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CODE OF ETHICS

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CHAPTER 1: GENERAL PRINCIPLES

1. a. COMPANY PROFILE

DOC Generici, a company that produces generic drugs, was set up in 1996 with the aim of offering high quality products at low prices, both to patients and to the public.

DOC Generici is the sole producer of generic drugs whose capital is mostly in Italian hands. Its shareholders are two leading Italian companies: Gruppo Chiesi and Gruppo Zambon, partnered by Apotex, a leading Canadian company in the North American market for the production and distribution of generic drugs. DOC Generici was founded pursuant to the enactment of Law 425 on 8th August 1996, which paved the way for the generic drugs market, being prompted by its great potential for development, as already experienced in other European countries.

DOC Generici is well aware of the social value of generic products which, being sold at a lower price, significantly help to reduce the pharmaceutical expenditure for the National Health Service.

DOC Generici's price list includes a wide range of products covering most therapeutic fields: non-steroidal anti-inflammatory drugs, antiviral drugs, antidepressants, antithrombotic drugs, cardiovascular and gastroenteric drugs.

1. b. MISSION AND KEY VALUES

DOC Generici's mission is to develop its business and reach social goals by satisfying the needs of the scientific community and of patients too, whilst respecting the interests of all those involved in social actions and of those concerned therewith, especially in the light of the fact that the market which DOC Generici works in encompasses interests that have a great social value.

In pursuing its mission, DOC Generici shapes its activities, choices and behavioural approach according to the following ethical principles which, taken as whole, represent its **CORPORATE POLICY**:

- **Fairness:** the company makes sure that all its workers comply with the principles of fairness and loyalty when performing their in-house and external

functions, also for the purpose of preserving the company's image and its trusted relationship with its clients and, in general, with third parties.

- **Honesty in business:** the company's staff are committed to adopting a fair and honest conduct, both when performing their own functions and in their relationships with the other members of the company, avoiding unlawful or illegitimate purposes or conflicts of interests to their own or third party benefit. In no case can the company's interests or benefit induce and/or justify a dishonest conduct.
- **Transparent and comprehensive information:** in the light of the principle of transparency, the company is committed to giving accurate, truthful and comprehensive information to third parties.
- **Fair competition:** in compliance with competition and antitrust national and European laws and with the guidelines issued by the Italian Competition and Market Authority, the company does not endorse conduct or execute agreements which may prejudice competition between the many competitors involved in the market in question.
- **Impartiality:** the company takes action to ensure that both its staff and external workers act impartially and loyally, not only when performing their functions but also *vis-à-vis* other companies and the company's own interlocutors.
- **Independence:** the activities pursued by the company's staff are assigned and managed independently and with due care, according to the kind of activity required and to the delicate and difficult nature thereof.
- **Diligence and accuracy:** the company makes sure that its staff carry out their assignments with the required diligence and accuracy, complying with the instructions given by their hierarchical superiors and/or managers and, in general, with the company's quality standards.
- **Confidentiality and privacy protection:** the company is committed to complying with the law on personal data protection and with all recommendations and communications given by the Italian Authority for the Protection of Personal Data. Each collaborator of the company may use or publish confidential information and data only within the limits and for the purposes of his/her own duties.
- **Equity and equality:** the company seeks to develop a corporate "spirit of belonging", and condemns any kind of discrimination and/or abuse within its external and internal relationships. It makes sure that none of its workers acts discriminately on the basis of age, sex, nationality, political views, religious beliefs, disability etc., and promotes meetings and/or events aimed at fostering its workers' team spirit, mutual knowledge and respect.

- **Quality of services and products:** the company pays special attention to its (current and potential) clients' needs, requests and expectations. In its own field of business, it provides increasingly competitive services whilst guaranteeing professional quality and flexibility.

- **Hierarchical principle:** in order to promote the synergy and efficiency of corporate processes, the company endorses the hierarchical principle, whereby each single member, depending on his/her own position within the company's structure and being judged purely on the merits, is competent and responsible for his/her own actions and omissions. Hence, any person who has management and representative powers within the company, even at a departmental or functional level, will guide, coordinate and control the activities of those under him/her and/or coordinated by him/herself, which he/she will be accountable for according to law.

- **Professional qualities:** the people working at the company or those which the company assigns specific services to are highly skilled, well-experienced and professional workers. The company constantly pays attention to its own staff's training, updating and professional growth.

- **Persons' protection:** in compliance with the law on physical and moral integrity, the company guarantees its staff suitable work conditions in a safe and healthy environment.

1. c. INTRODUCTION TO THE CODE

This Code of Ethics (hereinafter "the Code") is designed to give information about the key principles of DOC Generici's business, and to express the commitments and ethical responsibilities accepted and implemented by the company itself in doing business. Moreover, such principles guide the conduct of all those who work at/for the company, thus preventing any improper conduct pursued in the interests or to the benefit of the company and any crime, even where indirect. This is in accordance with Leg. Decree no. 231/2001 and with the Codes of Ethics of industrial associations, which the company endorses and whose values and precepts it will comply with and have everyone comply with.

The Code is an official document of the company, approved by its Board of Directors.

The infringement of any principle of the Code jeopardizes the trusted relationship between the company and the infringer, and is followed, incisively, promptly and immediately, by suited and proportionate disciplinary measures, regardless of the criminal relevance of such conduct.

This Code is addressed to:

- a) Shareholders;
- b) Corporate bodies, and any person who has representative, decision-making and/or control powers within the company, even if only in fact;
- c) the company's staff, widely meant as all natural persons who have an on-going and essentially personal relationship with the company (i.e. employees, para-employees and coordinated and continuous collaborators, etc.);
- d) the company's consultants and suppliers of goods and services (including professional ones), agents and any person acting in the name and on behalf of the company or under its control;
- e) third parties who do not act in the company's name or on its behalf (e.g. the company's clients), though nonetheless have a relationship therewith.

The above parties are required to comply with the principles of the Code and to follow its behavioural rules.

The knowledge of and compliance with the Code's provisions are a condition precedent to the creation and maintenance of collaborations with third parties; the company shall provide them with all related information notes, acting with the utmost transparency.

Should any subject mentioned in points a) b) and c) fail to comply with the Code, he/she shall be subject to sanctions which will differ according to his/her relationship with the company, as laid down in the Code itself. Any employee's infringement amounts to a breach, with the ensuing application of disciplinary sanctions.

Moreover, should any party mentioned in letters d) and e) infringe the Code, such conduct may amount to an "express termination clause" of the relationship with the company due to infringer's wilful misbehaviour.

CHAPTER 2: BEHAVIOURAL GUIDELINES

2. a. CORPORATE GOVERNANCE

The company believes that a suitable and effective control system is an essential component of its organization. Such a system amounts to a set of instruments, processes and bodies that are necessary and needed to guide, manage and check corporate actions for an efficient and ethical way of doing business, in full compliance with the abovementioned values that represent the company's policy.

