



CODE OF ETHICS AND CONDUCT

INDEX OF REVISIONS

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1. Introduction

This Code of Ethics and Conduct arises from the desire of the Company's Board of Directors to equip the company Sapi Med S.p.A. with an Organisation, Management and Control Model aimed at preventing the commission, by persons acting on behalf of the company, of the corporate liability predicate crimes pursuant to Italian Legislative Decree no. 231/01.

It forms an integral part of the Organisation, Management and Control Model adopted and implemented by Sapi Med S.p.A., specified above, and the rules of conduct contained in this Code of Ethics and Conduct should therefore be considered and respected also with specific reference to the areas and activities at risk of commission of the crimes indicated in Italian Legislative Decree no. 231/01, for the purposes of preventing the same.

In light of the integration indicated above, the contents of this Code of Ethics have mandatory effect on the Company organisation and any failure to comply with them is sanctioned in accordance with the disciplinary and sanctions system of the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01.

2. Purpose of the Code of Ethics

This Code of Ethics and Conduct is not intended to replace or supersede domestic or European laws and regulations but it establishes a guide for the minimum standards of business practice and constitutes the set of rights, duties and responsibilities of the Company itself in relation to its “stakeholders” (Shareholders, Directors, Employees, Agents, Collaborators, Suppliers, Clients, Public Administrations, etc...).

It defines the ethical criteria adopted to achieve a correct balance between the expectations and interests of the various stakeholders and it contains the principles and guidelines of conduct in possible sensitive areas. It thereby represents a testimony of the efforts made by the Shareholders to give shape to a strongly shared ethical dimension.

All employees and collaborators must comply with the principles of business ethics and the rules of conduct indicated herein, both in internal relationships and in relationships with third parties, as part of their respective duties and in relation to their organisational position within the company.

The values and principles declared below reflect the ethical rules on which the Company's actions are based, and, in formulating them, the Management Body has taken account of market best practices and the indications provided by the Trade Associations representing its sector.

3. Scope of Application

All directors, employees, managers and collaborators, as well as all persons who, even if external to the Company (known as Third-Party Recipients), operate directly or indirectly, contributing to the conduct of the activities of the same (merely by way of example but without limitation: agents, collaborators in any guise, consultants, suppliers, commercial partners, sub-suppliers, members of the Board of Statutory Auditors, attorneys, etc.) must comply with this Code of Ethics and Conduct, without exception.

All persons indicated in the above paragraph will be known, overall, below as “Recipients” or, individually, as “Recipient”.

The correct application of the Code of Ethics and Conduct is also fundamentally important to the Company's proper functioning and reliability, factors that constitute essential assets for protecting the image, good reputation and therefore the success of the same.

The Company undertakes to guarantee the prompt internal and external dissemination of the Code of Ethics by way of:

- distribution to all internal persons (shareholders, directors, employees, collaborators) and specific training activity;
- its provision to third parties of the organisation and any interlocutor making such a request;
- publication on the company notice boards;
- publication on the company website;
- inserting specific clauses into contracts with Third-Party Recipients, formalising the commitment to respect this Code of Ethics and Conduct and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01 of which it is an integral part, envisaging contractual sanctions for any violations of that commitment.

4. Ethical Principles of Conduct

All persons, indicated in point 3, Recipients of this Code of Ethics and Conduct, must base their activities on the following ethical principles.

4.1 Respect of Laws

Sapi Med S.p.A. views as an essential principle respect of the laws and in general the rules and regulations in force in Italy and in all countries in which it operates.

It is not permitted, in any circumstance, to pursue or achieve the Company's interest in violation of

the laws and regulations in force. The ethical nature of the Company's behaviours goes beyond the mere observance of laws and regulations, materialising in the general desire to adopt, in different situations, the highest standards of ethical behaviour.

4.2 Centrality of the Individual

Sapi Med S.p.A. strongly believes in the central importance of individuals as a fundamental element for the Company's growth, and it operates by developing individual qualities through the conduct of daily activities and involvement in company life, also by increasing skills and professionalisms. In that sense, the Company is constantly committed to making the working environment favourable to the spread of positivity and optimism. The Company's development also involves sharing with collaborators the strategies at all levels, focusing on increasingly ambitious goals.

