

CODE OF ETHICS

in relation to the ORGANISATION, MANAGEMENT AND CONTROL MODEL pursuant to Italian Legislative Decree
DECREE 231/2001

adopted by

HS HOSPITAL SERVICE S.P.A.

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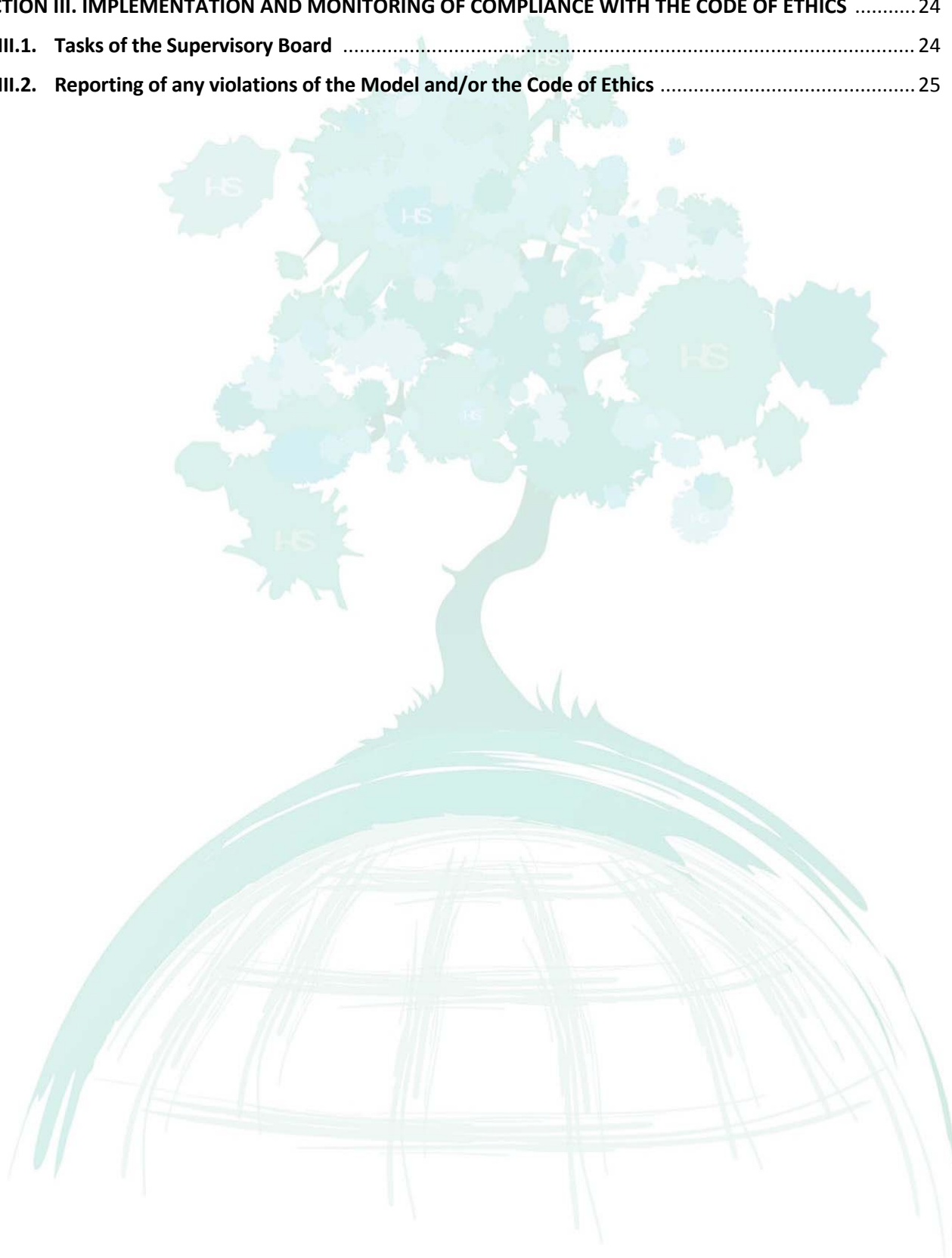
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INTRODUCTION

1.1. The mission of HS HOSPITAL SERVICE S.P.A.

HS Hospital Service S.p.A. (henceforth also 'HS' or the 'Company') is one of Italy's leading companies in the distribution and marketing of medical devices.

