

ORGANIZATION, MANAGEMENT AND CONTROL MODEL

PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/01

OF

MIOL

GENERAL PRICIPLES OF CONDUCT

- SPECIAL PART A -

CRIMES AGAINST THE PUBLIC ADMINISTRATION

General code of conduct

The managers of the departments, functions and services involved in the areas “at risk of criminal activity” undertake, as part of their own activities, to comply with the rules of conduct specified below, in accordance with the principles set by the Model and the Code of Ethics of Menarini International Operations Luxembourg S.a. (hereinafter "MIOL") in particular.

It is absolutely forbidden:

- to engage in conduct covered by the list of criminal offences envisaged in Articles 24 and 25 of the Decree;
- to behave in any way that, although not materially involving any of the offences listed above, may do so in abstract terms;
- to engage in or facilitate the execution of transactions where there is an effective or potential conflict of interest with the Company, as well as any activity that might interfere with the capacity to take impartial decisions on behalf of the Company and in accordance with the standards set out in the Code of Ethics;
- to give, offer or promise money to public employees, public officials or civil servants, including health care workers (e.g. pharmacists, physicians, etc.) and foreign officials;
- to distribute, offer or promise gifts or presents that are not of modest value, in violation of the provisions of the Code of Ethics and company practice;
- to grant, offer or promise other benefits of any sort whatsoever to public officials or civil servants, including health care workers;
- at conventions, conferences, courses and scientific meetings, and in general in relations with individuals working in the scientific and health sectors, to engage in behaviour or take initiatives in violation with the law and applicable company procedures, or aimed – or otherwise potential capable – of recognising, either directly or indirectly, advantages, benefits or undue favourable treatment for workers in the scientific and health sectors;
- to perform services in favour of partners and/or consultants and/or suppliers that are not adequately justified in the context of the associative relationship established with them;
- to grant compensation to external collaborators that are not adequately justified in relation to the type of engagement to be performed and current local practices;
- to submit declarations and/or documents and/or data and/or information that is untrue or incomplete to national, EU or foreign public bodies, much less for the purpose of obtaining public payments, contributions or subsidised loans;

- to use amounts received from national or EU public bodies as payments, contributions or loans for purposes different from the ones for which they were originally intended.

Moreover, for the purpose of behaving as indicated hereinabove:

- it is necessary to guarantee compliance with the provisions set out in the MIOL Code of Ethics.
- In the ambit of relations with the Public Administration or persons who may be qualified as Public Officials or Public Servants or Government Officials, the principles of fairness, transparency and good faith must be guaranteed;
- in the areas at risk of criminal activity, relationships with persons who may be qualified as Government Officials, Public Officials or Civil Servants must be managed in the same way, by designating one or more internal managers for each action or series of actions performed;
- in the scope of scientific investigation, it is necessary to engage in conduct based on the principles of integrity, honesty, transparency and good faith;
- participation by the Company and conference events must always be connected with the role it plays in research, development and scientific investigation, and it must be based on the principles of ethical, scientific and economical conduct;
- the principal aim of participation at or the organisation of conventions or conferences at the international, national and regional levels must be aimed at developing scientific collaboration with the medical community;
- in connection with collaboration with the scientific community, the appropriateness, adequacy and possibility of documenting initiatives must be guaranteed, and they must be based on the dissemination of professional knowledge as well as performed in collaboration with entities of proven reliability and national standing;
- the association agreements with the Partners must be made in writing, stating all the conditions of the agreement itself – particularly in regard to the economic conditions agreed for joint participation in the tender procedure;
- the mandates assigned to the external collaborators must also be drafted in writing, indicating the agreed compensation, and be signed in accordance with the received delegations of authority;
- no type of payment may be made in kind;
- the statements made to national or EU public bodies to obtain payments, contributions or financing must only contain absolutely true facts and, if they are obtained, a specific report must be issued;
- those performing a control and supervisory function with regard to the obligations connected with execution of the activities mentioned above must pay special attention to these obligations and report any irregular situation to the Supervisory Body (“SB”) immediately.

The Supervisory Body may carry out audits as deemed appropriate on any activity performed by the aforementioned persons, assessing the potential risk of commission of criminal offences. A written report must be submitted on those audits.