The Company is committed:

- to respecting fundamental human rights;
- to preventing child exploitation;
- to not using forced labour or work carried out in conditions of slavery or servitude.

The Company requires its internal and external work relations not to give rise to:

- reduction or maintenance in a state of subjection through violence, threats, deceit, abuse of authority, taking advantage of a situation of physical or mental inferiority or a situation of need or through the promise or payment of sums of cash or other benefits to those having authority over the individual;
- harassment of any nature, such as the creation of a hostile working environment in relation to individual workers or groups of workers, unjustified interference with the work of others and the creation of obstacles and impediments to the professional prospects of others;
- sexual harassment, thereby meaning subordinating possibilities of professional growth or other advantages to the provision of sexual favours or proposals of private interpersonal relationships which, due to the fact of being unwelcome for the recipient, may harm their peace of mind.

Each Recipient must refrain from working under the effect of alcoholic substances or drugs, or substances having the same effect, and from consuming such substances at work. States of chronic dependence on alcohol and drugs, which affect the work performance and which may upset the

normal conduct of the same, will be equated to the aforementioned cases.

It is strictly prohibited to use the company structures to facilitate, in any way, the circulation of drugs and pornographic material as well as to have custody of them within the Company premises, warehouses, its appurtenances, or in any other place that is attributable to the same.

It is also strictly prohibited to facilitate in any way organised and transnational crime, in any form.

The Company does not tolerate any behaviour between colleagues, collaborators and in general the Recipients of this Code of Ethics and Conduct, which substantially constitutes a form of aggression, whether it is physical or verbal, thereby meaning a discussion in which a tone and language are used which are not compliant with the rules of proper conduct.

4.3 Product Innovation

Sapi Med S.p.A. constantly seeks product innovation, to identify new effective and sustainable solutions that bring concrete added value both to the operating requirements of doctors in harmony with the evolutions taking place in surgery, and to the requirements of the patient, developing, in particular, a therapeutic and non-traumatic approach.

In that sense, the Company undertakes to guarantee qualitative standards, of proven reliability and easy use, which determine the optimisation of the specialist performances and the use of day surgery surgical techniques, in line with innovations occurring in the field of therapy and proctology surgery. The aim is to satisfy and to protect Clients and to follow up on their reports to improve the quality of the products and the service offered.

Sapi Med S.p.A. condemns and prohibits all behaviours aimed at counterfeiting patents, designs, and models and the use of the same, and it undertakes not to place on sale products with counterfeited or altered trademarks and distinctive signs or those that are not compliant with what is required by mandatory regulations and by what is represented or guaranteed to the Client.

4.4 Fairness

The Recipients must act correctly in order to avoid any conflict of interest situation, namely situations in which the pursuit of one's interest is in contrast with the Company's interests and mission.

The Company operates fairly and correctly, undertaking to select agents, suppliers, sub-suppliers and interlocutors also in view of their specific ability to guarantee:

- respect of this Code of Ethics and Conduct and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01;
- availability of suitable organisational means and facilities;
- expertise and professionalism in the supply of high quality materials;
- respect of labour regulations (including those on child labour and women), health and safety of workers, trade union rights or in any case representative associations;
- respect of the environment and the regulations in force in that regard.

To that end, specific procedures are envisaged which are functional to the documentation of the selection process of the entities indicated above, integrated into the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 and the Company's UNI EN ISO 13485:2012 Quality Management System.

The Company also undertakes to respect market rules, refraining from behaviours likely to generate distortions and, in that sense, it does not spread incorrect information or implement forms of communication, marketing and promotions that are misleading or based upon ambiguous elements, which are likely to constitute situations of unfair competition.

In that sense, behaviours contrary to this principle are rejected, whether they are collusive and/or involve the abuse of a dominant position. Fair competition on the market is seen by Sapi Med S.p.A. to be the creation and offer of quality products, which meet the needs of Clients and are also compliant with the contractual promises and the ever-increasing expectations in terms of quality and reliability.

The Company's fairness is also expressed in its absolute commitment to fulfil precisely all obligations entered into with third party suppliers.