The mission of HS is to develop medical products that meet the needs of its customers in terms of quality, effectiveness, efficiency, service and innovation on the medical market.

1.2. Italian Legislative Decree no. 231/2001

On 8 June 2001, the Italian legislature adopted Decree No. 231 (henceforth referred to as the 'Decree' for the sake of brevity), titled "Rules of Administrative Liability for legal persons, companies and associations without legal personality" (henceforth referred to as the 'Bodies', and individually as the 'Body', for the sake of brevity).

With this Decree, Italian Law incorporated the principle of these Bodies' liability for offences committed in their interest or to their advantage by the employees and/or other subjects indicated in art. 5 of the Decree (e.g. directors, auditors, managers, and legal representatives, as well as the persons subject to their management or supervision), unless, among other conditions, the Body has adopted and effectively implemented an appropriate organization, management and control model (henceforth also referred to simply as the 'Model').

In order to adopt a model compliant with these regulations, it is first necessary to take into account the provisions of the Guidelines issued by Confindustria, which, among the requirements for an adequate and effective Model, also include the development of specific organizational protocols in order to ensure an efficient system for controlling the activities of the body and its employees.

One of the most important of these protocols is the adoption of a Code of Conduct indicating the general principles with which the Body intends to comply.

In addition to the guidelines issued by Confindustria, among the indications provided by the Category Associations, particular consideration must be given to the Guidelines and Code of Ethics issued by of Assobiomedica, which are aimed at establishing the ethical principles and standards of conduct that must govern the relationships between companies operating in the represented sectors (i.e. the in-vitro diagnostics, biomedical and telemedicine sectors), as well as between the latter and the fields of science and medicine.

1.3. The HS Model and the approval of the Code of Ethics

This Code of Ethics (henceforth also referred to simply as the 'Code' for the sake of brevity) is an integral part of the Company's Model 231, and contains, among other things, the general principles and standards of conduct which the Company deems to have a positive ethical value, and with which all of its recipients must comply.



1.4. Recipients of the Code of Ethics

In view of its purpose of ethically guiding the activities conducted by HS, this Code is binding for all the Company's directors and auditors, the subjects who are engaged by the Company for review purposes (henceforth respectively referred to as 'Directors' and 'Auditors' for the sake of brevity), the Company's employees, including managers (henceforth, for brevity, jointly indicated as the 'Personnel'), without any exceptions, as well as for all those who, despite being external to the Company, work on its behalf, either directly or indirectly (e.g. attorneys, agents, distributors, collaborators of any type, consultants, suppliers, and business partners, henceforth referred to as 'Third Party Recipients').

For the sake of simplicity, all the individuals indicated will henceforth be collectively referred to as 'Recipients' within this document.

All the Recipients indicated above are therefore required to comply with and, to the extent of their respective competences, ensure compliance with the principles contained in the Code of Ethics. Claims of acting in the interests of the Company shall not, under any circumstances, justify the use of conduct that is not consistent with the principles described herein. The Code also applies to the activities performed by the Company abroad, even in consideration of the relative regulatory, social, economic, and cultural differences.

Furthermore, compliance with the provisions of the Code must be considered an essential part of the Personnel's contractual obligations pursuant to the provisions of art. 2104 of the Civil Code, as amended.

Any violation of the provisions of this Code considered to be particularly serious, among other things, will damage the relationship of trust instilled with the Company, and could lead to disciplinary action and compensation for damages, without prejudice to the employees' obligation to comply with the procedures pursuant to art. 7 of Italian Law 300/1970 (the Workers' Statute), the collective labour agreements, and any company regulations adopted by HS.

1.5. Dissemination and training on the Code of Ethics

The Company shall promptly disseminate the Code of Ethics internally and externally by:

- distributing it to all the members of the Governing Bodies and the Personnel;
- posting it in places accessible to everyone;
- rendering it available to Third Party Recipients and any other parties
- on the Company's website and intranet.

The Supervisory Board appointed pursuant to the Decree (henceforth also referred to as the 'SB'), carries out regular checks in relation to the resources concerned, even by providing more intensive and more detailed training for those qualifying as "top management" according to the Decree, as well for as those operating in areas classified as "at risk" pursuant to the Model.