- SPECIAL PART B -

CORRUPTION BETWEEN PERSONS IN PRIVATE TRANSACTIONS

General code of conduct

In performing their activity on behalf of MIOL, the managers of the function involved in the area “at risk of criminal activity” and in the “instrumental areas” are obliged to comply with the standards of conduct illustrated as follows, in compliance with the principles established by the Model and the Code of Ethics in particular.

All the recipients of the Model are forbidden from:

- engaging in, collaborating or causing the commission of conduct involving acts of corruption between persons in private transactions as described in section 1 of the Special Part of the Model;
- engaging in, collaborating or causing the commission of conduct which, although it does not constitute an offence in itself, can potentially become one.

In particular it is forbidden to:

1. offer or give money or other benefits (hospitality, entertainment, etc.) to members of private entities and companies so that they perform (or even not perform) their own official duties, in violation of their duties of fidelity, in order to obtain any sort of advantage for the company and/or for oneself, regardless of whether this act was then committed;
2. in all cases, the gifts, presents or courtesy expenses must be adequately documented so that the Supervisory Board may conduct its own audits;
3. directly or indirectly grant any sort of advantages in favour of the members of private entities, agencies, suppliers or customers (or carried out in such ways) as to violate the standards set out in the Model;
4. perform services and pay compensation to consultants, representatives of agencies, suppliers or customers that are not adequately justified in the context of the contractual relationship established with them.

Moreover, for the purpose of behaving as indicated hereinabove:

1. any possible hiring of employees and their management must be done in compliance with the company rules that envisage:
 - a) a process for planning the resources to be hired which reflects company needs;

- b) identification of the minimum requirements necessary to hold the position and the associated compensation level in accordance with the provisions of the national collective bargaining agreement (as applicable) and in accordance with the reference wage and salary schedules;
 - c) the definition of a process for hiring human resources that governs: (i) the search for several candidates according to the complexity of the position to be held; (ii) management of the conflicts of interest between the recruiter and the recruit; (iii) verification of the match between the candidates with the defined profile through different screening steps;
 - d) running pre-hiring checks aimed at preventing the occurrence of prejudicial situations that expose the Company to the risk that the envisaged offences be committed;
 - e) authorisation for hiring by adequate levels;
 - f) systems that guarantee the traceability of tracking the persons on the job and the fairness of the compensation paid;
2. all of the terms and conditions of the agreements between the Company and the representatives of agencies, suppliers, consultants and customers must be defined in writing, and comply with what is indicated at the following items:
- a) in the agreements with all third parties (agencies, consultants, distributors, etc.), a specific clause must be included to regulate the consequences of violation by them of the rules set out in the Model;
 - b) the agencies or their representatives, suppliers, distributors and, in general, the third parties must be chosen with transparent methods according to predefined qualitative and quantitative standards;
 - c) approval of the agreement according to adequate authorisation levels;
3. moreover, in the management of agreements, the consistency of the order with the parameters set out in the agreement itself has to be checked; the completeness and accuracy of the invoice and its compliance with statutory requirements must be checked, as provided by corporate procedures;
4. in relationships with companies, foundations, associations and other private entities, the types of relationships and procedures for managing them, as well as the procedures for collecting, verifying and approving the documents to be sent to the members of companies, foundations, associations and other private entities must be identified;
5. the procedures implemented to control cash flows and the traceability of payments must be followed;
6. any situation of a conflict of interest that might arise with members of the company must be promptly reported to superiors;
7. the individuals who check and supervise the compliance with the obligations connected with performance of these activities must pay special attention to implementation of the obligations

themselves and immediately report to the Supervisory Board on any irregular situations or anomalies.

The functions and/or representatives of the Company who operate in the areas exposed to risk and in the sensitive areas highlighted hereinabove must report and retain records of the operations performed.

- SPECIAL PART C -

**CRIMES AGAINST THE INDUSTRY AND TRADE,
AND INDUSTRIAL PROPERTY OFFENCES**

General code of conduct

In performing its activity on behalf of MIOL, the managers of the function involved in the area “at risk of criminal activity” are obliged to comply with the rules of conduct shown below, in accordance with the principles set by the Model and the Code of Ethics in particular.