4.5 Confidentiality

Sapi Med S.p.A. undertakes to respect the privacy of the recipients, in compliance with existing regulations, with a view to avoiding the communication or dissemination of personal data in the absence of consent from the data subject.

The confidentiality obligation indicated above must be respected even outside of work hours and even after the specific contractual relationship with the Company itself.

4.6 Transparency

The principle of transparency is based upon the truthfulness, accuracy and completeness of the information, both external and internal to the Company.

In respect of that principle, every operation and transaction must be correctly recorded, authorised, verifiable, legitimate, congruous and coherent and compliant with the processes of decision-making, authorisation and conduct as specified in the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01.

4.7 Relationships with the Public Administration

Sapi Med S.p.A bases its relationships with the Public Administration on principles of legality, integrity, fairness and transparency expressed by our legal system, with specific regard to the purposes illustrated by Italian Legislative Decree no. 231/01.

The Company does not permit acts of bribery or instigation to corruption in relation to the Public Administration, both committed directly by company representatives and committed by persons acting on behalf of the Company itself. To that end, the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01 envisages specific measures and procedures aimed at preventing and avoiding any phenomenon of bribery and corruption or other conduct likely to constitute a danger of committing such crimes.

It is strictly prohibited for all direct and indirect recipients of this Code of Ethics and Conduct to seek and establish personal relationships of favour, influence, and interference which are likely to affect, directly or indirectly, the outcome of the relationship with officers of the Public Administration and in general to offer cash, assets or other utilities to those representatives, even by interposing person, with the aim of promoting or unduly favouring the Company's interests.

4.8 Occupational Health and Safety

The Company undertakes to protect, disseminate and consolidate a culture of occupational health and safety, developing awareness of the risks and promoting responsible behaviours by all recipients of this Code of Ethics and Conduct.

The principles by which Sapi Med S.p.A. is inspired and which it makes known to all workers, as identified by Art. 2 of Italian Legislative Decree no. 81/2008, also through specific training, are the following:

- a) assessment of all health and safety risks;
- b) planning of prevention, aimed at creating a system that coherently integrates into prevention

- the technical and production conditions of the company as well as the influence of environmental factors and the organisation of work;
- c) elimination of risks and, if this is not possible, their reduction to a minimum in relation to the knowledge acquired based upon technical progress;
 - d) respect of ergonomics in the organisation of work, in the design of workspaces, in the choice of equipment and in the definition of work and production methods, particularly in order to reduce the effects on health of monotonous and repetitive work;
 - e) reduction of risks at source;
 - f) replacement of what is dangerous with what is not, or with what is less dangerous;
 - g) limitation to a minimum of the number of workers who are, or may be, exposed to risk;
 - h) limited use of chemical, physical and biological agents in the workplaces;
 - i) priority of collective protection measures over individual protection measures;
 - l) health control of workers (if required by existing regulations);
 - m) removal of the worker from exposure to risk for health reasons relating to his/her individual situation, and transfer, if possible, to another role;
 - n) adequate information and training for workers;
 - o) adequate information and training for managers and supervisors (if present within the organisation);
 - p) adequate information and training for workers' safety representatives;
 - q) adequate education for workers;
 - r) participation and consultation of workers in assessing the company risk and in implementing prevention and protection measures;
 - s) participation and consultation of the workers' safety representatives in assessing the company risk and in implementing prevention and protection measures;
 - t) planning of measures deemed appropriate to guarantee the improvement of safety levels over time, also by adopting codes of conduct and good practice;
 - u) emergency measures to be implemented in the case of first aid, fire fighting, evacuation of workers, and serious and immediate danger;
 - v) use of warning and safety signs;
 - z) regular maintenance of environments, equipment, systems, with particular regard to safety devices in conformity with the manufacturers' instructions.

4.8 Environmental Protection

Sapi Med S.p.A. considers the environment to be a primary value and it manages the company activities in full respect of existing regulations with a constant commitment to protecting the environment and the health and safety of individuals.

In performing their functions, all recipients of this Code of Ethics and Conduct must undertake to comply with existing regulations on protecting and safeguarding the environment, and must perform their activities in full respect of the environment, with the correct use of available resources.