Furthermore, the contracts with Third Party Recipients must also include clauses and/or signed statements aimed at formalizing their commitment to comply with the Model and this Code, as well as to govern the contractual penalties in the event of any violations of this commitment.

1.6. Structure of the Code of Ethics

This Code of Ethics consists of three sections:

- the first indicates the general ethical principles that identify the reference values for the Company's activities;
- the second indicates the rules of conduct established in relation to the various subjects who are required to comply with the Code, including the Third Party Recipients;
- the third regulates the implementation mechanisms, which outline the control system for the proper application and continuous improvement of the Code of Ethics.

By resolution of the Board of Directors, the Code of Ethics may be amended and supplemented, based on the suggestions and indications of the SB.

SECTION I: ETHICAL PRINCIPLES OF REFERENCE

In accordance with the provisions of the Assobiomedica Guidelines, HS intends to establish the ethical principles of reference for all the Recipients.

The conviction to be acting in the interests of HS shall not justify, under any circumstances, conduct that is not consistent with the principles of the Code of Ethics, which must take absolute precedence over all else.

I.1. Responsibilities and legal compliance

HS is fully dedicated to ensuring compliance with the current laws, regulations, and standards applicable in Italy and in all the countries in which it operates, including the legislation concerning products.

By way of example, it is necessary to ensure compliance with the legislation regarding:

- the development processes;
- product manufacturing and distribution, even with regard to labelling and advertising;
- the performance of clinical trials;
- the control of product design and marketing, even with regard to the relative illustrative materials;
- quality systems and the management of customer complaints.

In this context, it is also important to ensure compliance with of rules and principles of ethics and professional conduct dictated by the industry associations (with particular regard to the Statute and Code of Ethics issued by Assobiomedica), as well as by this Code.

The Recipients are therefore required to comply with the current regulations in Italy and any other countries in which the Company operates, including those relating to professional conduct.

It is not permitted to pursue or carry out the Company's interests in violation of the law under any circumstances.



This principle also applies to any relationships that may be entertained with international operators.

I.2. Quality of HS products

HS is committed to providing customers and patients with safe, effective and high-quality products, medical technologies and services, with the goal of guaranteeing the safety and well-being of the patients themselves, while at the same time meeting their health care needs, and promoting knowledge and technology in the medical sector.

To the extent of its ability, HS pursues innovative solutions for customers and patients by placing services of exceptional quality at all of its customers' disposal.

I.3. Fairness

The principle of fairness means respecting the rights of all the subjects involved in the Company's activities.

In particular, the Recipients must act fairly in order to avoid conflicts of interest, which can generally be understood as any situations in which the pursuit of self-interests is not consistent with the interests and mission of the Company. Any situations whereby an employee, director or other recipient might gain an undue advantage and/or profit from opportunities arising during the course of their activities must also be avoided.

I.4. Impartiality

HS disavows and rejects every principle of discrimination based on the gender, nationality, religion, personal opinions, political beliefs, age, health and financial situations of its stakeholders, including its suppliers.

Any human resources who believe they have suffered discrimination may report the incident to the Supervisory Board, who will take appropriate measures to verify any violations of the Code of Ethics.

I.5. Honesty

The Recipients must be aware of the ethical significance of their actions and must not pursue personal or company profits in violation of the applicable laws and the standards of this Code.

When establishing contractual agreements with customers, the terms must be formulated in a clear and comprehensible manner, with conditions of equality being maintained between the parties.

I.6. Integrity

HS does not approve of nor justify any violent activities or threats aimed at obtaining conduct that is not consistent with the current regulations (including those relating to professional conduct) and/or the Code of Ethics.



I.7. Transparency

The principle of transparency is based on the truthfulness, accuracy and completeness of the information both outside and inside the Company.

In accordance with the principle of transparency, all operations and transactions must be properly authorized, verifiable, legitimate, coherent, and reasonable.

All actions and operations must be adequately recorded, and it must be possible to verify the decision-making, authorization and execution process.

Every operation must be adequately documented in order to be able to verify the characteristics and reasons for the operation at any time, as well as to identify the individuals responsible for the authorization, execution, recording and verification of the operation itself.

The Company uses objective and transparent criteria for selecting its suppliers. In accordance with the current regulations and internal procedures, this selection must be based on objective assessments relating to competitiveness, quality, and economic conditions.

