

**Tecres Spa**  
**Via Andrea Doria, 6 - 37066 Sommacampagna - Verona**

# **MODEL OF ORGANIZATION, MANAGEMENT AND CONTROL**

**CODE OF ETHICS**

**LEGAL REFERENCES: D. LGS. No. 231/2001**

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## PREFACE

Tecres S.p.A. has issued this Code of Ethics to assert its aspirations in terms of **ethical principles**, which are also interpreted in the form of corresponding **obligations and responsibilities** for all of those involved in advancing the **company's mission** in various capacities (shareholders, administrators, managers, researchers, office staff, manual labourers, agents, distributors).

The mission of Tecres S.p.A. consists of the continuous enhancement of research and development and the pursuit of innovation in materials and processes to ensure the excellence of its products and the fullest customer satisfaction.

Tecres is applying its Code of Ethics as a way to emphasize the on-going pursuit of the highest ethical and professional standards of conduct as the company's distinctive mark as it aspires to be recognized as sound, well-balanced and continuously engaged in improving the quality of life of people in Italy and around the world.

From this outlook, the Code of Ethics is like a compass that serves to orient every aspect of the company's business, strengthen relationships with its interlocutors and add value to the Tecres brand.

Faccioli Giovanni - Chairman of the Board of Directors

Tecres S.p.A.

## INTRODUCTION

This Code of Ethics represents the **foundation for a broader project** which, by reasserting the role of Tecres as an ethical company, permits the Company to operate within a stronger framework of responsibility and respect for all of those who are touched, whether directly or indirectly, by the products and results of its entrepreneurial efforts.

In addition to the adoption of this Code of Ethics, this broader project entails:

- the definition and creation of an Organizational Model ex D.Lgs. no. 231/2001, including protocols and procedures for guaranteeing the concrete, consistent application of the new code of ethics as well as existing regulations;
- the implementation of an effective and efficient system of control for correcting any incongruent practices that might arise and to reveal any potential need for modification, additions or updates to the Code of Ethics itself or the Model.

The present Code of Ethics, which provides the foundation for the cited project, represents an authentic manifesto of the rights and duties of each and every one of the Company's interlocutors.

More specifically, it clearly details the principles and prescripts that underlie proper interactions between Tecres S.p.A. and all of its interlocutors, internal and external, known collectively as the "stakeholders."

With time Tecres means to develop a fiduciary relationship with its stakeholders, i.e., with every category of individuals, groups or institutions whose hopes and expectations are at stake as the company does its business and that, in various capacities, make contributions to the pursuit of its mission (see also the definition in the next section). These include: patients, healthcare professionals, clients, suppliers, employees, collaborators, shareholders, Public Administration, the community at large, the environment and future generations.

The Code of Ethics establishes the underlying principles needed to strike a healthy balance between the expectations of different stakeholders, with the goal being to further the common interest and foster mutual support for pursuing the mission itself, thereby promoting collective cooperation.

The cooperation needed to fulfil the company mission presupposes the notion of a **social contract** between all stakeholders as an ideal reference model which manifests itself in the form of a unanimous agreement sign by all stakeholders - in full autonomy with full disclosure and free from any threats, contrition or fraud - on the basis of their interests and mutual advantages.

This context highlights the importance of the Code of Ethics as a reference point that is common and fundamental for all subjects that are involved in different ways in Tecres' mission. The substance of the Code of Ethics consists of:

- the **general principles**, which regulate stakeholder relations by defining reference values for Tecres-related activities;

- the **areas of application** for these principles, i.e., codes of conduct for each group of stakeholders, obligatory for all employees of Tecres and its collaborators, in order to guard against the threat of unethical conduct;
- the **bodies and procedures for implementation and control**, which constitute the monitoring system for actual compliance with the Code of Ethics and ensure its on-going improvement.

### **The value of reputation**

A good company reputation is a critical intangible resource that, in the eyes of external interlocutors, fosters client loyalty and the serenity of suppliers and creditors, attracts the best human resources and stockholder investments and cultivates trust among patients and physicians.

In the eyes of internal interlocutors, a good company reputation facilitates conflict-free decision-making and implementation and allows for work organization that is free of excessive bureaucratic controls and exercise of authority.

By explicating the duties of Tecres with respect to its stakeholders, the Code of Ethics poses actual compliance as a means for comparison that serves for assessing the company's reputation.

### **Applicability of the code and the value of reciprocity**

The Code of Ethics applies to all employees and collaborators of Tecres who, for its part, is committed to implementing the dedicated procedures, rules and instructions that are designed to assure that all individual conduct reflects the proclaimed values and that adequate sanctions are provided for any violations.

