by sanctioning those actions not in line with the Code behavioral rules and guidelines.

The Code of Conduct is divided in three sections:

1. **Ethics Charter:** formalizes the Mission and Values, which constitute the foundation of Erregierre culture.
2. **Code of Conduct:** highlights the areas of responsibility and behaviors to adopt in order to be compliant with Erregierre style.
3. **Implementation, Control and Updating:** identifies the individuals in charge of implementing the Code of Conduct and explaining how to adopt the defined Values and behavioral standards so that to confirm them as a daily practice

# 1. ETHICS CHARTER

## MISSION

As a chemical and pharmaceutical company, we consider the sustainable growth not only as a fundamental part of our business, but also our mission, a moral obligation. For us, being a sustainable company means guaranteeing a sustainable and successful growth. Therefore, we will continue to sustain the culture of safety, the respect for the environment and the social development of the local community in which we operate, to invest in research and development as well as in training and promoting the people working with us.

## VALUES AND PRINCIPLES

- *Central role of the individual:* The Company recognizes the expression and the foundation of its culture and way of being in the value of the individual. Attention and respect for the individual, the protection of its personal and moral integrity are values that inspire Erregierre actions and guarantee their solidity and consistency over time.
- *Equity and impartiality:* The Company acts honestly and transparently, promoting an open discussion and always seeking the right balance between interests and legitimate expectations of all stakeholders involved in its activities. Erregierre rejects any form of violence and discrimination (gender, religion, nationality, etc.);
- *Excellence and experience:* The Company puts its knowledge at the service of its clients to best satisfy their needs, guaranteeing the best quality products and services in accordance with the highest quality standards;
- *Reliability and focus on results:* The Company pursues the highest results with determination, by constantly committing itself to define programs, monitor the business management and generate tangible results;
- *Human resources development:* The Company recognizes human resources' value as fundamental factor for its own development. For this reason, Erregierre constantly invests in human resources' development and professional training activities both at operating and management level, in both management and technology sectors, focusing on employees' performances growth and their contribution to constant improvement;
- *Innovation:* The Company constantly seeks opportunities to improve existing processes and systems. For this reason, it invests regularly in products and processes innovation, with the aim to promptly address market needs or anticipate its trends.
- *Fairness and transparency:* The Company undertakes to communicate with its stakeholders clearly and transparently, with the aim to foster their awareness regarding its strategy and results achieved and, consequently, the type of relationship to maintain with the Company itself;

- *Health and safety:* The Company safeguards its employees', collaborators' and consultants' health, safety and physical and moral integrity. It also ensures working conditions that respect individual dignity as well as healthy and safe working environments, in compliance with applicable regulations;
- *Environmental protection:* The Company fosters the respect for the environment as a common resource to be protected, for the benefit of the community and future generations, from a sustainable growth point of view.

## 2. CODE OF CONDUCT

This section highlights the areas of responsibility and the behaviors that the recipients of the Code must take into account to be compliant with Erregierre values.

### COLLABORATORS

The collaborators are all employees (including, for instance, interns and temporary agency workers), executives and all those who operate on behalf and in the interests of the Company.

#### Erregierre commitment

##### *Employees management*

Erregierre recognizes the importance of a fair and transparent management of the recruiting process and the policies for its employees' professional development.

Candidates evaluation focuses on the verification of professional, behavioral and aptitude requisites for the profile required, with due regard for candidate's dignity, personality, privacy and opinions.

The Company applies valid employment contracts in compliance with the law and applicable National Labor Collective Agreement, facilitating employee's integration in the work environment.

Moreover, the Company guarantees an educational path to its employees with the aim to combine social growth needs with workers' training requirements, providing them with adequate tools for their professional updating and development.

The remuneration system, at all levels, concerning both money and benefits, must be based solely on evaluations regarding specific professionalism, acquired experience, demonstrated merit, achievement of set goals and training level reached.

Moreover, with the aim to guarantee an equal and transparent evaluation to its collaborators, the Company undertakes to make sure that in its organization managers', employees' and collaborators' annual prefixed goals – both at general and individual levels – focus on a result which is feasible, specific, tangible, measurable and consistent with the necessary time for its achievement.

##### *Physical and moral integrity protection*

The Company safeguards the individual freedom in all its forms and rejects any act or fact aimed at limiting the personal freedom as well as any form of discrimination.

In the management of relationships that imply hierarchical relations, the Company undertakes to make sure that the authority is exerted equally and fairly, avoiding any kind of abuse.

Moreover, the Company is well aware that employees' health, safety and general wellbeing are essential elements it must protect. Therefore, the Company undertakes to create safe and healthy work conditions constantly, through the prevention, monitoring and management of risks related to professional activities, in compliance with current regulations.