(i) Corporate structure

The shareholders are the first addressees of the Code. Therefore, they undertake to respect its principles and to foster their shared knowledge. The company makes sure that its shareholders do not act against the company's interests, by pursuing their own or third party interests or interests that are contrary to the company's object, or by acting partially or antithetically and in conflict with the company.

The company involves its shareholders in corporate decisions that pertain thereto, taking into account and guaranteeing minority interests too. Prompt and comprehensive information is guaranteed, as well as transparency and full access to data and information.

(ii) Board of Directors and Managing Directors

The Board of Directors and the Managing Director carry out their functions professionally, autonomously, independently and responsibly towards the company, its shareholders, creditors and third parties. The executive board is required to be well-aware of its role and responsibilities, and to act sensitively in its own leadership and serve as an example to all those working at the company.

The company's Directors and those who carry out their functions must not hinder or prevent the control of their activities by bodies entrusted with this task. Within the ambit of his/her assignment, each Manager is required to take part in and facilitate the company's system of control, making his/her employees aware of such need. Each Manager shall refrain from pursuing collateral activities which may be detrimental to the company's interests or from pursuing his/her own interests or third party interests, even if only potentially in contrast with the company's. In this event, he/she shall promptly inform the Audit Committee (art. 2391 Italian Civil Code) and the Surveillance Body thereof.

Other than performing their functions within their own ambit, the Board of Directors and the Managing Directors are required to have the values of the Code strictly

complied with, and shall promote the sharing and distribution thereof as well as of the behavioural rules included therein, for crime-prevention purposes.

(iii) Audit Committee

The members of the Audit Committee in office carry out their functions by acting impartially, autonomously and independently so as to guarantee an effective control and the on-going monitoring of the company's economic-financial conditions, as well as the conformity and suitability of its management structure. It also pays special attention to fostering the dialogue and information exchanges between the company's internal and external bodies.

(iv) External auditing and certification of financial statements

The external auditor must have free access to all data, documents and information needed to perform his/her assignment.

2. b. RELATIONSHIPS WITH THE COMPANY'S STAFF

(i) Selecting and employing Staff

The company pays special attention to the selection of its collaborators and to the employment of workers, guaranteeing the principle of equal opportunities and equality, in compliance with the law, with the Workers' Charter and with the applicable CCNL [National Collective Labour Agreement].

Hence, the company's Management makes sure that the candidates' profiles match the company's needs, in compliance with the law and with the compulsory employment of protected categories of people.

The company enters into regular labour agreements with candidates and collaborators or employees, specifying all the essential terms and conditions of such relationship.

(ii) Management of labour relationships

The company's labour relationships with its employees or self-employed collaborators are grounded on the principle of mutual respect, equal treatment and meritocracy. Hence, the company is against any kind of favouritism, nepotism or discrimination based on sex, sexual orientations and habits, race, religion, different opinions or political views and trade union memberships.

As for employees, hierarchical powers are exercised by respecting the staff's rights, with objectiveness and fairness. In turn, the staff offer their full cooperation to follow

the instructions given by their superiors, acting with the greatest diligence and care when carrying out their duties (art. 2104 Italian Civil Code).

The company's staff are required to act loyally and faithfully towards the company, and not to accept any other job or remunerated activity in favour of third parties, or collaborations that are not previously authorized. In any event, the staff shall not carry out any activity that is (even if only potentially) against the company's interests or that is incompatible with their contractual duties.

Any documents, work tools, products and equipment and any other good, whether tangible or intangible (including intellectual property and trademarks) belonging to the company shall be used exclusively for the pursuit of institutional purposes and according to the company's instructions; they cannot be used for personal purposes, or be transferred or provided to third parties, and shall be used and kept with the same care reserved to one's own property.

(iii) No gifts and/or other benefits

The company's staff shall not offer, accept or promise any gift, reward, benefit or service, of any kind, and not even of an economic nature, for themselves or for others, for the purpose of influencing or, in any event, obtaining a favourable treatment during the course of their own employment.

If, despite this prohibition, a person working at/for the company is promised gifts/benefits by third parties, s/he shall immediately give notice thereof to the company's Management and Surveillance Body.

(iv) Conflict of interests

The company's staff shall not pursue any interest that is in conflict (even if only potentially or partially) with those mentioned in the company's object or, in any event, with the company's interests; neither shall the staff be involved, either directly or indirectly, in any collateral business which may conflict, in any way, with the company's business and interests.

Should any transaction give rise to a conflict of interests concerning a person working at/for the company, s/he shall refrain from taking part in such transaction, giving prompt notice thereof to the company's Management and Surveillance Body.

Moreover, if an employee's spouse, relative or relative-in-law is employed at or collaborates with another company or entity that is in competition with the company, the former shall give notice thereof to his/her hierarchical superior and to the Surveillance Body.

In any event, should anyone within the company become aware of other parties' conflicts of interests, whether they be internal and/or external to the company though

having a relationship with the company, s/he shall give notice thereof to the company's Management and Surveillance Body.

(v) Careers ad performance assessment

Other than training its staff, the company pays attention to the latter's professional growth. The staff's merits and performances are assessed by those who work therewith, together with their skills and capacities, their experience and seniority within the company.

(vi) Protection of dignity and integrity

The company guarantees its workers the protection of their dignity and psycho-physical integrity, respecting the principles of equal opportunities and privacy protection.

The company has taken all measures to ensure safe and healthy working conditions, such as to guarantee a suitable working environment, together with safety processes (including the smoking ban applicable in its premises) aimed at constantly improving the company's environment.

(vii) No discrimination

One of the main goals of this Code is to contrast any kind of discrimination based, by mere way of example, on sex, age, race, political and religious beliefs, and any kind of vexation or mobbing between the company's workers.

Should any worker at the company become aware of similar instances, s/he shall give notice thereof to the company's Management and Surveillance Body.

(viii) Work safety

The company takes care of the health and physical integrity of its staff, whether or not employed, and strictly complies with the law on safety at work (Leg. Decree no. 81 of 9 April 2008 and following amendments) whose enforcement is pursued both within and outside the company, requiring all persons it works with to abide thereby.