In terms of external interlocutors, the present Code is permeated by the notion of 'cooperation among all stakeholders,' meaning that Tecres asks each one to comply with analogous principles and rules of ethical conduct in their relations with Tecres.

Wherever there is a contractual relationship between the company and a stakeholder, any lack of reciprocity would also undermine the conditions on which the relationship is based, thus making its continuation impossible. If this actually occurs, Tecres shall use all lawful and morally-correct means to retaliate against any subjects who fail to honour the reciprocal duty of compliance they had been legally bound to respect.

### **Definitions**

In this document, the following concepts have the specific meaning indicated next to each one:

**Tecres S.p.A. or Company:** the Tecres S.p.a. company, with registered offices in Sommacampagna (VR), Via Andrea Doria no. 6;

**Assobiomedica:** the national association for biomedical and diagnostic technologies, based in Milan, Via Giovanni da Procida no. 11;



**CCNL:** the Collective National Employment Agreements that apply to the Company (in specific: Collective National Employment Agreement for Engineering- industry; Collective National Employment Agreement for Managers - Industry);

**Code of Ethics:** the present Code, which the Company has adopted by resolution of the Board of Directors, with the consenting opinion of the Board of Statutory Auditors, with associated updates;

**Subordinate collaborators:** see Employees (Workers);

**Consultants:** the subjects who act in the name of and/or on behalf of the Company pursuant to an agency contract or some other contractual relationship for professional collaboration;

**Addressees:** corporate representatives, consultants, partners and suppliers;

**Employees (Workers):** subjects engaged in a subordinate work relationship with the Company, including the managers;

**Medical device:** any instrument, machine, installation or other product made by the Company and designated to be used on patients for purposes of analysis, replacement or modification of anatomical parts, or diagnosis, control, therapy, attenuation or compensation of an illness, injury or handicap;

**D.Lgs. 231/2001 or the Decree:** D.Lgs. no. 231 of 8th June 2001, as modified and integrated;

**Entities:** legal entities with or without legal status - for instance: corporations, partnerships, consortiums, associations;

**Corporate Representatives:** administrators, auditors, liquidators, managers and employees of the Company;

**Eucomed:** the European association based in Brussels (Belgium), Place de Maieurs no. 2, that convenes the European manufacturers of medical devices;

**Suppliers:** the suppliers of the Company's goods and services (excluding professional services) who are not classified as partners;

**Model or Models:** the Model or Models of organization, management and control envisaged by L.D. no. 231/2001;

**Corporate Bodies:** the Board of Directors, the Board of Statutory Auditors, the Assembly of partners and their respective members;

**Supervisory Body** (Organo di Vigilanza, or "OdV" herein): the body dedicated to overseeing operation and compliance for the Model and related updates;

**Partner:** the counterparts engaged in contractually-regulated forms of collaboration with the Company (temporary business syndicates, joint ventures, consortiums, licensing, agency, distribution, collaboration in kind);

**Patient:** anyone who is about to use, is using or has used a medical device manufactured by the Company;

**Healthcare professionals:** subjects enrolled in the dedicated Registries or Lists in effect with an acknowledged qualification from their State of origin or residence, and who regularly

perform services services, consisting primarily of prevention, diagnosis, care and rehabilitation, on their own account or in public or private facilities of any size or complexity;

**Public Administration:** the public Entities (State, Regions, Provinces and Municipalities, Healthcare Companies, Hospital Companies, Universities, Public inpatient and care institutions of a scientific nature, etc.) and private subjects (Concessionaires, Private inpatient and care institutions of a scientific nature, Joint enterprises, Private companies accredited by the national or regional healthcare system, etc.) who are called on to exercise an administrative role in the interest of the community at large;

**Offences:** the categories of offence subject to application of the rules on administrative liability as defined in D.Lgs. 231/2001;

**Company:** Tecres S.p.A.;

**Stakeholder:** the individuals or entities whose hopes and expectations are at stake in the performance of Company activities and who may, in various capacities, make contributions to the pursuit of its mission; these are: patients, healthcare professionals, clients, suppliers, employees, collaborators, stockholders, the Public Administration, the community at large, the environment and future generations;

**TUF:** the D.Lgs. no. 58 of 24th February 1998, with modifications and integrations.

**PART I**  
**ROLE OF THE TECRES S.P.A. CODE OF ETHICS**

**Article 1 - Meaning and legal effect**

1. This Code of Ethics expresses the will of the Company through the approval and adoption of a Board resolution, defining the formal principles of business conduct and the duties and responsibilities of corporate representatives and all those acting, even when not answerable to the Company, in its name and/or on its behalf.
2. This Code of Ethics is an essential element of the Organizational Model envisaged by the provisions of D.Lgs. no. 231 of 8/6/2001.
3. This Code of Ethics also constitutes the set of disciplinary rules pursuant to and by effect of art. 7 of L. no. 300 of 20/5/1970 (statute of workers' rights). It represents an addition, therefore, to the disciplinary provisions contained in the CCNLs that are already fully applied in the company context.
4. The present Code of Ethics, in the end, constitutes a set of contractual standards that are incorporated into the content of the relationship that ties the company to the Directors of the Board and the Auditors, as circumscribed by current civil law.
5. The only way that this Code of Ethics may be modified is by a subsequent act (resolution) by the Company's Board of Directors.