Consistently with this purpose, employees and all involved actors (Company physician, Occupational Health and Safety Manager, Workers' Safety Representatives) collaborate, within respective functions and responsibilities, to eliminate or reduce progressively the risks to the source and improve work conditions.

### *Personal data protection*

The Company safeguards personal data acquired during the execution of its activities regarding collaborator and third parties. Personal data processing occurs lawfully and fairly. Data collection and registration occur for precise, explicit and legitimate purposes only.

## **Collaborators commitment**

### *Honest and transparent behavior*

Erregierre collaborators are required to behave with integrity, with due regard for commitments, procedures, guidelines, existent regulation and present Code, contributing to internal control system effectiveness. Collaborators, in their relationships with other stakeholder categories, must abide by a fair and professional behavior.

It shall be prohibited for collaborators to accept, including during festivity periods, gifts or other benefits for themselves or others, with the exception of inexpensive gifts and/or attributable to normal and fair courtesy, so that to not compromise the integrity or the reputation of one of the Parties nor to be interpreted, by an impartial observer, as aimed to acquire undue and/or inappropriate benefits. Whomever receives gifts or benefits, which are expensive and, in any case, non-compliant with above-mentioned requirements, regardless of its willingness, shall give prompt written communication to its immediate supervisor.

In this respect, it shall be prohibited to accept or solicit cash transfers, goods or benefits, influence or services of any kind that may be aimed at promoting a candidate recruiting or an employ's transfer or promotion. It shall be prohibited to even just propose remunerative gains, career progression or other benefits in exchange for activities in contrast with the Code, internal rules and regulations as well as current laws.

### *Conflict of interests*

Every decision and action during the work relationship shall be taken solely for the benefit of the Company and always in accordance with rules and principles that the present Code set forth. Collaborators are expected to report every situation in which personal interests may be in contrast with Company interests.

By way of example, but not limited to, it constitutes conflict of interest:

- *accepting money, favors or benefits from individuals and/or entities that intend to close economic deals with Erregierre;*
- *Carrying out work activities, of any kind, for clients, suppliers and competitors such as to compromise work performances for Erregierre.*
- *Taking or encouraging decisions within its area of responsibility with the advantage of its own relative or relative in-law as main objective.*

### *Corporate resources use*

Recipients of the current Code shall operate diligently to protect corporate resources, through responsible behaviors and in line with operational procedures set forth to regulate their use, by avoiding improper use that may lead to damages or efficacy reductions and in any case in contrast with Company interests.

Under no circumstance it shall be allowed to use corporate goods to commit or induce violations as well as pursue any objective in opposition to laws in force or that pose a threat to public order, human rights protection or public decency.

Moreover, with particular reference to the use of corporate IT systems and in accordance with corporate guidelines in force, it is explicitly prohibited to install unauthorized software, duplicate licensed software illegally, sound and video recording or reproducing as well as electronic, photographic or hard-copy of corporate documents, except in cases where such activities fall in the ordinary course of required functions. Everyone is personally responsible for the maintenance of corporate IT systems security and personal login data privacy, so that to avoid their improper or fraudulent use.

### *Information privacy*

Information, knowledge and data collected or processed by current Code recipients or through the performance of their work activities or during their professional association with Erregierre – even if not directly employed in the working place – belong to Erregierre and cannot be used, communicated and divulged without Erregierre DPO's specific authorization.

Erregierre collaborators shall manage confidential information correctly, ensuring a rigorous respect for regulations in force and protecting corporate assets. By way of example, regulatory, business and organization strategies as well as Erregierre partners are considered confidential information.

#### *Transparency of accounting information for the benefit of stakeholders*

All individuals contributing to the drafting and approval of balance sheet, reports and other corporate communications required by law shall maintain a proper diligence in verifying such documents accuracy of information and data.

Over their business relationship with the Company, collaborators shall guarantee the truthfulness, transparency, accuracy and completeness of documentation and information provided over the course of the activities they are accountable of. Moreover, each individual performing operations and/or transactions with sum of money, goods or other valuable economic utilities as objective – belonging to the Company – shall report to their supervisor to obtain its authorization as well as save evidence for any possible verification.

## CLIENTS

Clients are those pharmaceutical companies Erregierre provides its products with.

#### *Quality and efficiency*

Erregierre is committed, for its clients' sake, to achieve and maintain the highest quality standards for its products, in accordance with the quality target its clients and regulations in force require as well as by directing its business actions at performances excellence.

The recognized scientific reliability of its products and processes is a source of pride for the Company and represents a motivational boost to keep doing even better in the future.