In particular, in accordance with the law, DOC Generici:

- a) evaluates any health and safety risks;
- b) it takes prevention measures that consistently integrate the company's technical-production conditions and the impact of environmental and work organization factors;
- c) it takes measures that are such as to eliminate risks or, where this is not possible, to reduce them to a minimum, in accordance with the skills and knowledge acquired thanks to technical progress;
- d) it complies with ergonomic principles in organizing work, in conceiving work sites, in choosing equipment and in defining work and production methods, especially to reduce the effects of monotonous and repetitive work on personal health;

- e) it reduces the sources of risk;
- f) it replaces what is dangerous with what is not or with what is less dangerous;
- g) it limits the number of workers who are or may be exposed to risk;
- h) it limits the use of chemical, physical and biological agents at work to what is strictly essential;
- i) it gives priority to collective protection measures over individual protection measures;
- l) it regularly controls its workers' health;
- m) it removes any worker who can no longer be exposed to risk due to health reasons, and assigns him, where possible, another task;
- n) it informs and suitably trains its workers, executives and assigned staff on safety issues;
- o) it informs and suitably trains the workers' representatives on safety issues;
- p) it gives adequate instructions to workers;
- q) it promotes the participation and consultation of the workers' representatives on safety issues;
- r) it takes adequate measures to guarantee the improvement of safety standards over time, also by adopting specific procedures;
- s) it determines the emergency measures to be taken in the event of first aid assistance, fire, evacuation of workers and serious and immediate danger;
- t) it regularly maintains work environments, equipment, plants and especially their safety devices, in accordance with their manufacturers' instructions.

In particular, within its own corporate organization, DOC Generici:

- drafts and regularly updates the risk assessment document laid down by art. 28, Leg. Decree no. 81/2008, and
- it appoints a Prevention and Protection Services Manager, in accordance with art. 17(1), letter b), Leg. Decree no. 81/2008.

Should any worker at the company become aware of any anomaly or irregularity in this respect, s/he shall give prompt notice thereof to the company's Management and Surveillance Body.

2. c. RELATIONSHIPS WITH PUBLIC ADMINISTRATIVE OFFICES (P.A.O.)

The company's relationships with civil servants, people entrusted with public services, public employees and assignees are based on transparency, loyalty and fairness.

- The company, its bodies and their members, its staff, its external consultants and, in general, its collaborators who work in the name and on behalf of the company in their relationships with P.A.O.s, act in line with the constitutional principles of impartiality and good administration, which P.A.O.s are required to comply with.

DOC Generici condemns and prohibits any offers or promises (even indirect) of money, gifts, services, performances or any other benefit, by anyone acting in its name and on its behalf, in return for privileges or favours by any P.A.O. representative or aimed at inducing the latter to act favourably towards the company, unlawfully and contrary to the Code's principles, except for gifts or other benefits of little value or, in any event, in line with usages or customs.

With special reference to the company's participation in tenders/competitions launched by P.A.O.s, the company maintains professional and transparent relationships, complying with the law and with P.A.O.s instructions. In any event, any favourable treatment or pressure or any other form of privilege aimed at obtaining an improper or unlawful interest or advantage to the company are prohibited.

- The company is available and cooperative when dealing with P.A.O.s, even for inspections and ascertainments; where due and/or required, it offers comprehensive information, data and documents, in line with the principles of transparency, completeness and accuracy.

- The company may benefit from any kind of funding granted by national and/or European public entities, which shall be limited to the specific use which it is granted and/or requested for.

The company monitors and condemns any contrivance or deceit used by anyone working on its behalf for the purpose of unduly obtaining such funding (to the benefit of the company) or P.A.O.s subsidies or provisions, or of avoiding limits to the use of such funding.

- The company actively cooperates with the judiciary and with the police, even for inspections, controls, investigations or other judicial proceedings.

2. d. RELATIONSHIPS WITH THE SCIENTIFIC HEALTH WORLD AND DIRECT SCIENTIFIC INFORMATION

DOC Generici is well aware of the value of its business in the scientific world and of its impact on the health system, and thus acts in full compliance with the laws which regulate, at all levels, pharmaceutical production, the distribution of drugs and scientific information to physicians and healthcare workers, especially with respect to Leg. Decree no. 219 of 24th April 2006.

In this field, the company endorses the provisions specifically adopted by industrial associations and is committed to acting in accordance therewith, and requires anyone working therefore to follow said provisions.

In particular:

(i) Relationships with the health scientific world

The company may collaborate and create any kind of relationship with members of the scientific world, including scholarships and consultancy services, even abroad, as long as the congruity, suitability and ascertainability of such actions are guaranteed.

Any decision related to such actions shall always be taken by the company's Management.

The company may also collaborate with scientific companies and medical associations, as long as for the purpose of spreading scientific knowledge and furthering professional expertise.

Any experiment and research on drugs, conducted after they have been authorized for marketing purposes, shall be allowed only if authorized by the law in force in the field.

Moreover, DOC Generici guarantees that clinical trials, post-marketing monitoring enquiries and those carried out after the drugs' launch on the market shall be made only for scientific purposes.

(ii) Direct scientific information

General principles

The company is well-aware of its responsibility for all information and promotional activities concerning its products, and thus takes measures to ensure that third parties (consultants, agents, etc.) which it delegates the task of spreading such information act in accordance with the law (including regional laws) and with the ethical principles promoted by the industrial associations it adheres to, which this Code is based on.

Therefore, anyone spreading information on the company's behalf:

➡ makes sure that such information is always documented or documentable and does not make exaggerated, universal or hyperbolic representations or comparisons that cannot be proven or that are not objectively grounded;

➡ s/he does not use faxes or emails or other automatic calling systems and other electronic means of communication to spread promotional material, unless the physician-addressee of said material has previously consented thereto and this can be proven;

- ➡ s/he introduces her/himself to the healthcare worker by specifying his/her functions;
- ➡ s/he is not engaged in health or para-health activities or that are nonetheless related to the use of drugs, even if they are not remunerated, and in any other on-going business as an employee;
- ➡ s/he does not accept mandates from any other pharmaceutical company, if s/he works as an agent for the company;
- ➡ s/he ensures that the products can be found both at drugstores and at any other retail store.

The company makes sure that its Drug Representatives are able to provide healthcare workers with all the information on the properties and characteristics of the drug itself that is such as to guarantee its proper therapeutic use.

It also makes sure that its Drug Representatives are given the chance of obtaining information concerning its drugs so as to ensure their widest knowledge thereof.

Information material

All information materials on the company's products, prepared by the company itself and used thereby to spread information to physicians, refer to official documents supplied to AIFA [Italian Drug Agency] at the time of the drugs' registration or subsequently approved by the same Agency, in accordance with the law in force.

In no circumstance will all-including statements be used to spread information on the company's products, such as "chosen drug", "totally harmless" or "perfectly tolerated" and alike; moreover, representations that categorically exclude side-effects or toxicity risks will not be used. Scientific quotations must accurately report the meaning intended by their authors.

Any text, table and any other illustration excerpted from medical journals or scientific works will be fully and faithfully reproduced, specifying their source. Any quotation which, separated from its context, appears to be partial and/or contradictory with respect to the author's intended meaning is not allowed.

Promotional material

When informing and presenting drugs to physicians or pharmacists, no prize or benefit (whether pecuniary or in kind) can be granted, offered or promised.

For the promotion of drugs to physicians, healthcare workers and pharmacists, DOC Generici representatives use only promotional materials supplied by the company, which buys it directly at a central level.

Such material, concerning drugs and their use, is of little value, is not fungible and anyhow related to the physician's and pharmacist's activity. It will clearly specify that it comes from the company.