All the recipients of the Model are forbidden:

- to engage in conduct covered by the list of criminal offences envisaged in Articles 25 and 25-bis, paragraph 1, of the Decree;
- to behave in any way that, although not materially involving any of the offences listed above, may do so in abstract terms;
- to carry out or facilitate operations or activities that do not comply with the rules of the Code of Ethics;
- to engage in activities that conflict with the procedures and principles of control envisaged in them for the purposes of preventing the criminal infringement of distinctive marks of intellectual works or industrial products.

In addition, it is also necessary:

- that all the activities and operations performed on behalf of MIOL be based on maximum compliance with current laws, as well as the principles of fairness, transparency, good faith and traceability of the documentation;
- that maximum consistency is ensured between the effective conduct and the conduct requested by internal procedures, paying special attention to issues concerning the performance of “sensitive” activities in areas “at risk of criminal activity” stated in section 2.;
- that those performing a control and supervising function with regard to the obligations related to performance of the “sensitive” activities mentioned above pay special attention to these fulfilments and report any irregular situation to the Supervisory Body (“SB”) immediately.

Moreover, for the purpose of behaving as mentioned above the Entity:

- has included in the Code of Ethics adopted by MIOL specific clauses concerning the offences against industry and trade and violation of intellectual property rights;
- has included sanctions in case of violation of the Model also with reference to the issues envisaged in this Special Part;
- included the performance of communication and training activity on the contents of the Code of Ethics and Organisation, Management and Control Model;
- sets rules on the use of material protected by patent;
- guarantees the control, inter alia with the assistance of consultants, of the correspondence of the promotional/advertising material presented outside with the law.

The Supervisory Body may carry out audits as deemed appropriate on any activity performed by the aforementioned persons, assessing the potential risk of commission of criminal offences. A written report must be submitted on those audits.

- SPECIAL PART D -

RECEIPT OF STOLEN GOODS, MONEY LAUNDERING AND USE OF MONEY, GOODS OR PROFITS OF UNLAWFUL ORIGIN AND SELF-MONEY LAUNDERING

General code of conduct

The managers of the departments, functions and services involved in the areas "at risk of criminal activity" undertake, as part of their own activities, to respect the rules of conduct specified below, in compliance with the principles set by the Model and the Code of Ethics (hereafter also 'Code of Ethics') adopted by the company.

It is absolutely forbidden:

- to engage in conduct covered by the list of criminal offences envisaged in Articles 25 *octies* of the Decree;
- to behave in any way that, although not materially involving any of the offences listed above, may do so in abstract terms;
- to carry out or facilitate operations or activities that do not comply with the rules of the Code of Ethics;
- to engage in activities that conflict with the procedures and principles of control envisaged in them for the purposes of preventing offences of receipt of stolen goods, money laundering and use of money, goods or profits of illegal origin.

Moreover, for the purpose of behaving as indicated hereinabove:

- the compliance of the provisions contained in the Code of Ethics must be guaranteed;

- in the context of its dealings with consultants, suppliers, business partners and, in general, with the contractual counterparties (also in the case of foreign counterparties and/or in the cases of import/export), the principles of fairness, transparency and good faith must be guaranteed;
- with reference to the commercial and professional reliability of the suppliers and partners, all the information necessary must be requested using the tools provided by external consultants where necessary;
- the tasks assigned to service companies and/or individuals looking after the Company's economic/financial interests must also be drawn up in writing, with details of the content and economic conditions agreed;
- it is necessary that the competent functions ensure that payments to all counterparties have been made regularly (including the companies of the same group); in particular, it is necessary to accurately check that the entity to which the order is made out and the entity collecting the related sums match;
- the control is formal and substantial (check of the registered office of the counterparty company, check of the credit institutions used, check regarding the use of trust companies) and must be ensured with reference to the company financial flows and to the payment to third parties and to group companies;
- the minimum requirements set for the selection of the bidders of any goods and/or services that the Company intends to acquire must be scrupulously observed;
- the assessment criteria of the bids are set;
- in case of concluding agreements / joint ventures aimed at making investments, the utmost transparency must be ensured.
- the maximum consistency must be ensured between the effective conduct and the conduct requested by internal procedures, paying special attention to issues concerning the performance of "sensitive" activities in areas classified as "at risk of criminal activity";
- those performing a control and supervisory function with regard to the obligations connected with execution of the activities mentioned above must pay special attention to these obligations and report any irregular situation to the Supervisory Body ("SB") immediately.