## PART II

### **GENERAL PRINCIPLES**

#### **Article 2 - Basic ethical principles**

1. Thus Code of Ethics is based on the following list of principles, which serve as reference values for the Company.

##### **1) Honesty and compliance with the law**

During the exercise of their respective professional practice, each employee or collaborator of Tecres S.p.A. is bound to comply with the law, current regulations, the present Code of Ethics and internal regulations. Under no circumstances shall the pursuit of Company interests serve to justify a conduct that contrasts with the stated principle.

##### **2) Moral legitimacy**

Maximum attention shall be dedicated to avoiding any and all situations in which the subjects involved in transactions are, or even appear to be, under conflict of interest. This type of situation arises when a collaborator attempts to fulfil an interest other than the company mission itself and other than the equitable allocation of stakeholder interests, or to reap a “personal” gain from the company’s business opportunities, whenever the representatives of clients, suppliers or public institutions act in contrast to the fiduciary duties linked to their position.

### **3) Responsibilities to the patient**

The Company's main goals also include the use of its own products to promote the health care of patients, in addition to improving their quality of life and increasing their capacity to lead an independent existence that meets their own expectations as closely as possible.

### **4) Transparency**

Collaborators of Tecres S.p.A. are bound to furnish punctual, complete, transparent, comprehensible and accurate information so that their relationship with the Company can be established in a way that permits stakeholders to make independent, well-informed decisions.

### **5) Confidentiality**

Tecres S.p.A. guarantees the confidentiality of the information in its possession and refrains from analysing or processing confidential data, except with explicit and conscious authorization and in full compliance with current legal standards.

### **6) Impartiality and equal opportunity**

In its relationships with stakeholders, the Company avoids any and all forms of discrimination based on the age, gender, sexual orientation, state of health, race, ethnicity/nationality, political views or religious beliefs of its interlocutors. The Company pursues, as its own foremost value that underlies every relationship, the principle of fairness and equality of treatment.

### **7) Environmental protection**

The environment is to be protected as a primary resource; consistently with this assumption, Tecres S.p.A. strives to strike the best possible balance between commercial initiatives and environmental needs during the programming of its own activities in due consideration for the rights of present and future generations.

### **8) Fair competition**

The Company recognizes the value of free, open and fair competition and refrains from any unlawful agreements, oppressive behaviours and abuses of dominant position.

### **9) Quality products**

The main purpose of Tecres S.p.A.'s own activities is to maximize satisfaction and safeguard its own clientele. It does this by impressing its research, development and manufacturing with quality standards of the highest excellence.

### **10) Value of human resources and safeguarding personal integrity**

The Company's collaborators represent a fundamental and irreplaceable asset for its success. Tecres S.p.a. improves and grows the capabilities of its human resources, protecting and cultivating its value by guaranteeing working conditions that are respectful of personal dignity and workplace environments that are wholesome and safe. Requests or threats intended to induce individuals to act contrary to the law, the Code of Ethics, and/or their personal and moral convictions and preferences are not tolerated.

### **11) Equity of authority**

Tecres S.p.A. is committed to ensuring that authority is exercised fairly and equitably so as to avoid any abuses in any contractual relations that entail the establishment of hierarchical relationships.

### **12) Relationships with shareholders**

Shareholders require all available information to guide their consideration of investment decisions and corporate resolutions. Tecres S.p.A. is committed to creating, and maintaining over time, the requisite conditions for the informed participation of shareholders in their respective decisions.

The Company shall make every effort, furthermore, to ensure economic/financial performance that raises the value of the company, generating remuneration that is commensurate with the risk assumed by shareholders when they invest their capital.



**PART III**  
**AREAS OF CODE APPLICATION**

**SECTION I: CODE OF CONDUCT IN BUSINESS**

**Article 3 - Lawfulness, fairness and equity in company actions and activities**

1. Every legal action and tangible activity carried out in the name and/or on behalf of the Company **must be lawful on the basis of existing laws and must be inspired by the company's interest**, in addition to the principles of transparency, efficiency, effectiveness and good faith.

2. Contracts and work assignments must be executed as openly agreed upon by the parties. Tecres S.p.A. commits itself to refrain from taking advantage of the possible ignorance or incapacity of its counterparts.