The company does not allow its representatives to offer economic incentives aimed at compensating healthcare workers for the time taken off work to take part in congresses or conferences.

Professional updating and scientific collaboration

Any information material for scientific or professional consultation purposes, not specifically concerning any drug, may be given to public health structures for free. Said material shall be supplied by the company, which buys it directly at a central level.

Any eventual donation, bailment or gift concerning instruments that are strictly connected to the medical profession may be made only to universities, hospitals and nursing homes, in compliance with the relevant entity's administrative procedures.

Publicity in newspapers and magazines

DOC Generici acts with the utmost transparency when making advertisements in newspapers and magazines, respecting the strict separation between information and publicity, and always guaranteeing that the promotional message will be immediately recognizable to the reader, in any form, whether it will be editorial or reported as tables.

Congresses, conferences and scientific meetings

Within the ambit of its function to spread information and to contribute to the scientific and health world, DOC Generici may hold or take part in the organization of conferences, congresses and scientific meetings concerning issues related to the use of drugs, which represent an opportunity for exchanges between the industry and healthcare workers and that are addressed to many participants.

Upon a physician's acceptance of the invitation to the congress, in accordance with privacy laws in force, the company also acquires the latter's express consent to the use and eventual communication of his/her name to the Control Committee, together with information about his/her specialization, though only for the purposes of deontological controls and with specific reference to a given congress or conference.

DOC Generici takes part in congresses only when its participation is connected to its role in the field of research, development and scientific information, and is driven by ethical, scientific and economic-soundness considerations.

When participating in or organizing congresses or conferences, DOC Generici's goal is always the development of scientific collaborations with physicians.

Only physicians whose specialization somehow pertains to the event's main theme are invited thereto.

In no circumstance will the scientific events which DOC Generici takes part in have tourist purposes too.

The venue of such events will be chosen according to merely logistic, scientific and organizational criteria.

No cultural or tourist activities will be organized alongside the congress, neither will any accompanying guest be accommodated in any way.

Eventual medical-scientific courses will be organized by DOC Generici in accordance with the above provisions. No course whose purpose is not medical-scientific will be sponsored.

2. e. RELATIONSHIPS WITH THIRD PARTIES AND COMPETITORS

(i) Relationships with clients

The company strives to increase its clients' satisfaction and appreciation of its services/products, making them suited to their needs and providing the latter with wide and comprehensive information, in accordance with the abovementioned terms.

(ii) Relationships with suppliers, consultants and outsourcers

The company's suppliers are chosen on the basis of a careful technical-economic assessment, in the light of the following criteria: their products, offer, economic convenience, technical and professional suitability, competences and reliability.

The suppliers' endorsement of the values hereunder is a condition precedent to the creation and maintenance of their relationship with the company.

All products and/or services supplied must comply with the company's instructions and must be justified by concrete corporate needs, as expressed and illustrated by the company's respective managers, and must be in line with specified budget limits.

Upon termination of the supply relationship and, in any event, prior to payment of the corresponding invoice, the company will check the quality, congruity and timeliness of the services provided, as well as the supplier's compliance with its obligations.

For the purpose of protecting its own image and resources, the company will not deal with any supplier who is not willing to act in strict compliance with the law in force or who refuses to act in line with the values and principles of this Code.

(iii) Commercial partners and competitors

The company's relationship with its commercial partners and competitors is based on strict compliance with the law, with market rules and with the guiding principles of fair competition, opposing any kind of potentially unlawful or collusive agreement or conduct.

In the course of its business, DOC Generici will take care not to damage the image of its competitors and their products.

By endorsing this Code, DOC Generici requires all subjects working in its name and on its behalf (employees and collaborators, agents and consultants etc) to comply with the said principles.

(iv) Corporate creditors

For the purpose of protecting the company's eventual creditors, DOC Generici prohibits anyone working at/in the interests of the company from taking actions which may damage the company's assets, even indirectly, or reduce its capital, for the purpose of causing damage to such creditors.

CHAPTER 3: IMPLEMENTING THE CODE

3. a. ACCOUNTING AND FINANCIAL MANAGEMENT

(i) Accounting records

DOC Generici provides a clear, accurate and truthful representation of its records, in accordance with the Italian Civil Code, with accounting principles and tax laws in force, so as to ensure transparent and prompt controls.

The company prevents fake, incomplete or deceitful recordings and makes sure that no secret or non-registered funds are set up or deposited into personal accounts, and that no invoices are issued for non-existing services.

Directors, General Managers, Auditors and External Auditors are especially prohibited from recording false material facts in the company's financial statements, records and in any communications addressed to its shareholders and/or third parties, or from omitting information required by law concerning the company's economic and financial position and its assets and liabilities for the purpose of deceiving their addressees or causing a patrimonial damage to the company's shareholders or creditors.

To this end, in accordance with the principle of control represented by the separation of functions, single accounting operations and their following supervision and review are taken care of by different subjects, whose functions are clearly identified within the company, so as to avoid conferring upon them unlimited and/or excessive powers. Similarly, any action or omission that may hinder, obstruct or distort the shareholders' control, or the control by audit bodies and non-corporate bodies, are expressly forbidden. The unauthorized use of the company's funds is expressly forbidden, as is the creation and maintenance of funds (including foreign funds) not resulting from the company's official books.

(ii) Internal controls

The company's internal procedures regulate all economic operations and transactions (including expenses refunds to employees and/or external collaborators for various reasons and/or professionals), whose legitimacy, authorization, coherence, congruity, proper registration and ascertainability need to be open to control in line with the company's financial resources, whether already used or to be used. The company's coordinated system of internal controls improves the management's efficiency and represents a valid support to managerial actions. In any event, the individual who prepares and makes payments on the company's behalf needs to be different from the individual who carries out such controls.

(iii) Corporate communications

Corporate communications must be truthful, clear, accurate, transparent and comprehensive. They must be in line with the principles, criteria and formal requirements laid down by the Italian Civil Code, by accounting principles and by tax and accounting laws, as well as by applicable special laws and regulations.

The company's semi-annual financial statements, its information schedules, books and, in general, its reports or communications on its economic and financial position and on its assets and liabilities, as required by law, shall be drafted in accordance with the principle of transparency and accuracy, with the Italian Civil Code and applicable laws in force.

(iv) Contributions, gifts, presents, sponsors and unlawful transactions

When carrying out their functions, the company's staff must not be involved in or be part of and not even contribute to transactions which may imply the laundering of money from criminal or, in general, unlawful conduct.

The company may contribute to or sponsor given activities pursued by private and public non profit entities, especially where aimed at achieving social and cultural goals, and in accordance with accounting, fiscal and tax laws, acting with the utmost transparency, especially with respect to the criteria used thereby and to the congruity of its ensuing commitments.