Suppliers will also be selected in consideration of their ability to ensure:

- compliance with this Code of Ethics;
- the implementation of adequate quality management systems, where required;
- the availability of suitable means and organizational structures;
- compliance with the current legislation on employment, including matters relating to child and female labour, worker health and safety, and union rights (or rights conferred by other associations and/or representative bodies).

The documentation for the overall selection and acquisition process is subject to specific functional procedures in order to ensure maximum transparency in relation to the supplier assessment and selection operations.

I.8. Responsibility towards patients

Through its own business activities, HS assumes a series of responsibilities towards patients, even of an ethical nature.

To this end, the Company is fully committed to conducting the research activities necessary to develop medical/scientific and therapeutic solutions capable of meeting the patients' needs and improving their quality of life.

I.9. Efficiency

The economic use and management of the company's resources must be pursued in every work activity, while at the same time always ensuring the highest quality standards.

HS is also committed to:

- protecting and preserving the company's resources and assets, as well as properly managing its capital and property (particularly its industrial and intellectual property), by taking all the precautions

necessary to ensure full compliance with the current laws and regulations;

- ensuring a continuous dialogue with the American parent company CR HS Inc., in accordance with the procedures adopted for the external communication of price-sensitive and privileged documents and information.

I.10. Fair competition

HS recognizes the value of competition when inspired by the principles of fairness, fair competition and transparency in relation to the operators present in the market, and therefore avoids causing any undue damage to its competitors' images or products, as well as taking any actions that may be construed as a violation of the laws protecting competition and the free markets.

I.11. Illicit payments and practices

HS shall not offer, make, or authorize the payment of money or anything of significant value, either directly or indirectly, in order to illegally:

- 1) influence the judgement or conduct of any subject, customer or company;
- 2) obtain or maintain commercial relationships;
- 3) influence any action or decision by a subject that qualifies as a public official or public service officer;
- 4) obtain undue advantages of any kind.

This principle applies to all the incentives offered by the Company, in any form (even indirectly).

I.12. Privacy protection

HS is committed to protecting the privacy of the Recipients in accordance with the current regulations, and shall not communicate or disclose any personal data without the informed consent of the person concerned.

The acquisition, processing and storage of the information and personal data belonging to the employees, as well as any other parties whose data the Company may come to possess, are carried out in compliance with specific procedures aimed at preventing them from being obtained by any unauthorized persons and/or bodies. These procedures are compliant with the current regulations.

I.13. Information ethics.

HS is fully committed to ensuring compliance with the ethical aspects of information, also in order to prevent the dissemination of misleading information or conduct aimed at taking unfair advantage of other parties' weaknesses or lack of knowledge.

In particular, specific attention has been placed upon scientific information, which must be accurate, balanced, objective, unambiguous, non-misleading, documented and/or able to be documented, obtained and disseminated in accordance with the current applicable regulations.

I.14. Value of human resources

Human resources are seen as an essential and indispensable factor for the company's development.

HS safeguards the growth and professional development of its human resources in order to increase their wealth of competences, in accordance with the current regulations on the rights of individual personality, with particular regard to the moral and physical integrity of the Personnel in the work environment, which must be characterized by respect, professionalism and dignity.

In particular, the Company takes all the necessary measures to ensure that the workplace is safe and healthy, in accordance with the industry regulations.

To that end, specific responsibilities are assigned to predetermined subjects within the corporate structure, who are charged with the task of monitoring compliance with the laws and procedures.

HS recognizes the need to ensure respect for equal opportunities within the company in terms of hiring, remuneration, advancement, disciplinary action, and termination of employment contracts.

HS shall not encourage any forms of cronyism or nepotism, and shall not engage in any working relationships with subjects involved in terrorism.

The Personnel is hired exclusively with regular employment contracts, and no forms of illegal labour are tolerated. The candidate must be made aware of all the characteristics pertaining to the employment relationship.

In addition to the standards established by law and the collective bargaining agreement, the granting of any wage increases or other incentives, and any access to higher roles and positions (promotions), shall also be based on the individual merits of the employees themselves, including their professional potential, skills and achievements, as well as their ability to utilize organizational conduct and skills consistent with the Company's ethical principles of reference, as indicated by this Code.