3. In reference to existing relationships, whoever is working in the name or on behalf of Tecres S.p.A. must refrain from taking advantage of loopholes in contracts or unforeseen events in order to renegotiate the contract for the sole purpose of exploiting the dependent or weakened position in which the interlocutors come to find themselves.

**Article 4 - Conflicts of interest**

1. Any decisions made for the Company must be inspired by the protection of its interests.

2. Whoever finds themselves in a situation characterized by a conflict of interest (even merely prospective) between a Company interest and their own interest (of any genre - property, family, personal, age), so that it is impossible to satisfy the former without sacrificing the latter, or vice versa, shall in any case be bound to refrain from making said decision or computing said act and to advise their hierarchical superior immediately. The latter shall inform the OdV of the actions being undertaken to prevent the conflict or neutralize it completely through a replacement intervention, if necessary.

3. Independently of the imminence of a decision and performance of an act, whoever finds themselves in a position (even prospective) of conflict of interest with respect to the Company is required to advise their immediate superior of the situation - even, if necessary, for activities performed outside of work hours - in order for precautions to be taken.

4. A potential conflict of interest arises whenever a person has work, financial, commercial, professional, family or close friendship relations with subjects engaged in a Company relationship if said person enjoys decision-making, evaluative and/or control power over said relationship.

5. For purposes of this Code of Ethics, the concurrent interest is nevertheless deemed to be a potential conflicting interest and receives the exact same treatment.

#### **Article 5 - Obligation of confidentiality and confidential information**

1. Subordinate collaborators and other addressees of this Code of Ethics are forbidden to reveal to third parties any information of a technical, technological, commercial, financial, assets, banking nature that they come to learn of, even by chance, during the fulfilment of their roles and responsibilities. This prohibition is absolute, and the information need not have been formally classified as being confidential in nature beforehand.

2. The prohibition described in paragraph 1 does not apply to information that has already been made public by the Company's free choice. The prohibition also does not apply when the revelation constitute an act required by law or by provisions that otherwise apply due to the quotation and/or presence of the company in regulated market context.

3. In general terms, the Company guarantees that any information belonging to or coming from third parties shall be handled in accordance with the laws on processing personal information. The Company shall nevertheless refrain from analysing or processing confidential data without the prior and informed consent of the interested party, as registered on the proper forms as provided by law.

#### **Article 6 - Free competition**

1. The entrepreneurial activity of the Company is founded on the quality of its products and the capacities, dedication, commitment and professionalism of its collaborators and consultants. Under this assumption, the Company recognizes free and fair competition between enterprises as a fundamental market value that stimulates the drive to improve products and cultivate the capacities of its collaborators and consultants.

2. The Company thus refrains from any form of accord, whether open or secret, that could distort free market conditions, create or encourage the acquisition or consolidation of dominant positions or concentrations, hinder, restrict or distort competitive play, influence the setting of purchase or sales prices, or inhibit production, market outlets, investments, technical development or technological progress.

3. All practices that could in any way be classified as unfair competition are thus forbidden, as well as any active or omissive conduct that could prejudice the right to privacy of third parties, thereby limiting free competition or encouraging the abuse of dominant positions to the detriment of third parties.

#### **Article 7 - The patient's well-being**

1. The activities of the Company shall comply with the current laws, in particular the internal and international rules dedicated specifically to medical devices. It shall also comply with all technical standards of the industry, including those not required by law when these

express the state of the art in the production sector of reference at international (ISO), European (EN) or national (UNI) levels.

2. The Company adopts policies on design engineering, manufacturing, management and sales in order to:

- a) protect the health of the patient;
- b) improve product safety and quality;
- c) provide complete, truthful and accurate disclosures regarding its products;
- d) advertise its products correctly;
- e) provide assistance and guarantees reflecting the highest standards of quality and efficiency;
- f) monitor product usage and to fulfil the procedures, in strict compliance with current laws, associated with the occurrence of accidents.

## **SECTION II: CODE OF CONDUCT AND SUBORDINATE COLLABORATORS**

### **Article 8 - The Company and its collaborators**

1. The Company understands its subordinate collaborators, both collectively and individually, to be its most important resource, and has organized itself to further the goal of cultivating their professional, economic and social growth.

2. The Company's foremost value lies in pursuing the principle of equality and equal opportunity and treatment for subordinate collaborators without discriminating by gender, race, language, religion, political or union views or personal or social conditions, and unites this principle with the principle of individual capacities, attitudes, inclinations and merits.

3. Decisions made in the context of managing and developing the workforce are based, just as in the selection phase, on the actual correspondence between the profiles being sought and the profiles of the collaborators (i.e., job candidates), in addition to objective considerations concerning previous and predicted performance levels.