3. b. CRIME PREVENTION (LEG. DECREE NO. 231/2001)

(i) The company's administrative liability

Leg. Decree no. 231/2001 has introduced the principle of all legal persons' direct and personal administrative liability for administrative unlawful acts arising from a crime. These can be punished with a pecuniary and/or interdictive measure if the crime is committed in the company's interests or to its advantage by individuals who are part of its structure and have an executive or subordinate role.

However, articles 6 and 7 grant companies the option of being exempted from the liability ensuing from the said crimes if their Board of Directors has spontaneously adopted and effectively implemented "organizational, management and control Models" that are such as to prevent such crimes, by entrusting a specific body, the Surveillance Body, with a surveillance and control function, thus implementing an effective crime-prevention policy.

(ii) Map of the corporate areas at risk of crime

The liability of legal persons (Leg. Decree no. 231/2001) arises only for given kinds of crime, the so-called presumed crimes.

In order to identify, grade and limit the risk of presumed crimes, the company has carried out a census and drafted a map of its corporate areas and corresponding functions, thus identifying sensitive areas and the level of risk of presumed crimes.

The risk map is an integral part of the organizational, management and control Model of DOC Generici: indeed, being aimed at identifying the activities that are especially exposed to given presumed crimes, it is the basis for the creation of a crime-prevention model that is designed, precisely, to prevent crimes – whether committed in the interest or to the benefit of the company – which the company would be liable for.

The Surveillance Body (see *infra*) regularly updates both the Code and the organizational, management and control Model whenever the law integrates the number of presumed crimes.

Please find below a description of the presumed crimes covered by Leg. Decree no. 231, in force at the time of issue of this Code:

art. 24 (*undue receipt of public funds, deceit to the State's detriment or to a public entity's detriment for the purpose of obtaining public funds, and computer fraud to the detriment of the State or of a public entity*): the crimes referred to by this provision are regulated by art.s 316-*bis*, 316-*ter*, 640(2), no. 1, 640-*bis* and 640-*ter* Criminal Code.

In particular, the crime regulated by art. 316-*bis* “*Embezzlement against the State*”, is committed by the beneficiary of a grant who does not duly use the money received, not pursuing the public goal prescribed in the administrative document that confers the grant. Even the partial use of the grant for other purposes amounts to a crime, it being irrelevant that the envisaged activity is actually carried out.

Art. 316-*ter* Criminal Code “*Undue appropriation of financing to the State's detriment*” concerns frauds committed in the stages leading to the grant of public financing. In this case, the financing is granted pursuant to the use or submittal of false documents or misrepresentations or to the omitted communication of information that should have been given.

The traditional scheme of the crime of deceit (whether simple or aggravated) or fraud applies to the crimes regulated by art.s 640(2), no.1, 640-*bis*, 640-*ter* of the Criminal Code, and is characteristic solely because of the victim concerned, i.e. the State or another public entity.

art. 24-bis (*computer frauds and unlawful data processing*): the provision refers to the crimes regulated by art. 615-*ter*, 617-*quater*, 617-*quinquies*, 635-*bis*, 635-*ter*, 635-*quater*

and 635-quinquies of the Criminal Code, pursuant to an amendment introduced by Law no. 48 of 18 March 2008, which has ratified the European Council Convention on Cybercrimes.

Indeed, these provisions are designed to punish the unauthorized use of protected computer systems, as well as interceptions, interruptions or impeded computer communications, and damages to computer or telematic systems.

art. 25 (*graft and corruption*): the crimes referred to by this provision are those regulated by art.s 317, 318, 319, 319-*bis*, 319-*ter*, 320, 321, 322, 322-*bis* Criminal Code.

In short, the crime of “*corruption*” is committed by any public officer who receives or is promised money or another benefit or accepts the promise thereof or a remuneration that is not due, to perform an action required by his office, or an action against his office. The crime of “*instigation to corruption*” is committed by anyone who offers or promises money or other benefits to a public officer so as to induce him to perform, omit or delay an action required by his office.

“*Graft*” is the crime committed by a public officer who, abusing his capacity, induces someone to give or promise money or another benefit.

art. 25 bis (*counterfeit money, credit cards, revenue stamps and distinctive instruments or signs*): the crimes referred to by this provision are those regulated by art.s 453, 454, 455, 457, 459, 460, 461, 464 Criminal Code.

The provision punishes, in particular, the counterfeiting and altering of money, revenue stamps or credit cards (watermarked paper) and the introduction of counterfeit money or revenue stamps into the State, and their use, even if in good faith. The counterfeiting of distinctive instruments and signs, which has been regulated in order to protect industrial property rights (trademarks, distinctive signs, patents, models and drawings), has been introduced by Law no. 99 of 23 July 2009.

Art. 25 bis.1 (*crimes against industry and trade*): these crimes are regulated by art.s 513, 513 bis, 514, 515, 516, 517 and 517 bis Criminal Code, and include trade fraud, unlawful competition with the use or threat of violence, and the marketing of adulterated food. This provision has been introduced by Law no. 99/2009 to protect the development and internationalization of firms.

art. 25 ter (*corporate crimes*): the crimes referred to by this provision are those governed by art.s 2621 - 2638 Civil Code on corporate matters. The law has been further amended by Leg. Decree no. 6/2003 and Law no. 262/2005.

This body of laws is centred around a limited number of crimes representing a restricted set of legal values that is closely connected to corporate activities. The crimes are the following:

art. 2621 Civil Code “*False corporate communications*”;

art. 2622 Civil Code “*False corporate communications damaging shareholders and creditors*”;

art. 2624 Civil Code “*False reports or communications by the Audit Firm*”;
art. 2625 Civil Code “*Impeded control*”;
art. 2626 Civil Code “*Undue return of contributions*”;
art. 2627 Civil Code “*Unlawful distribution of profits and reserves*”;
art. 2628 Civil Code “*Unlawful transactions on shares or quotas of the company or of the parent company*”;
art. 2629 Civil Code “*Transactions damaging creditors*”;
art. 2629 bis “*Omitted communication of a conflict of interests*”;
art. 2632 Civil Code “*Fake constitution of capital*”;
art. 2633 Civil Code “*Undue distribution of corporate assets by the liquidators*”;
art. 2636 Civil Code “*Undue influence on the General Assembly*”;
art. 2637 Civil Code “*Market rigging*”;
art. 2638 Civil Code “*Hindering the activity of Public Surveillance Authorities*”.

art. 25 quater (*terrorism crimes or crimes against democracy*): this provision includes all the crimes contemplated by the Criminal Code and by special laws and, in particular, the articles from 270-bis to 270-sexies, 280, 280-bis and 302 Criminal Code, which punish both terrorist activities and associations with terrorism purposes and the instigation to commit such crimes.

art. 25 quinquies (*crimes against individual personality*), namely reduction to slavery and slavery and crimes connected to prostitution and child pornography.

art. 25 sexies (*market abuses*): the crimes referred to by this provision are those regulated by art.s 184, 185, 187-bis, 187-ter Leg. Decree no. 58/1998 (the so-called TUF, *Testo Unico Finanza [Finance Single Law]*): abuse of privileged information and market manipulation.