I.15. Relationships with the community and environmental protection

HS understands how environmental protection plays an important role in ensuring a coherent and well-balanced pathway of growth.

Consequently, the Company is committed to safeguarding the environment and contributing to the sustainable development of the region, even by using the best available technologies and constantly monitoring its business processes.

All the activities performed by HS must be carried out in compliance with the provisions of the environmental regulations. The pursuit of an advantage for the Company is never justified if it involves or could potentially involve the intentional or negligent violation of the environmental standards.

I.16. Relations with local authorities and public institutions

HS aims to ensure the highest levels of integrity and honesty in its dealings with the public institutions and, more generally, the Public Authorities (even with regard to the request for and/or management of public funds), in order to ensure maximum clarity in its institutional relationships, in keeping with every economic operator's need for organizational and management autonomy.



Relations with institutional partners are maintained exclusively by the subjects delegated for this purpose.

If HS uses a consultant or 'third party' representative in its dealings with the Public Authorities, the same will be required to comply with the directives applicable to the Company's employees. Furthermore, in its dealings with the Public Authorities, HS must not allow itself to be represented by a consultant or a 'third party' subject if there are any conflicts of interest (even potential).

I.17. Relationships with associations, trade unions and political parties.

HS does not make any direct or indirect contributions to the funding of political parties, movements, committees or political and trade union organizations, nor their representatives or candidates.

Furthermore, the Company does not fund associations or sponsor events or conferences intended to promote political propaganda.

HS may grant contributions and donations to entities with social, moral, scientific and cultural purposes.

I.18. Relationships with international operators

In order to avoid the risk of committing crimes of a transnational nature, HS is committed to ensuring that all its dealings with actors operating on an international level (including those of a commercial nature) are carried out in full compliance with the current laws and regulations.

In this regard, the Company is committed to taking all the precautions necessary to verify the reliability of these operators, as well as the legitimate origins of the funds and the means utilized by the latter within the context of its dealings with HS.

HS is committed to collaborating in a fair and transparent manner with any Authorities (even abroad) who may inquire or request information about the Company's dealings with these operators.

I.19. Rejection of all forms of terrorism

HS rejects all forms of terrorism, and intends to adopt appropriate measures within the scope of its business activities to prevent the risk of involvement in terrorism, thus attesting to its support for democracy and the pursuit of peace among populations.

To this end, the Company shall not engage in employment or commercial relationships with any natural or legal persons involved in terrorism, and will likewise not finance or otherwise facilitate any of their activities.

I.20. Protection of individual personality

HS recognizes the need to protect individual freedom in all of its forms, and rejects all types of violence (especially if aimed at limiting personal freedom), as well as any form of prostitution and/or child pornography.

The Company is committed to sharing these same principles within the scope of its business activities, and primarily among its employees, collaborators, suppliers and partners.



I.21. Protection of health and safety at work

HS is fully committed to the goal of ensuring health and safety at the workplace.

To this end, the Company adopts the most appropriate measures to avoid the risks associated with the execution of its business activities and, wherever this is not possible, conducts a proper assessment of the existing risks in order to counteract them directly at the source and ensure their elimination or proper management (if they cannot be eliminated).

In order to eliminate monotonous and repetitive work, as well as to reduce the effects of these type of tasks upon human health, HS is committed to adapting its own work activities to the individual, even in terms of the design of the work stations, the selection of the work equipment, and the choice of the working and production methods.

With regard to health and safety at work, HS is also committed to the following:

- a) taking the degree of technical development into account;
- b) replacing that which is hazardous with that which is not hazardous or is less hazardous;
- c) adequately preparing the prevention requirements and aiming to obtain a coherent plan that takes into account and incorporates the organization of the work activities, the working conditions, the social relationships, and the impact of the work environment's various factors;
- d) prioritizing collective protection measures over individual protection measures;
- e) giving appropriate instructions to the workers.

The principles indicated above are utilized by HS to identify and adopt the measures necessary to ensure the protection of the workers' health and safety, including information, occupational risk prevention, and training activities, as well as the preparation of a relative organization and the necessary means.

I.22. Protection of transparency in commercial transactions (anti-money laundering)

HS adheres to the principle of maximum transparency in commercial transactions, and utilizes the most appropriate instruments to combat money laundering and the receipt of stolen goods.

Respect for the principles of fairness, transparency and good faith must always be guaranteed in all dealings with contractual parties.