### **Article 9 - The value of human resources**

1. The Company safeguards the occupational growth and development of its subordinate collaborators in order to grow their skills as a form of asset, and does so in full respect for the laws on individual rights and with special regard for the moral and physical integrity of the workforce.

## **Article 10 - Collaborators in positions of responsibility**

1. Subordinate collaborators who are put in charge of work groups, departments, operational divisions (collaborators with managerial functions) personify the Company and all of its values and goals with respect to their subordinates.

2. Collaborators with managerial functions shall always ask even more of themselves than they ask of their own underlings, and shall shape their own conduct to serve as an example for the collaborators under their responsibility.

3. Requesting services of personal utility or any other behaviour that violates the present Code of Ethics is considered to be an abuse of authority.

4. Collaborators with managerial functions shall oversee rigorous and on-going compliance with the provisions of this Code of Ethics and shall cultivate and maintain a climate of serene and productive collaboration at all times.

5. Collaborators with managerial functions shall ensure, under the domain of their responsibility, that equal situations correspond with equal treatment and different situations with different treatment in any and all matters concerning hiring, training, compensation, incentives, professional opportunities and growth.

## **Article 11 - Collaborators in administrative roles**

1. Subordinate collaborators who are invested with administrative or financial roles, including accounting and legal functions, are bound to:

- a) comply strictly with civil, fiscal and accounting standards and any dispositions, orders and rules (including technical) that serve to regulate their respective sector of activity;
- b) act to ensure that the Company, its bodies and their members enjoy punctual, clear, precise, complete and comprehensible information in the context of any and all documents that need to be submitted to or filed with Public Authorities, including any and all preparatory or supplementary documents;
- c) use Company assets correctly, transparently and prudently;
- d) comply strictly with the obligations of confidentiality and discretion as provided in article 5, above, when communicating with third parties, remaining highly conscientious of the principle of the pertinence of the contents to the goals of the communication, and always respecting the notions of scope, prudence and impersonality;
- e) inform the OdV without delay whenever this Code of Ethics comes to be violated, as soon as evidential principle or serious evidence has been acquired.

## **Article 12 - Compliance with the Code of Ethics**

1. All subordinate collaborators are bound to strict compliance with the present Code of Ethics and are fully cognizant of its disciplinary implications.

2. They are therefore required to:

- a) familiarize themselves with the entire content of the Code of Ethics, in particular the sections pertaining most directly to their assigned duties;
- b) promote full awareness and application of the Code of Ethics among colleagues that share the same work context;
- c) report violations of the Code of Ethics to the OdV in a timely manner if their hierarchical superior fails to do so;
- d) consult with the OdV to resolve any doubts concerning the interpretation of specific sections or clauses of the Code of Ethics;
- e) actively cooperate with any investigations into alleged violations of the Code of Ethics, respecting the strictest reserve in regard to the specific issues addressed during the ascertainment.

### **Article 13 - Protection of health, safety and serenity in the workplace**

1. The Company's primary value is to further the safeguarding of health, safety and serenity in the workplace as preconditions for accomplishing the goals set forth in article 8, paragraph 1 (above). Its own actions, moreover, shall comply with current laws on the subject, particularly in regard to training and prevention - aspects that each subordinate collaborator is responsible for managing carefully and diligently under the domain of their competence.

2. Engaging in any form of conduct that is injurious to the dignity, serenity or physical-mental integrity of the workforce in the company environment is forbidden.

3. Any conduct entailing intimidation, oppression, psychological abuse or ostracism (even when no physical violence is involved) or that damages the personal or professional dignity of the victim or threatens their state of health is also forbidden. This type of conduct, whether by co-workers or superiors, shall be promptly prosecuted through criminal and civil disciplinary proceedings.

### **Article 14 - Protection of privacy**

1. The Company safeguards the privacy of collaborators in accordance with current laws on the protection of personal information, sensitive data included.

2. It is prohibited to conduct investigations into the views, preferences, personal tastes and, more generally, the private lives of collaborators.



## **Article 15 - Duties of collaborators**

1. All subordinate collaborators are required to provide service to the best of their capacity. The consumption or administration of alcohol or drugs is prohibited both on and off the job when the resulting effects are manifested on the job, which shall trigger immediate dismissal of the interested party and the application of disciplinary sanctions, notwithstanding other remedies as provided by law.

2. All subordinate collaborators are required to comply with the current provisions on smoking. Smokers shall make use of the dedicated spaces within the prescribed limits and time periods only.

3. All subordinate collaborators are required to use, maintain and protect any company property or assets that are entrusted to them (even temporarily) with the due diligence of a good family father, following company safety policies to the letter and promptly signalling any deficiencies, defects or non-conformities. Tecres S.p.A. reserves the right to block and, if necessary, sanction improper usage of any company property it provides for use by its collaborators, notwithstanding the provisions of current laws (Statute of workers' rights, privacy laws).