art. 25 septies (*culpable homicide and serious or very serious injuries committed by infringing accident-prevention laws and laws on the protection of workers’ health and safety*): the crimes recalled by this provision are those regulated by art.s 589 (*culpable homicide*) and 590(3) (*serious or very serious injuries*) Criminal Code. The provision has been added by art. 9 Law no. 123/2007 on the reorganization of the law on workers’ health and safety. Therefore, the company may be charged with criminally negligent crimes (where “negligence” is not meant in general terms, hence lack of care or prudence, but rather as “specific negligence”, which requires the event to be caused by the infringement of accident-prevention laws) and with malicious crimes committed by infringing accident-prevention laws, other than those ensuing from the infringement of laws on workers’ health. In this respect, any professional illness caused by the ongoing exposure to given risks, environments and noxious substances falls within this provision

art. 25 octies (*receiving, laundering and using money, goods or utilities of an unlawful origin*): the crimes referred to by this provision are those regulated by art.s 648, 648-bis, and 648-ter Criminal Code.

The provision has been added by art. 63 Leg. Decree no. 231/2007 which enforces EC Directive no. 60/2005 on the prevention of the use of the “*financial system for the purpose of money laundering and terrorism financing*”.

art. 25 novies (*crimes related to copyright infringement; inducing another person not to make statements or to make false statements to the judiciary*): the very different crimes referred to by this provision, are the following:

- on the one hand, the crimes regulated by the law on original works protected by copyright (Law 633/1941), such as the unlawful reproduction, distribution, sale or the holding for commercial purposes of programs for electronic processors, or the unlawful duplication, reproduction, transmission or public disclosure of original works intended for TV, cinema, the sale or hiring of disks, tapes or similar supports or any other support containing phonograms or videograms of music, film or audiovisual works, etc.

Their regulation has been introduced by Law no. 99/2009;

- on the other hand, the crimes regulated by art. 377-bis Criminal Code, i.e. inducing another person to make false statements or not to make statements to the judiciary. These have been introduced in the list of presumed crimes by art. 4 Law no. 116 of 3 August 2009.

Pharmaceutical companies (such as DOC Generici) are not included among the addressees of this Decree (i.e. banks; Italian post offices; saving management companies; brokerage companies; open-ended investment companies; free-lancers such as notaries, lawyers, chartered accountants, external auditors etc.); however, their representatives, just like any other legal person, may theoretically commit the crimes covered by these articles of the Criminal Code.

art. 10, Law no. 146 of 16 March 2006 (*cross border crimes*): the provision includes in Leg. Decree no. 231/2001 the crime of mafia and criminal associations, criminal associations for the smuggling of tobacco, illegal immigration and drug trafficking, where these crimes are committed in several countries.

(iii) Creation and adoption of crime-prevention models

In accordance with Leg. Decree no. 231/2001, DOC Generici adopts an organizational, management and control Model that has a crime-prevention function.

The Code coordinates and supplements the precepts of such a Model, laying down behavioural standards which the workers involved in the ambits-functions deemed to be at risk of crime are required to follow.

Such an organizational, management and control Model is created on the basis of the company's background, the results of its examination and the peculiar traits of its organizational, operational and dimensional structure.

To this end, DOC Generici:

- a) guarantees the necessary separation between operational and control functions;
- b) it avoids conflicts of interests when assigning functions;
- c) it is able to identify, measure and monitor all potential or concrete risks in its many operational segments;
- d) it lays down control procedures at all operational levels;
- e) it guarantees reliable information systems that are such as to allow for the prompt report of any anomaly encountered during its controls;
- f) it allows for the recording of all operational facts in a suitably detailed way;
- g) it constantly monitors the activities which may create risks of criminal activities;
- h) it rules out that any individual acting at the company or on its behalf may justify his/her conduct by claiming that he/she was not aware of the company's rules;
- i) it creates internal procedures aimed at regulating activities at risk, implementing suitable and diverse control mechanisms, including the matching of signatures, supervisions, the separation of functions, safety systems for access to data and corporate information.
- j) it informs of and awakens all those who are engaged (in the name and on behalf of the company) in activities at risk and in processes that are instrumental to crimes, to the possibility of committing an unlawful act if the company's preset provisions are infringed, which may be subject to criminal and administrative sanctions applied not only against him/herself but also against the company.

Executive and/or top managers shall comply with the behavioural regulations prescribed herein, and with all behavioural protocols and procedures issued by the company; or else, they will be subject to the sanctions laid down by the disciplinary system in force.

3. c. DISCIPLINARY SYSTEM AND SANCTIONS

Pursuant to art. 6 Leg. Decree 231/2001, which exempts a company from criminal liability, provided it adopts and effectively implements an organizational, management and control Model that is such as to prevent the abovementioned crimes, DOC Generici has decided to introduce a "disciplinary system" that punishes any non-compliance with the measures taken thereby to avoid such crimes being committed.

Such a disciplinary system is thus an integral part of DOC Generici's organizational Model and is addressed to all those who are required to respect the principles of this Code, especially:

- a) any subject who represents, manages or runs the company;
- b) any subject and person who is under the direction or surveillance of any subject mentioned in letter a).

Hence, the infringement of the Code and of the principles of the organizational, management and control Model, and of the behavioural procedures/rules referred thereto, implies the application of sanctions against the addressees thereof. Indeed, such infringements breach the latter's relationship of trust with the Company and may thus lead to disciplinary actions being taken against the subjects concerned, regardless of any criminal actions eventually brought against them where their conduct amounts to a crime.

Any infringement of the Code and of the organizational, management and control Model will always be notified to the Surveillance Body so that any eventual actions can be taken.

In any event, since the infringement of the Code and of internal procedures is autonomous with respect to the infringement of the law that ensues from an offence or an administrative unlawful conduct, the company's evaluation of any conduct that conflicts with the Model may not match the criminal judge's assessment.

The applicable sanctions differ according to the kind of addressee of the disciplinary system.

(i) Non executive employees.

The rules of the Code, just like all behavioural protocols that have a crime-prevention function, whether already in force or to be adopted by the company and reported in DOC Generici's organizational management and control Model, must be complied with by all the company's employees.

For this purpose, DOC Generici undertakes to distribute this Code to all workers and to guarantee to its employees the necessary training in order to become aware of and apply the Model.

Therefore, any infringement of this Code's principles, as well as of the procedures constituting the organizational Model adopted by DOC Generici, is against every employee's duties and amounts to a disciplinary infringement.

It is up to the Head Office, after hearing the Surveillance Body, to apply the relevant sanction.

Any infringement must be previously reported in accordance with the terms and procedures laid down by law, in particular by the Workers' Charter and by the CCNL [National Collective Labour Contract] for workers in the Chemical-Pharmaceutical industry, which is applicable *ratione temporis*.

