



**BOUTY
HEALTHCARE
S.P.A.**

CODE OF ETHICS



BOUTY GROUP
CODE OF ETHICS

APPROVED BY BOARD OF DIRECTORS OF BOUTY HEALTHCARE S.P.A.
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1. FOREWORD

MISSION

The mission of Bouty Group is to design and implement solutions that meet consumers' requirements, identify present needs and accurately study the market in order to detect any new demand or future need.

Since its establishment the Group has continued pursuing this objective, always aiming to search for products improving users' health and well-being, on the basis of the company's capability to renew itself and to focus on high quality and reliability standards.

Bouty Group exercises its activities in compliance with the principles indicated herein, being convinced that a key pre-requirement for success is the respect of ethical principles in the management of economic and social relations.

The strategy and operating conduct of the Group Companies are aimed at pursuing the primary goal of value creation for shareholders in compliance with the principles reflected by the rules of conduct that allow all resources to act in the company and for the company in line with the so-called "same ordinary diligence of a reasonable and prudent man", which presumes, among other things, the compliance with conduct standards like ethical legitimacy, equal treatment, individual's protection, diligence, transparency, honesty, confidentiality, fairness, environment protection and health protection.

RELATIONS WITH STAKEHOLDERS

Bouty Group intends to build a trust-based relation with its stakeholders, that it is to say all entities and individuals who interact with the Group and, in any case, are directly or indirectly affected by the activities of the Group.

The stakeholders are all such individuals or groups that may influence the success of an enterprise or who have an interest in the company decisions. There are stakeholders without which the enterprise cannot survive as operating complex: typically, shareholders, investors, employees, customers and suppliers, but also governments and communities that supply infrastructures, markets, laws and regulations. And there are stakeholders who are not essential for the survival of a company and who do not exercise a direct influence on the same: these are individuals or groups who, like future generations for example, are influenced by its activities, although they do not have direct relations with it.

The Group hereby intended to ensure a fair and effective management of transactions and human relations supporting the company reputation, so to raise confidence in the stakeholders.

GROUP ETHICS

Ethics considerably contribute to effective policies and control systems and influences the behaviours of the resources operating within the Group Companies.

A business culture aimed at disseminating and sharing ethical values is of great help and support to the Group development.

The Code of Ethics may not include all the situations that may occur. New issues may arise which may be also difficult to be solved at ethical level. However, we believe that the values underlying the general principles stated hereinafter are a key reference point in order to adopt an ethically correct conduct.

This Code is integral part of the “Organisation, management and control model” provided for under article 6 of Law Decree 231/2001 in the matter of “Regulation of administrative responsibility of legal entities”.

2. GENERAL PRINCIPLES

2.1 HONESTY AND COMPLIANCE WITH THE LAW

Bouty Group operates in compliance with law provisions, professional ethics and internal regulations. In no case pursuing the Group's interest may justify a conduct contrary to honesty and to the respect of the principles stated herein.

2.2 TRANSPARENCY

In the relations with its counterparts, the Group undertakes to provide accurate, complete and transparent information in order to allow knowledgeable and independent decision-making regarding the relations with the same Group.

2.3 CONFIDENTIALITY

The Group warrants the confidentiality of any information in its possession in accordance with the law, and its Associates are not allowed to use confidential information for any purpose not related to their business.

2.4 FAIRNESS

In the relations with its counterparts the Group shall avoid any discrimination based on age, gender and sexual habits, race, political opinions, religious beliefs and health state of its interlocutors.

2.5 FAIR COMPETITION

The Group recognises the value of free and fair competition and refrains from unlawful agreements, vexing behaviours and position abuse.

2.6 IMPROVEMENT OF HUMAN RESOURCES

The Group undertakes to improve the professional skills of its Associates, providing the latter with suitable education and professional training tools.

2.7 HEALTH PROTECTION

The physical and moral health of its Associates is considered as a primary value by the Group, which also undertakes to ensure working conditions respectful of the individual dignity as well as safe and healthy working environments.

2.8 ENVIRONMENT PROTECTION

Considering the environment as a primary asset, the Group focuses its activities on the achievement of the best possible balance between economic initiatives and environmental requirements, in compliance with law regulations, but also in view of a sustainable use of natural resources.

3. RULES OF CONDUCT

Within the scope of their professional activity, the Group Associates shall diligently comply with the applicable laws and regulations in all countries in which the Group operates as well as with the provisions contained herein and the internal regulations.

Associates shall behave as established by the applicable laws for the activities exercised by the Group Companies. Failure in knowledge of such laws shall not exonerate anyone from any responsibility.