4. All subordinate collaborators shall carry out their work with diligence, dedication and active participation, promptly and faithfully following any specific instructions and in full compliance with the present Code of Ethics. In their relations with other company interlocutors, the conduct of subordinate collaborators must be distinguished by helpfulness, respect and courtesy in the interest of cultivating and maintaining cooperative relationships and high standards of professionalism over time.

5. All of the Company's subordinate collaborators are required to implement the provisions of articles 4 and 5 of this Code of Ethics. More specifically, in compliance with the provisions of article 4, all collaborators must avoid any situations that could constitute conflicts of interest and refrain from taking personal advantage of any business opportunities they might learn of while carrying out their duties.

6. Consistently with the provisions of articles 18, 19 and 20 of this Code, furthermore, all subordinate collaborators are required to conduct their relations with Public Administration, national and European institutions and entities providing public funding and healthcare professionals, whether inside the Company or externally via third party relationships, in a manner distinguished by the principles of integrity, correctness and transparency.

### **SECTION III: CODE OF CONDUCT IN COMMERCIAL DEALINGS**

#### **Article 16 - Relationships with suppliers**

1. The Company views its system of suppliers to be a crucial factor in maintaining and improving its level of competitiveness and its ability to meet the demands of the marketplace.

2. The selection and evaluation of suppliers is based exclusively on quantitative and qualitative elements of the supply, notwithstanding the provisions of paragraphs 5 and 6 of the present article. For illustrative purposes, these elements include: costs, type of product or service, quality control system, innovative capacity, know-how and proactive capacity.

3. The stipulation of a supply contract (including financial or consulting contracts, as well) must always be distinguished by extreme clarity and avoid, or minimize to the greatest extent possible, any form of dependency.

4. The procurement process must reconcile the pursuit of maximum competitive advantages for Tecres S.p.A. with loyalty, transparency and impartiality.

5. Suppliers will be provided with appropriate information concerning this Code of Ethics, and the possibility of including special clauses on the applicability of the Code may be considered in the context of contractual relations with the Company's more significant counterparts.

6. Suppliers shall be banned if they are discovered to have seriously violated (or if there is good reason to believe they engage in serious violations of) the ethical principles of this Code or, more generally, basic individual rights.

#### **Article 17 - Relationships with customers**

1. The Company furthers the goal of satisfying the hopes and expectations of its customers, and in pursuit of this interest imposes the following provisions on its subordinate collaborators:

- a) maintain relations distinguished by eager cooperation, honesty, transparency and professional correctness;
- b) promote respect for the principles of equal treatment in the presence of equal situations;
- c) continuous production of appropriate levels of safety, support, quality and added value.

2. Contracts and correspondence with the customers of Tecres S.p.A. (including publicity and advertising) must be:

- a) clear and simple, employing language that is as close as possible to the normal usage of the interlocutors;
- b) in compliance with current laws and regulations, without engaging in elusive or otherwise incorrect practices;
- c) complete, so as to keep from neglecting any element of relevance for the sake of the customer's decision.

3. In compliance with article 16 of this Code of Ethics, the conduct of Tecres S.p.A. in its relations with clientele is distinguished by helpfulness, respect and courtesy in the interest of cultivating collaborative relationships and the utmost in professionalism.

#### **SECTION IV: CODE OF CONDUCT IN RELATIONSHIPS WITH P.A. AND WITH HEALTHCARE PROFESSIONALS**

##### **Article 18 - Relationships with Public Administration**

1. In compliance with the provisions of art. 15, paragraph 6 of the present Code, the Company's relationships with Public Administration are distinguished by the principles of absolute integrity, correctness and transparency and full respect for the law, the standards of this Code of Ethics and other internal procedures. In any case, said relationships may not be characterized by practices or management styles that prejudice the independence, impartiality or transparency of administrative actions or that cause damage to the Company's image.

2. As a consequence, as part of its Organizational Model the Company has adopted specific protocols to prevent unlawful behaviours in its relations with Public Administration. These protocols aim to prohibit collaborators and consultants, for example, from paying third

parties for executing or omitting discretionary or mandatory acts, payments in exchange for the execution or omission of discretionary or mandatory acts, offering or accepting commercial hand-outs, gifts or other favours in violation of the law or otherwise outside the bounds of simple courtesy, social use or marketing, providing opportunities for undue influence on the tendering process or on the exercise of administrative discretion by public officials, for offers of employment and/or commercial opportunities that may be of personal advantage to employees of Public Administration, or the soliciting or obtaining confidential information that could compromise the integrity or reputation of one or both parties or that could undermine the parity of conditions among competitors.