#### *Contractual and negotiating fairness*

Erregierre shapes contracts with clients around fairness and transparency, by avoiding the use of any misleading behavior, to create and maintain, over time, a solid relationship inspired by general values of fairness, honesty and professionalism. Where unforeseen events or situations may occur, Erregierre respects its clients' expectations, closing contracts with equity, without leveraging possible conditions of weakness or ignorance, always keeping an open dialogue.

It shall be prohibited to offer, including during festivity periods, gifts or other benefits, with the exception of inexpensive gifts and/or attributable to normal and fair courtesy,

so that to not compromise the integrity or the reputation of one of the Parties nor to be interpreted, by an impartial observer, as aimed to acquire undue and/or inappropriate benefits.

### *Relationships management*

Even though the Company does not show any kind of preclusion toward any client or category of client, it does not have relationships, directly or indirectly, with individuals known or suspected of belonging to criminal or of illegal nature organizations.

Moreover, with reference to clients operating at international level, the Company undertakes to guarantee that every relationship with such individuals occur in full compliance with laws and regulations in force.

To this end, the Company undertakes to adopt all necessary precautions to check such individuals' reliability as well as the legit origin of capitals and means used within the relationship with itself.

The Company undertakes to collaborate fairly and transparently, within the permitted limits, with local and foreign Authorities that shall require information or investigate regarding Company relationship with such individuals.

## SUPPLIERS

Suppliers are all such individuals providing necessary goods, services and resources for the business activities and contribute to determine final product quality and efficiency.

### *Fairness and transparency*

Erregierre builds relationships with its suppliers and subcontractors around principles of transparency, fairness, professionalism, efficiency, honesty and reliability. The Company establishes long—term relationships with its suppliers and bases every agreement on business fairness and transparency, by requiring them to operate with respect for the individual and the environment.

### *Selection and evaluation of suppliers*

In selecting its suppliers and subcontractors, the Company takes into consideration cost effectiveness, technical competency, reliability, materials quality, supplier's compliance with Company's quality procedures, their credentials as well as suppliers' and subcontractors' ability to ensure the compliance with laws - in particular, occupational health and safety regulations – and the current Code.

### *Behavior required to suppliers*

Erregierre requires its suppliers to respect not only the business commitments under efficacy/efficiency parameters but also the best practices on human rights and environment safeguard. Moreover, the Company requires its suppliers to endorse the principles listed in the current Code of Conduct as well as to ensure the concrete compliance with it.

## SPONSORS

Sponsors are those institutions providing the Company with financial support.

### *Transparency of information*

Erregierre ensures the truthfulness and promptness of information required by sponsors, so that so their decision to invest is based on a truthful representation of Company economic and financial situation.

### *Respect for commitments*

In respect of received financing, Erregierre honors its commitments with sponsors by meeting agreed deadlines.

## PUBLIC ADMINISTRATION

Subjects of private and public law that perform a “public function” or a “public service”

Public function implies all activities under public regulations that refer to legislative (State, Regions, Province, Municipality, etc.), administrative (national and local administrations members, Law Enforcement, supranational administrations members, Authority members, Chamber of commerce members, Housing Authority members, public works tester, etc.), judicial (Judges, judicial officers, Justice administrators, such as insolvency administrator, etc.) functions.

Public service implies all activities governed as the public function, but lacking in authority and certification powers the latter has. Among such powers there are: good and services production activities of general interest and supervised by a Public Authority (as companies operating in electricity, gas and water distribution sector) as well as activities aimed to guarantee human rights to life, health, freedom, social security, education, freedom of communication, etc., even if under concession and/or convention

(Financial Police, Revenue Agency, Customs Authority-UTIF, ATS, Labor Inspectorate, INPS, INAIL, AIFA, FDA NAS, ARPA, Fire Department, etc.).

### *Lawfulness and fairness in relationships*

The Company builds its relationships with Public Administration around the most rigorous compliance with law, Code of Conduct principles, the Model as well as to Company approved specific procedure on this matter. Such relationships cannot compromise Company integrity and reputation in any way.

Only designated corporate functions and Company authorized individuals are allowed to take on commitments and manage relationships with the Public Administration. In case the Company relies on a consultant or a third part to be represented in its relationship with the Public Administration or public service licensees, such representatives shall accept in writing the regulations the current Code of Conduct sets forth.

In its relationships with the Public Administration or public service licensees, Erregierre must not rely on representatives who potentially may be in a conflict of interests or lacking of the necessary honorability requirements.

It is strictly required to maintain transparent and legit relationships with Judicial Bodies. It is considered as a violation of the current Code of Conduct, as well as of the law, inducing an individual to not declare or to declare misleading statements before the judicial authority through violence or threats as well as any offering or donation of money or other benefits.