What is listed hereinafter shall be considered as an example of the behaviours to be adopted and does not intend to add anything else to the applicable reference laws and regulations, however it intends to recall some of the most significant elements in the framework of the Group activity.

Intermediaries and advisors who perform relevant and continuative activities within the Group Companies shall also fulfil the obligations identified herein, which shall be disclosed to the other Stakeholders.

Associates shall refrain from starting or maintaining any relation if it results that the counterpart expressly states that it does not intend to fulfil the aforesaid obligations.

In no case pursuing the Company's interests or benefits may justify a non-honest conduct.

3.1 BUSINESS AND CORPORATE OPERATIONS AND TRANSACTIONS

Bouty Group considers that competition is an asset to be protected and procures that law provisions in the matter of market protection are complied with. Every situation that may have a distorting effect on competition is subject to competition laws. Consequently legal advisors' opinions shall be preliminarily requested.

Every operation and transaction shall be lawful, properly authorised, recorded, verifiable and consistent with the Group objectives. In particular, the process of decision-making, authorisation and subsequent performance of the operation or transaction must be verifiable at any time.

Accurate documentation on the Company operations and transactions is of paramount importance. Every transaction must result from adequate supporting evidence allowing to check the operation features and the reasons for such operation, as well as to identify who authorised, made, recorded and verified the same.

The preparation of any document, including the accounting documents, must be made accurately, honestly and objectively. All Associates involved in the drafting of the financial statements and the like documents shall be highly collaborative, shall provide complete and transparent information and accurate data, and shall report about the existence of any conflict of interest.

Financial records must be accurate and truthful. Items shall not be falsified; funds, assets or transactions shall not be concealed or not entered. All records and financial documents must be in compliance with the commonly accepted accounting principles.

Employees and individuals who act on behalf of the Company must operate – also in purchases – with diligence and in compliance with the principles of fairness, quality, lawfulness and cost control.

3.2 RELATIONS WITH PUBLIC EMPLOYEES AND PUBLIC ADMINISTRATIONS.

Any conduct that may be deemed acceptable in the customary business practice (like, for example, entertainments, discounts over or below usual business terms, supply of any other goods or service of a certain value) may be unacceptable or may infringe laws and regulations if it concerns the relations with the Public Administration.

It is forbidden to promise or offer, directly or indirectly, money, gifts, presents or any other benefit of any kind to managers, officers or employees of the Public Administration, also in other countries, or to their relatives, which have relations with the Group Companies, unless these are gifts of modest value.

It is forbidden to offer or accept valuable goods or services in order to obtain a more favourable treatment for the Group Companies regarding any relation with the Public Administration.

Bribery of the Public Administration is forbidden either when it is directly perpetrated by the Group Companies or by the employees thereof, or through entities acting on behalf of the Companies in Italy and abroad.

In case of negotiations with the Public Administration or in case of any public tender, the staff taking part in the procedures for the awarding of the contract shall not try to inappropriately influence the Public Administration decisions, including the decisions of officers negotiating on its behalf, or to request and obtain any confidential information.

It is forbidden to allocate any contribution, financial aid or financings granted by the State or any other public entity to applications other than those for which these have been granted; it is absolutely forbidden to make use of deception and trickery to obtain them.

Any violation (actual or potential) perpetrated by the Company or by third parties during business negotiations with the Public Administration shall be promptly reported to the Supervisory Body.

The Group Companies may contribute to the financing of political parties, committees, public organisations or political candidates, provided that they comply with the applicable rules.

Any business contribution that may be considered a political gift must be examined by the Company's Management, which has to decide whether the same is compliant or non-compliant with the applicable law regulations.

3.3 CONFLICT OF INTEREST

The Group acts in order to avoid any conflict of interest. This case occurs whenever personal interests or activities affect, really or apparently, the capacity to operate in the Group's full interests. Any form of collaboration that may be in conflict with the responsibilities undertaken vis-à-vis the Group Companies must be prevented.

Any external activity, either a second job or non-subordinate work, must be fully separated from the company business. It is forbidden to spend, for the benefit of external activities, the business working time or to use the activity of other employees, unless the Management authorises it expressly.

Before accepting an appointment in a board of directors or in a committee of any organisation the interests of which may be in conflict with the Group Companies', or whenever a compensation is envisaged, it is necessary to consult the General Management, which shall also be consulted for further information or clarifications.

3.4 COMPLIANCE WITH LAW REGULATIONS IN THE MATTER OF MONEY LAUNDERING

In the framework of their business, the Group Associates shall not adopt any conduct consisting in the use, transformation or concealment of funds of illegal origin. With reference to any such conduct, substitution or transfer of money, property or other benefits originating from malicious crime, or completion of other transactions - regarding such property - so to hamper the identification of their criminal origin is a crime.