On any operation carried out by the subjects specified above and assessed as potentially at risk of commission of criminal offences, the Supervisory Body will have the right to carry out the controls deemed most suitable, of which written evidence must be provided.

- SPECIAL PART E -

TRANSNATIONAL OFFENCES

General code of conduct

In performing its activity on behalf of MIOL, the persons involved in the area “at risk of criminal activity” are obliged to comply with the rules of conduct shown below, in accordance with the principles set by the Model and the Code of Ethics in particular.

All the recipients of the Model are forbidden to:

- engage in, collaborate or cause the commission of conduct such to integrate the organised crime offences referred to in section 2.;
- engage in, collaborate or cause the commission of conduct which, although it does not constitute an offence in itself, can potentially become one.

In addition, it is also necessary:

- to guarantee compliance with the Code of Ethics;
- that all the activities and operations performed on behalf of MIOL – including whatever involves intercompany relationships with foreign companies – be based on maximum compliance with current laws, as well as the principles of fairness, transparency, good faith and traceability of the documentation;
- that the principle of separating roles and responsibilities is respected in the phases of company processes;
- that compliance with current laws and regulations is guaranteed, as well as with corporate procedures and protocols concerning the management and use of company resources and assets, including what relates to performance of the necessary controls, including preventive ones, on assets and resources having a foreign origin;
- that full cooperation with the Judicial Authorities is guaranteed, including through refusal to influence any persons asked to make statements or induce them to exercise their right not to respond;
- that maximum consistency is ensured between the effective conduct and the conduct required by internal procedures, paying special attention to issues concerning the performance of “sensitive” activities in areas “at risk of criminal activity” stated in section 2 of the Special Part of the Model;
- that those performing a control and supervising function with regard to the fulfilments related to the execution of the “sensitive” activities mentioned above pay special attention to compliance with these obligations and report any irregular situations to the Supervisory Body immediately.

- SPECIAL PART F -

OFFENCES COMMITTED BY ORGANISED CRIME MEMBERS

In performing its activity on behalf of MIOL, the managers of the function involved in the area “at risk of criminal activity” are obliged to respect the rules of conduct shown below, in compliance with the principles set by the Model and the Code of Ethics in particular.

All the recipients of the Model are forbidden from:

- engaging in, collaborating or causing the commission of conduct such to integrate the organised crime offences referred to in section 2.;
- engaging in, collaborating or causing the commission of conduct which, though such not to constitute an offence in itself, can potentially become one.

In addition it is also necessary:

- that all the activities and operations performed on behalf of MIOL are based on maximum compliance with current laws, as well as the principles of fairness, transparency, good faith and traceability of the documentation;
- that the principle of separating roles and responsibilities is respected in the phases of the processes;
- that maximum consistency is ensured between the effective conduct and the conduct requested by internal procedures, paying special attention to issues concerning the performance of “sensitive” activities in areas “at risk of criminal activity” stated in section 3 of the Special Part of the Model;
- that those performing a control and supervising function with regard to the fulfilments related to the execution of the “sensitive” activities mentioned above pay special attention to these fulfilments and report any irregular situation to the Supervisory Body immediately.

Moreover, for the purpose of behaving as mentioned above the company:

- added specific provisions regarding organised crime offences to the Code of Ethics adopted;
- included sanctions in case of violation of the Model also with reference to the issues under this Special Part;
- plans and carries out a suitable communication and training activity on the contents of the Code of Ethics and Organisation, Management and Control Model, which includes, among others, the spreading of awareness and news on the possible forms of criminality present in the territory, and the update on the evolution of the risks of criminal contamination and education on legality;
- included specific controls on selecting suppliers also when they perform activities which require permits, authorisations or licenses;
- introduced precise rules concerning financial transactions which have specific controls where the traceability of the same is ensured.

- SPECIAL PART G -

INDUCEMENT NOT TO MAKE STATEMENTS OR TO MAKE FALSE STATEMENTS TO THE JUDICIAL AUTHORITIES

The managers of the departments, functions and services involved in the areas "at risk of criminal activity" undertake, as part of their own activities, to respect the rules of conduct specified below, in compliance with the principles set by the Model and the Code of Ethics of MIOL in particular.