#### **Article 19 - Public funds**

1. Under hypotheses in which the Company requests public funds from the European Union, the State or other Public Administrations, strict compliance with the law must be observed in relation to the acquisition process and the subsequent designation of purpose.

2. The Company has therefore incorporated specific protocols within its Organizational Model in order to prevent unlawful behaviour in its relations with the aforementioned entities and institutions. These protocols aim to inhibit collaborators and consultants from committing unlawful acts aimed at the undue acquisition of funds, including, for instance, trickery, deceit, the omission of due information, the presentation of false statements or fraudulent documents and the corruption of public officials. These also include the risk of public funding being used to finance works or perform activities with goals that differ from those for which they were obtained.

3. The work of the collaborators and consultants delegated for funding-related activities must be distinguished by principles of strict correctness and transparency, the observance of appropriate information levels and the safeguarding of the accessibility and availability of any and all support documents for internal relations between the Company and its bodies as well as the entities and institutions in question.

#### **Article 20 - Relationships with healthcare professionals**

1. The company recognizes that a proper relationship with healthcare professionals is crucial for promoting progress in medical science, improving on diagnostic tools and patient care, researching and developing innovative medical technologies, fostering the safe and effective use of medical technologies and developing more advanced and effective therapeutic methods.

2. In any case, all relationships with healthcare professionals must be respectful of:

- a) the autonomy and independence of professionals in the healthcare sector of reference;
- b) the current civil, criminal, administrative and fiscal rules and regulations;

c) the professional standards that apply for professionals in the healthcare sector of reference (for instance, the Professional Code of Ethics);

d) the provisions on the subject as adopted by Assobiomedica.

3. Training activities (meetings, classes, conferences, conventions), both inside and outside of the company and organized for healthcare professionals by Tecres S.p.A. or third parties must be carefully examined with respect to effective purpose of such initiatives and the cost burden for the Company. Expenses related to food, lodging and travel in particular must be held within reasonable limits for normal situations.

### **Article 21 - Liberality**

1. Notwithstanding the provisions of article 18 of this Code of Ethics, whenever the Company means to engage in liberality of any form, such actions are admissible if they serve for purposes of beneficence or philanthropy (progress in medical education, support for scientific research, public education on healthcare issues) and are targeted at organizations or entities in possession of the capacity to receive them.

2. The implementation of liberality remains subordinate, in any case, to strict compliance with a series of conditions:

a) compliance with current civil and fiscal laws and regulations;

b) precise documentation of the purpose for the liberality;

c) the liberality's consistency and congruity with said purpose.

3. Liberalities for healthcare professionals who are Public Administration employees are prohibited out of principle, with the sole exception of modest in person donations (excluding cash donations, however) that are sporadic or occasional in nature and that benefit patients or serve for purposes that are educational in substance.

4. The practice of handing out samples for purposes of assessment is legitimate in any case, as long as usage remains limited.

### **Article 22 - Assignments and consulting**

1. Whenever the company entrusts healthcare professionals (not freelance) with assignments, consulting positions or other services (participation in training courses, collaboration in product development, inventive or experimental activities, etc.), this is allowable under the following specific conditions:

- a) comprehensive formalization of the assignment or agreement, including a precise specification of the services being provided, the compensation paid or promised and the description of the purpose;
- b) appropriateness and proportionality of the compensation in relation to the service actually being provided, its complexity, the degree of specialization involved and professional decorum; expense reimbursement is admissible within the limits of reason;
- c) for services that are centred on research, the assignment must be accompanied by a research protocol;
- d) for services performed fully or partially outside of the company premises, the legal domicile or, when allowed, the professional's usual workplace, the chosen location must be suited to the nature of the activities; any food, lodging or travel expenses must be held within normal limits and serve exclusively for the activities performed, or to be performed, with respect to timing and location.



## **SECTION V: CODE OF CONDUCT REGARDING THE ENVIRONMENT**

### **Article 23 - Environment and quality of life**

1. A primary goal of the Company is to promote the safekeeping and improvement of environment-related conditions and the conscientious and rational use of natural resources as a precondition for sustaining adequate levels of quality of Community life in the domain within which it is working.

2. The Company's activities comply strictly with current laws and regulations on environmental issues and adapts every aspect of its own activities as a consequence, including its products, packaging and the accompanying instructions.

3. The Company organizes its research and development activities in full respect for environmental concerns and accounts for the new demands for environmental compatibility and resource optimization as it creates new products and improves on existing ones, as well as in the determination of manufacturing methods and packaging.

4. The Company promotes environmental education among its collaborators as well as in the context of suppliers and customers.