4.9 Appropriate Use of Company Resources

All internal recipients of the Code of Ethics and Conduct, authorised to use them, are required to protect and guarantee the appropriate use of company resources. Constant attention must be paid so as not to waste the Company's assets or resources, with particular reference to its vehicles.

No IT medium, therein including the internet, may be used for purposes other than those of the company mission or in violation of the principles expressed by this Code of Ethics and Conduct.

Sapi Med S.p.A., in making available telephone lines, email systems and internet access for the conduct of the company activities, prohibits any use of those media that may in any case harm the dignity, decorum and reputation of anyone.

Those resources, made available by the Company, must be used for working activity and it is prohibited to use these systems:

- to view or send obscene materials or materials that instigate hatred, are discriminatory or harassing;
- for external economic activity;
- for gambling or other illegal activities;
- to upload and download software, violating copyrights and/or confidential software, which may be subject to export controls;

Emails, telephone messages and any type of information stored on the equipment of Sapi Med S.p.A. are considered to be the Company's property.

4.10 Processing of Personal Data of Employees and Collaborators

The privacy of employees and collaborators is protected by adopting adequate rules on the type of information to be requested using specific methods of processing and storage of personal data.

Personal data may only be processed in respect of existing legislation and, in any case, offering to the data subject the broadest information and assistance.

5. Implementation and Control of Respect of Code of Ethics

5.1 Duties of the Supervisory Body

The Supervisory Body established in accordance with Italian Legislative Decree no. 231/01 has the duty to supervise any violations of the duties provided in this Code of Ethics and Conduct, directly or by way of delegates, with the collaboration of the different company functions in charge in accordance with the special procedures in force, by the means and methods indicated in the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01.

5.2 Immediate Reporting of Likely or Suspected Violations

All Recipients must immediately report any suspected, likely or actual violation of this Code of Ethics and Conduct to the Supervisory Body established in accordance with Italian Legislative Decree no. 231/01 and regulated by the Organisation, Management and Control Model pursuant to that Decree established by Sapi Med S.p.A. It is strictly prohibited to carry out acts of retaliation or discrimination, directly or indirectly, against the reporting person for reasons linked directly or indirectly to the report, except where the report was made with wilful intent or gross negligence and the same was found to be groundless; therefore, no disciplinary measures or punitive actions will be adopted against those who have reported, in good faith, a suspected violation of the Code of Ethics and Conduct, which was then found not to exist following the investigations performed by the SB in that sense.

The Company has activated, to that end, appropriate dedicated communication channels to facilitate the reporting process to the SB.

As provided by the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01 a specific email address will be established to which any reports may be sent in relation to the lack of respect of the Code of Ethics and the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01 and which may also be used for making reports of anonymous nature, or those in which it is not possible to identify the sender's identity.

5.3 Disciplinary Proceedings

The Supervisory Body sends to the Management Body the results of the investigations performed, also based upon the reports identified in point 5.2, with any proposals for the application of possible disciplinary sanctions.

The Management Body is responsible for applying the sanctions, within the limits of what is established in the Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/01.

5.4 Sanctions

The Management Body, depending on the severity of the unlawful activity implemented by the person found to be involved in one of the unlawful activities provided by this Code of Ethics and Conduct and possibly provided as a cause of attribution of corporate liability in accordance with Italian Legislative Decree no. 231/01, will take the appropriate measures, irrespective of any bringing of criminal action by the judicial authority.

In applying the sanctions, the competent Body will take into account:

- the circumstances in which the unlawful behaviours were carried out;
- the type of offence perpetrated;
- the severity of the conduct;
- the possibility of the behaviours constituting only an attempted violation;
- any recidivism by the person.

Behaviours in violation of this Code of Ethics and Conduct may constitute, in relation:

- to employees, a serious breach relevant for the purposes of dismissal;
- to directors, just cause to revoke the mandate with immediate effect;
- to suppliers of goods and services, a cause for termination of the contract with immediate effect due to serious breach in accordance with Art. 1453 of the Italian Civil Code.

In these circumstances, the Company is entitled to compensation for any damages suffered due to the unlawful conduct implemented.