In addition to the rules of conduct specified in the documents mentioned above, it must be added that it is strictly forbidden:

- to behave in a way that is such to integrate the list of criminal offences covered by Article 25 *decies* of the Decree;
- to coerce, in any form and with any method, the will to be liable towards the Judicial Authorities for subjects called to make statements or to induce them to exercise their right not to answer;
- to induce, in any way, those called to make statements before the Judicial Authorities, to make untrue statements;
- to donate, offer or promise money, gifts, presents or other advantages to people called to make statements before the Judicial Authorities;
- to behave in any way that, though not materially integrating the offences listed above, may do so in abstract terms;
- to carry out or facilitate operations or activities that do not respect the rules of the Code of Ethics.

Moreover, for the purpose of behaving as mentioned above:

- the compliance of the provisions contained in the Code of Ethics of MIOL must be guaranteed;
- in the relationships with the Judicial Authorities, it must be ensured that the suspects or defendants in criminal proceedings, especially when regarding proceedings in which MIOL can be directly or indirectly involved, are free to freely give their accounts of the events, if they decide to answer the questions;
- it must be guaranteed that the Supervisory Body is warned about any violence or threat, pressure, offer or promise of cash or other benefit, received in order to alter the statements to be made to the Judicial Authorities or not to have them made;
- those performing a control and supervising function with regard to the fulfilments related to the execution of the activities mentioned above must pay special attention to these fulfilments and report any irregular situation to the Supervisory Body immediately.

- SPECIAL PART H -

OFFENCES INVOLVING COPYRIGHT INFRINGEMENT

General code of conduct

In performing its activity on behalf of MIOL, the managers of the function involved in the area "at risk of criminal activity" are obliged to respect the rules of conduct shown below, in compliance with the principles set by the Model and the Code of Ethics in particular.

All the recipients of the Model are absolutely forbidden from:

- behaving in a way that is such to integrate the list of criminal offences covered by Article 25 *novies* of the Decree;
- behaving in any way that, though not materially integrating any of the offences listed above, may do so in abstract terms;
- duplicating, importing, distributing, selling, renting, distributing/transmitting to the public, possessing for commercial purposes, or in any case gaining a profit from, without having the relevant right, computer programs, protected databases or any property protected by copyright and connected rights, including property with a literary, musical, multimedia, cinematographic or artistic content;
- distributing by means of computer networks - without having the relevant right - intellectual property or part of it;
- implementing file sharing, by exchanging and/or sharing any type of file over peer to peer type platforms.

In addition it is also necessary:

- that all the activities and operations performed on behalf of MIOL – including anything relating to the contacts regarding relationships with the companies of the Group - are based on maximum compliance with current laws, with particular reference to the legislation involving copyright infringement, as well as the principles of fairness, transparency, good faith and traceability of the documentation,
- that the principle of separating roles and responsibilities is respected in the phases of the Entity's internal processes;
- that maximum consistency is ensured between the effective conduct and the conduct requested by internal procedures, paying special attention to issues concerning the performance of “sensitive” activities in areas “at risk of criminal activity” stated in section 2 of the Special Part of the Model;
- that those performing a control and supervising function with regard to the fulfilments related to the execution of the “sensitive” activities mentioned above pay special attention to these fulfilments and report any irregular situation to the Supervisory Body immediately.

Moreover, for the purpose of behaving as mentioned above, MIOL:

- added specific provisions regarding the offences involving copyright infringement to the rules of conduct (or Code of Ethics) adopted by the Entity;
- included sanctions in case of violation of the Model also with reference to the issues under this Special Part;
- included the performance of suitable communication and training activities regarding the contents of the Code of Ethics and Organisation, Management and Control Model;
- sets rules on the use of material protected by copyright;

- envisaged the formalisation of research contracts and specific clauses for the management of copyright;
- included the prohibition of unauthorised installation and use of file sharing systems.

On any operation carried out by the subjects specified above and assessed as potentially at risk of commission of criminal offences, the Supervisory Body will have the right to carry out the controls deemed most suitable, of which written evidence must be provided.