## **PART IV**

### **BODIES AND PROCEDURES FOR IMPLEMENTATION AND CONTROL**

#### **Article 24 - Accounting and internal controls**

1. The Company works with the intent to increase the value of stockholder shares and to satisfy their hopes and expectations with respect to the distribution of dividends.

2. To achieve this goal, the Company employs a financial planning, control and accounting system in accordance with the current accounting principles and best business practices.

3. The Company's Organizational Model includes specific protocols designed to ensure that every transaction is carried out and verified in accordance with the provisions of the System of Internal Controls, being executed only after potential risks to the company have been duly considered and accommodated before being properly recorded and entered on the books.

4. The entering of fictitious transactions or the failure to record transactions for which record-keeping is required by law or by the present Code of Ethics constitutes an unlawful act and triggers the application of sanctions against whoever ordered, executed, concealed or in any way tolerated such acts.

5. All collaborators are required to cooperate in the inspection activities of the System of Internal Controls. Those designated by the System, such as Auditors and external auditors, enjoy full and unlimited access to all data, information and documents required to carry out their respective duties.

## **Article 25 - Supervisory Body.**

1. The supervision of compliance with the Code of Ethics is entrusted to the Supervisory Body foreseen by and established within the context of the Organizational Model.

2. In specific, this corporate body is responsible for:

- a) verifying the distribution and awareness of the Code of Ethics among all corporate representatives and, more generally, anyone engaged in a stable relationship with the Company (such as suppliers, consultants, partners), whether or in the form of employment or formal subordination;
- b) periodically reviewing the contents of the Code of Ethics in order to recommend adjustments and improvements to the Board of Directors;
- c) providing support for interpretation of the Code of Ethics;
- d) verifying, controlling and evaluating cases of violation of the Code of Ethics, and communicating said violations to the company departments with responsibility for applying sanctions (including disciplinary measures) in accordance with current laws;
- e) protecting and providing support for anyone who reports conduct that fails to comply with the Code of Ethics, safeguarding them from pressures, intimidation or other repercussions and ensuring the confidentiality of both their identity and the information they communicate, as foreseen by the Model;
- f) preparing an annual work plan and periodic reports on the state of implementation of the Code of Ethics and internal controls and reporting to the Board of Directors.

## **Article 26 - Disciplinary and sanctioning profiles**

1. The provisions of the present Code of Ethics serve to discipline the behaviour of the subjects that the Code applies to in conjunction with current contractual and legal provisions.

2. Wherever contractual and legal provisions coincide with the present Code of Ethics, all provisions nevertheless remain applicable. Wherever such provisions fail to coincide, the more severe provision shall apply.

3. Subordinate collaborators who are found responsible for violating one or more provision from the present Code of Ethics shall be subject to the disciplinary sanctions provided below, in compliance with the provisions of article 7 of L. no. 300 of 20/5/1970, and the principle of immediacy of the contestation and proportionality of the sanction. In specific, the following apply:

- a) the sanction of verbal rebuke or written warning for violations classified as minor irregularities;
- b) the sanction of a fine not to exceed the value of three hours of work for repeated cases of minor irregularities, or for irregularities that do not prejudice or endanger the normal activities of the company;
- c) the sanction of work/salary suspension for violations resulting in minor damage to the Company, or for endangering the integrity of company assets, or otherwise for violations for which the sanctions provided in the previous letters (a) and (b) are deemed to be insufficient;
- d) the sanction of dismissal without notice for violations that result in irreparable damage to the relationship of trust with the Company so as to disallow continuation (even temporary) of the relationship, as for example in the hypothesis that the violation results in serious damage to Company assets, or abuses a person's pecuniary or non-pecuniary rights, or when an offence that already resulted in suspension is committed two or more times.

4. Should a Member of the Board of Directors or an Auditor commit a serious violation of one or more provisions of this Code of Ethics, resulting in irreparable damage to the relationship of trust with the Company, the Assembly of shareholders shall adopt the measures deemed most opportune in accordance with the law.

## **Article 27 - Promotion of the Code of Ethics and training activities**

1. The Code of Ethics can be accessed on the Company website (<http://www.Tecres.it/>) and the company intranet network, where it is freely downloadable in pdf format.

2. The Code of Ethics is also posted in plain view at the Company's registered offices and each of its producer units and premises.

3. Changes to the Code of Ethics that are introduced pursuant to article 1, paragraph 5, are subject to the same forms of promotion foreseen by the Code of Ethics in the present article.

4. To foster an accurate understanding of the Code of Ethics among all of the Company's subordinate collaborators and consultants, different training sessions have been tailored to address different roles and responsibilities and may also employ e-learning systems. In particular, a training program dedicated to new hires has been developed to illustrate the detailed contents of the Code and the Model of organization and control, knowledge of which is mandatory.