Employees shall diligently save all documents regarding operations, transactions and activities where the Company came into contact with the Public Administration to guarantee the maximum level of transparency and traceability of relevant information.

### *Corrupt practices prohibition*

In professional and business relations and relationships, misleading practices and behaviors, acts of corruption and favoritism are forbidden. It is forbidden to offer money, gifts or benefits of every kind, directly or indirectly, to executives, officers or employees of companies or institutions, both private or public, with the aim to influence them during the performance of their functions and/or take improper advantage.

Tangible expressions of courtesy are allowed as long as they are inexpensive or as such as to not to compromise the integrity or the reputation of one of the parties nor to be interpreted, by an impartial observer, as aimed to acquire improper advantages and/or in an inappropriate way.

## COMMUNITY AND ENVIRONMENT

Community refers to all such actors whom interests the direct and indirect effects of Erregierre activities have an impact on. The environment forms part of this area of interest.

### *Sustainability and collaboration with local community*

With the aim to improve the social environment in which it operates, Erregierre manifests its commitment on sensitive and relevant topics through the collaboration with local institutions.

At the same time, the Company undertakes to manage a transparent decision-making process, by sharing it with the community and its actors on topics of common interest.

### *Collaboration with the scientific method*

Relationships with the scientific community – intended as universities, research centers, scholars and scientists who collaborate with the Company in the research and development of products for chemical and pharmaceutical industry – are shaped around the maximum fairness and transparency in accordance with current regulations, so that to ensure their consistency, adequacy and traceability.

### *Politic Parties and/or Trade Unions*

Erregierre does not sponsor politic parties, their representatives or candidates nor Italian or foreign trade unions, by abstaining from sponsoring events linked to them.

### *Environmental protection, public, health and safety safeguard*

The Company recognizes the great importance of environmental protection and, for such reason, adopts adequate measures to protect the environment and the community, by fostering activities development in accordance with such objective and acting so that to minimize its environmental impact, considering the environment as an inviolable humanity heritage everyone is responsible of.

It promotes awareness-raising initiatives and operates in accordance with international standards, law, regulations, agreements, guidelines established by professional associations, administrative practices and national policies.

Erregierre promotes, spreads and consolidates the occupational health and safety culture, by raising the awareness on risks and its employees' responsible behaviors.

Therefore, the Company is active in training its collaborators so that they are aware of environmental aspects related to their activities as well as in managing such activities with the aim to minimize environmental impacts.

### 3. IMPLEMENTATION, CONTROL AND UPDATING

Through its Code of Conduct, Erregierre wishes to reaffirm its compliance with the highest ethical standards it believes in and relate to.

Each individual acting in name or on behalf and interest of the Company or for its benefit, without distinction nor exception, shall abide by current Code principles and have them respected. The compliance with such principles shall be an essential part of contractual obligations towards Erregierre, within the meaning and for the purposes of regulations in force.

Erregierre has identified in the Supervisory Body as under the Legislative Decree 231/2001 the guarantor for the respect for and the correct implementation of the principles the Code outlines. Therefore, the Supervisory Body:

- interacts with responsible functions to foster adequate training paths;
- clarifies doubts of interpretation and ethical dilemma situations;
- collects reporting of alleged violations;
- provide for proper inquiries, reporting the results to all responsible functions and ensuring the imposition of sanctions;
- keeps the identity of the reporting individual confidential, protecting him or her from possible retorsions.

Erregierre considers inadmissible anonymous reporting and guarantees the implementation of adequate measures to keep confidential the identity of the individual reporting information to the Supervisory Body.

Communications to the Supervisory Body (such as reporting of alleged violations, requests for clarification or advice) can be sent to the following contacts by recipients and all other actors:

Email:	<u><a href="mailto:odverregierre@gmail.com">odverregierre@gmail.com</a></u>
Address:	Organismo di Vigilanza <i>ex</i> D.Lgs. 231/01 c/o Erregierre S.p.A. Via F. Baracca, 19 24060 San Paolo d'Argon (BG)

Erregierre protects reporting individuals in good faith from any form of retorsion, discrimination or penalization and, in any case, it is ensured the confidentiality of reporting individual's identity.

Moreover, Erregierre commits to make the current Code respected also through the punctual imposition of sanctions as under the disciplinary system outlined in the applicable National Labor Collective Agreement or contracts stipulated with related counterparties.

The current Code is available on Company website and it is distributed to recipients according to the most suitable way on a case-by-case basis for an efficient divulgation.

Code reviews occur through decision of the Company Board of Directors, taking into account recipients' observations, regulatory trends and the experience matured through Code implementation itself.

In case of amendments, the Code updated version shall be promptly published and made available on the Company website.