For this purpose, an excerpt of this Code will be posted, in accordance with art. 7 of the Workers' Charter, where every employee of the company can examine it.

Any employee of DOC Generici who acts in conflict with the Code and with the organizational, management and control Model in force shall be subject to disciplinary sanctions, depending on the seriousness of the infringement, as laid down by law (e.g. art. 7 Workers' Charter; art.s 2105 and 2106 Civil Code) and by the relevant CCNL.

In order to determine the applicable sanction, the seriousness of the infringement will be evaluated by taking into account:

- a) the time and concrete conditions of infringement;
- b) all relevant facts;
- c) the offender's will;
- d) the extent of the damage caused or of the danger which the company's or third parties' interests have been exposed to and
- e) the foreseeability of the damage.

Any habitual offender is subject to a more serious sanction than that previously applied.

In the light of the above principles, the employee who infringes, in any way, this Code or the organizational protocols that are aimed at preventing the company's administrative liability and that make up DOC Generici's organizational, management and control Model, will be subject to the following sanctions, depending on the seriousness of the infringement:

- a) oral warning;
- b) written warning
- c) a fine for up to three hours of remuneration;
- d) suspension from work and one's remuneration for up to three days;
- e) dismissal without notice.

Disciplinary sanctions will be applied in the event of:

- a) the infringement of the behavioural rules of this Code and of the procedures laid down in the organizational, management and control Model, by means of actions or

omissions that are against any bans or prescriptions contained in the Code and in the Model, respectively;

b) the infringement of corporate procedures on giving evidence of any activities pursued, having regard to the method for documenting, keeping and controlling documents concerning the procedures of the organizational, management and control Model, thus hindering the transparency and ascertainability thereof;

c) the infringement and/or elusion of the control system in force, by removing, destroying or altering documents envisaged by the procedures of the organizational, management and control Model or by preventing authorized workers, including the Surveillance Body, from having access to information and documents;

d) the infringement of provisions on signatory powers and proxies;

e) the omitted surveillance – by hierarchical superiors – of their staff's proper and effective implementation of the principles reported in the procedures of the organizational, management and control Model.

An oral or written warning will be given in cases a) and b).

A fine for up to three hours of remuneration will be applied:

- where a conduct that has already been sanctioned is repeated after more than six months though within two years of application of a disciplinary sanction for one of the cases mentioned in points a) and b);

- to the cases of points c), d) and e).

The suspension from work and remuneration will be applied:

- where a conduct that has already been sanctioned is repeated within six months of application of a disciplinary sanction for one of the cases mentioned in points a) and b);

- where a conduct that has already been sanctioned is repeated within two years of application of a disciplinary sanction for one of the cases mentioned in points c) d) and e).

The worker will be dismissed:

- whenever, by adopting one of the conducts mentioned in points a) to e), the worker has committed or attempted to commit a crime regulated by art. 24 and following Leg. Decree no. 231/2001, thus exposing the company to the risk of an administrative sanction, regardless of whether the worker has been indicted and/or convicted and whether the company has been subject to investigations or procedures as a result of the worker's conduct;

- whenever, by adopting one of the conducts mentioned in points a) to e), one or more persons, including the offender, have been exposed to a concrete risk to their safety;
- whenever the same conduct covered by points a) to e) is repeated three times over two years.

(ii) Executive staff.

Since disciplinary sanctions cannot be applied by employers to executives, with the sole exception of their dismissal, and since the relationship between executives and the company is strictly connected to the employer's trust in the former's skills and person, DOC Generici introduces the following clause into any executive's employment contract or letter of employment:

“The Executive declares to be well aware of Leg. Decree no. 231 of 8 June 2001 on the liability of legal persons, and acknowledges receipt of a copy of the Code of Ethics adopted by DOC Generici, fully understanding and sharing the values which the company's policy is based on. Therefore, the Executive undertakes to comply with the principles and provisions of the Code and of the organizational Model adopted by DOC Generici, being aware that compliance with such precepts is of the essence for the relationship of trust which the executive's employment at the company is grounded on. Any infringement will lead to the immediate resolution of the executive's employment contract, for facts and conducts attributable to the executive, which will be such as not to allow for this relationship to go ahead, not even provisionally, and without prejudice to DOC Generici's right to claim compensation of damages resulting from such infringement.”

As for contracts entered into prior to the enforcement of this Code, the company will have the person concerned sign an *addendum* including the latter's obligation to comply with the Code and with the procedures, as well as his acknowledgement of the company's right to resolve his assignment in the event of breach of such obligations.

(iii) Non-employed staff and third parties in general

DOC Generici expects all its collaborators, however linked to the company (even only temporarily) - including, by mere way of example, agents, project-based and autonomous collaborators, external consultants, contractors, distributors, suppliers, commercial partners etc. - to comply with this Code and with the organizational, management and control Model of DOC Generici.

For this purpose, the company notifies this Code of Ethics to any third party which it stipulates any of the above relationships with, distributing it as widely as possible and in the most appropriate way; where necessary, it has the Code translated into a foreign language. It also communicates to the subjects concerned all the procedures reported in its organizational, management and control Model.

Therefore, any third party action taken while performing his/her relationship with DOC Generici, which is against the rules of this Code and its values, amounts to an infringement of the party's contractual obligations towards DOC Generici.

By mere way of example, and with respect to non-employed staff, any breach of the Code will be supplemented by the fact of having adopted the conducts covered by letters a) to d) concerning employees.

In order to guarantee respect for its values, DOC Generici:

- introduces an express resolution clause into every agency and project-based contract, which allows it to resolve immediately the contract pursuant to an infringement for the above reasons, which is formulated as follows:

“XXXXX irrevocably undertakes to strictly comply with all the laws in force and with the “Code of Ethics” of DOC Generici, which it declares to be aware of, and with all organizational procedures adopted by the company and notified from time to time.

XXXXX's compliance with the above principles and procedures is of the essence for the purposes of his relationship with the company. Therefore, the parties acknowledge that any infringement by XXXXX of the Code and/or the procedures, whether in the course of and/or for the purpose of performing this contract, amounts to such a serious breach that it cannot allow, not even provisionally, for the contract to continue and is a cause of resolution, by law, of the contract without notice, without prejudice to DOC Generici's right to claim any damages ensuing from such infringement”.

- DOC Generici introduces an express resolution clause into every tender contract, consultancy agreement, contract for the supply of goods and services in general, which allows it to resolve immediately the contract pursuant to an infringement for the above reasons, which is formulated as follows :

“XXXXX irrevocably undertakes, both for himself and for any subject acting in his name or interest, to comply with Leg. Decree no. 231 of 8 June 2001 and following amendments on the administrative liability of legal persons and with any provision referred to therein.