3.5 COMPLIANCE WITH LAW REGULATIONS IN THE MATTER OF ANTI-TERRORISM

The Group recognises the high value of the principles of democratic order and free political determination the State refers to. Therefore, any conduct that may be a terrorist activity or an activity subverting the State democratic order is forbidden and fully alien to the spirit of the Company.

3.6 PROHIBITION TO BLOCK CONTROL AND AUDIT ACTIVITIES

If the directors of the Group Companies, by concealing documents or in like manners, block or in any case hinder the performance of audit or control activities by shareholders, other corporate bodies or auditing companies, such conduct is an offence whenever it caused any damage to shareholders.

3.7 DISCLOSURE OF CONFIDENTIAL INFORMATION

During their employment the staff of the Group Companies may become aware of confidential information regarding the Companies or other entities. The use of such information for personal benefits may be a law violation.

Internal confidential information is any information that may concern the financial performance of the Group Companies, indication of earnings or distribution of

dividends, divestments as well as announcements of new strategic products and significant research progresses, and business strategic activities.

Internal information must be disclosed to the employees of the Group Companies who really need to know them, and must never be disclosed to third parties.

In case of doubt about the appropriate behaviour to adopt, employees are requested to consult the Management or the Supervisory Body.

3.8 PROHIBITION TO HAMPER THE EXERCISE OF FUNCTIONS OF PUBLIC SUPERVISORY AUTHORITIES

Directors, general managers, statutory auditors and other persons subjected by law to public supervision authorities or bound to fulfil obligations vis-à-vis the same, are forbidden to hamper the exercise of supervisory functions by omitting any due communication, by reporting untrue facts, by concealing fraudulently fully or in part any fact that they should have disclosed.

3.9 COMPLIANCE WITH LAW REGULATIONS IN THE MATTER OF PROTECTION OF INDIVIDUAL PERSONALITY.

Bouty Group primary value is the protection of freedom and individual personality, therefore it rejects any activity that may involve any exploitation or subjugation of individuals.

The Group also attaches paramount importance to the protection of minors and repression of any exploitation conduct whatsoever against them. Therefore, an inappropriate use of business information systems is forbidden as well as, in particular, the use thereof aimed at causing or even only facilitating any conduct associated with the crime of minor pornography.

Moreover, with the aim to ensure the full respect of individuals, Bouty Group has undertaken to respect, and to procure that its employees, suppliers, associates and partners respect, the law regulations currently in force in the matter of work protection.

3.10 ANIMAL EXPERIMENTS

The use of animals by the Group is made only with the purpose to achieve the corporate object and takes place with full moral responsibility and with the commitment to treat them in the best way possible.

4. IMPLEMENTATION METHODS

4.1 ADOPTION AND DISSEMINATION

This Code of Ethics and its updates shall be defined and approved by Board of Directors of the Parent Company BOUTY HEALTHCARE and adopted by all Companies of Bouty Group.

This document shall be circulated and made known to internal and external Associates of the Company and, in general, to anyone who gets in contact with the Company. It is also published on the Group Web Site.

External Associates shall comply with the same principles and conduct models referred to herein.

4.2 REPORTS

All stakeholders are bound and encouraged to report to the Supervisory Body, in writing and anonymously, about any breach or suspected breach of the code of ethics or of the model of organisation and control¹. The Supervisory Body shall examine the report, possibly hearing the parties involved in the alleged breach, guaranteeing the authors of the reports from any type of retaliation, discrimination or penalisation. Moreover, their identity remains confidential, subject to any law obligation.

The Supervisory Body shall report the breaches identified from the stakeholders' reporting or from the ethical auditing activity as well as the recommendations deemed necessary to the Board of Directors that, further to an appropriate analysis and through the Managing Director, communicates the measures adopted to the competent business functions. The latter shall take care of their implementation and report their outcome to the Supervisory Body.

4.3 SANCTIONS

All these rules are integral part of the terms and conditions governing the employment relations in the Group companies. The rules contained herein regulate the conduct to be kept by employees by virtue of applicable civil and criminal laws and of the obligations provided for under labour collective contracts.

The Group reserves the right to assess at disciplinary level any conduct contrary to the guidelines included herein.

¹ Reports may be sent to:

- **E-mail** odvboutygroup@tiscali.it
- **Letter** Organismo di Vigilanza
 Bouty Healthcare Spa
 Viale Casiraghi, 471
 20099 Sesto San Giovanni (MI)