Compliance with the referred provisions is of the essence for the purposes of XXXXX's relationship with DOC Generici. Therefore, the parties mutually acknowledge that any infringement of the above provisions amounts to a serious breach and will entitle the non-infringing party, in accordance with art. 1456 Civil Code, to resolve this contract immediately, giving notice thereof by registered letter (with return receipt), without prejudice to its right to claim any damages ensuing from such infringement”.

- DOC Generici introduces the following clause into every tender contract, consultancy agreement, contract for the supply of goods and services in general, entered into with subjects based abroad:

“XXXXX declares that it is aware of the Code of Ethics of DOC Generici s.r.l.”.

As for contracts entered into prior to the approval of the Code, DOC Generici will have each contractor sign an *addendum* that includes the above obligation, as well as DOC Generici’s ensuing right to resolve the contract in the event of breach.

Any alleged infringements will be notified to the Surveillance Body, this being in charge of evaluating the conduct in question and of taking eventual measures, including sanctions.

In any event, the Surveillance Body will hear the person concerned before taking any measure.

The seriousness of the infringement, which will lead to DOC Generici’s decision as to whether to enforce the express resolution clause, will be evaluated, just like for employees, by taking into account the time and concrete conditions of infringement and all relevant facts; the offender’s will; the extent of the damage and the risk which the company’s or third parties’ interests have been exposed to and the foreseeability of the damage.

(iv) Directors, Auditors, Members of the Surveillance Body.

By accepting his/her role, each member of the Board of Directors, of the Audit Committee and of the Surveillance Body of DOC Generici undertakes to comply with the principles and provisions of this Code while pursuing any activity connected thereto.

Therefore, any conduct that conflicts with the Code or with the organizational Model adopted by DOC Generici may be a good cause for the immediate revocation of one’s office, without prejudice to DOC Generici’s right to claim compensation of damages caused to the company by said conduct.

In any event, the other sanctions laid down by this Code for the infringements covered by points a) to e) of paragraph 3. c. (i) may be applied where they are relevant for the specific case in question and depending on the relationship between the company and the subject concerned.

3. d. SETTING UP THE SURVEILLANCE BODY (SB)

The SB is the body specifically entrusted by the company’s Board of Directors with the task of controlling and supervising compliance with the Code and with its related processes, as well as adapting and updating the model used by the company.

It is an autonomous body, endowed with the powers to take action and perform controls, and is independent and separate from the company’s ownership and management,

though connected to the company by reason of its coordination with the Board of Directors, its “intra-extra” controls and its on-going function.

Members

The SB’s members satisfy the necessary requisites of honourableness, professional quality and independence, as well as competence and experience in the field.

Moreover, an irrevocable sentence of conviction (or negotiation) is a reason for the ineligibility or revocation for good cause of the members of the Surveillance Body.

An auditor, for instance, may be appointed as a member of the SB, since the characteristics which, in general, the Italian Civil Code attributes to such figure (art. 2399 Italian Civil Code) are themselves a sufficient guarantee of his/her impartiality and independence from the company and its directors (no relationship, affinity or spousal relationship (within the fourth degree) with the directors of the company or of other companies of the group; no employment or professional consultancy relationship with the company that is such as to limit his/her independence).

Should a director be appointed as a member of the SB, s/he shall be a non-executive director or an independent non-executive. Moreover, by way of example, s/he shall not have any direct or indirect economic relationship with the company and/or its controlled companies; s/he shall not own shares in the company, either directly or indirectly, which would allow her/him to control or influence the company significantly.

Should an employee be appointed, s/he shall be an individual whose autonomy is proven through professional criteria, and such autonomy shall be guaranteed by assigning tasks and concrete powers thereto in her/his capacity of member of the Body.

Should an external consultant be appointed, s/he shall issue a statement upon her/his appointment, certifying the lack of any reasons against her/his appointment or of any opportunity reason (conflicts of interests, relationship with executive directors etc), and her/his adequate knowledge of the behavioural and ethical rules endorsed by the pharmaceutical company.

Upon appointment of the SB, the Board of Directors shall determine whether the Body will be made up of one single person or by a group of members, and shall establish the principles governing its term, the replacement of its members, their renewal, and its budget. Within such limits, the SB will have its own structural and economic-financial resources and will determine by itself its own organization, regulation and operation, and may even rely on external consultants to perform its functions.

The SB members, with respect to their own functions, are not subject to any hierarchical or disciplinary subordination and are not required to report on the SB’s activities, or to pre-announce its actions, to the Board of Directors, to the General Management or another corporate management, and to the Audit Committee.

Functions

In accordance with art. 6 Leg. Decree no. 231/2001, and in the performance of the functions reserved thereto, the SB shall:

- interpret, apply and control compliance with the Code;
- ensure compliance with, effective implementation, updating and optimization of the models used by the company;
- monitor the actual effectiveness and suitability of the organizational, management and control Model to prevent the presumed crimes regulated by Leg. Decree no. 231/2001, with respect to the company's structures and single departments;
- carry out inspections and monitoring/coordination activities with other internal and external bodies of the company;
- detect and report any eventual infringements to the appointed bodies and pursue the related disciplinary procedures;
- evaluate the conduct of workers that are not employed by the company so as to ascertain their eventual infringement of the Code and take eventual measures, and express its opinion on the conduct of the company's employees.
- check that the company takes information and training actions concerning the principles, values and behavioural rules of the Code and of the organizational, management and control Model, and verify the level of knowledge thereof, also on the basis of any requests for explanation and any remarks received thereby.

For the purpose of satisfying its duties, the SB may, at any time and acting in full autonomy and at its own discretion, control and check the application of the Code and of the organizational, management and control Model; this may be done also by any member of the SB acting separately.

For such activity, the SB periodically drafts and provides the Board of Directors with a report on the status of implementation of the Code and of the organizational, management and control Model, illustrating any actions that are instrumental and required to improve the functionality and effectiveness of the company's prevention system.

The SB's intra-organizational coordination

For the purpose of duly performing its tasks, the SB needs to interact constantly with the company's management and control bodies, and with the managers of single

departments, who are required to provide it with continuous information and to coordinate themselves therewith.

The SB regularly deals with external bodies such as, by mere way of example, surveillance authorities and P.A.O.s in general.

CHAPTER 4: FINAL PROVISION

The Code shall come into force upon its approval by the Board of Directors of DOC Generici, which is entrusted with this task. The Company shall take all actions to make sure that the Code is widely spread and easily accessible to the company's shareholders, corporate bodies, staff and all subjects interested and involved in its business.

The content of the Code must be coordinated with the company's Articles of Association, with the Italian Civil Code and Criminal Code (as for the crimes that are relevant for the company's business), and with the relevant CCNL.

As for behavioural rules, the Code is applied together with the prescriptions of the organizational, management and control Model used by the company for crime prevention purposes.

The Code automatically incorporates any current or future provision which defines the list of typical presumed crimes and that is aimed at preventing and repressing corporate crimes, thus representing a valid legal defence for the company and its business.

The Board of Directors

Milan, October 19th., 2009