SECTION II - PRINCIPLES AND STANDARDS OF CONDUCT

II.1. Principles and standards of conduct for members of the corporate bodies.

With a full awareness of their responsibilities, and in compliance with the company charter and the current laws and regulations, the corporate bodies are required to respect the provisions of the Model and the Code of Ethics.

Their members are required:

- to conduct themselves with a spirit of autonomy, independence, and fairness in their dealings with



public institutions, private entities (including social

- creditors), business associations, and political parties, as well as with all other operators on a national and international scale;
- to conduct themselves with integrity, loyalty and a sense of responsibility towards the Company;
- to guarantee their constant and well-informed participation in the meetings and activities held by the corporate bodies;
- to ensure the sharing of the company's mission and to maintain a critical spirit, in order to guarantee a significant personal contribution;
- to evaluate situations involving conflicts of interest or incompatibilities between functions, roles or positions, both inside and outside HS, and to refrain from taking any action in the case of conflict of interest situations within the scope of their own activities;
- not to hinder in any way the control and audit activities carried out by the shareholders, by the other corporate boards (including the Supervisory Board), or by the auditing firm;
- to use any information of which they may come to have knowledge during the performance of their duties in a confidential manner, without using their position to obtain personal benefits, whether directly or indirectly. All external communications must be performed in accordance with the laws and standards of conduct, and must be carried out in such a way as to safeguard any price-sensitive information and trade secrets;
- to respect, to the extent of their competence and within the limits of their own responsibilities, the standards of conduct established for the HS personnel under the following par. II.2.

II.2. Principles and standards of conduct for HS Personnel

In both their internal dealings and their interactions with the Company's external stakeholders, the Personnel must conduct themselves in accordance with the current regulations, the Assobiomedica Code of Ethics and, above all, the principles expressed in this Code of Conduct and the standards of conduct set out below, in compliance with the Model and the applicable company procedures.

With particular reference to the Model, it is necessary:

- to avoid engaging in, causing, or collaborating in any conduct that could constitute or give rise to any of the offences indicated in the Decree;
- to collaborate with the Supervisory Board during the course of the audit and supervision activities carried out by the same, and to provide all the information, data and/or reports that may be requested;
- to provide the SB with the communications required under par. II.4 of this Code;
- to report to the SB any failings or violations of the Model and/or the Code of Ethics, in accordance with the provisions of par. 3 of Section III of this Code.



The Personnel may contact the Supervisory Board at any time, either verbally or else writing via email to odvhsspa@gmail.com, in order to request clarifications and/or information on the following issues (for example):

- a) the interpretation of the Code of Ethics and/or the other protocols associated with the Model;
- b) the legitimacy of a specific type of behaviour or conduct, and its suitability or compliance with respect to the Model or the Code of Ethics.

In addition to the general conditions indicated above, the Personnel must also respect the principles and standards of conduct indicated below regarding issues of particular importance in terms of ethics, as well as specific areas of the company's business activities.

II.2.1. Conflicts of interest

The Personnel must not engage in or facilitate any operations that pose an actual or potential conflict of interest with the Company's activities, nor any activities that interfere with the possibility to make impartial decisions in the best interests of the Company and in full compliance with provisions of this Code.

If a conflict of interest situation should arise (even if only potential), the Personnel must report the matter to their direct superior and/or the SB, without taking any action.

II.2.2. Relations with Public Authorities

In addition to the provisions of the Model and the Code of Ethics, all dealings with subjects who qualify as public officials or public service officers must also be carried out in full compliance with the current laws and regulations, in order to ensure the complete legitimacy of the Company's actions.

The Company's dealings with public institutions are managed exclusively by specifically delegated internal and external collaborators. To this end, HS formalizes the allocation of responsibilities for dealing with the Public Authorities (henceforth also referred to as the 'P.A.') in appropriate documents, and ensures the adequate dissemination of these documents throughout the organization.

To the extent indicated below, HS forbids its Personnel to accept, offer, or promise (even indirectly) any money, gifts, goods, services, benefits or favours (even in terms of employment opportunities) during their dealings with public officials and public service officers, in order to influence their decisions, to obtain more favourable treatment or undue services, or for any other reason, including the performance of activities consistent with their official duties.

If linked to the aforementioned dealings, any requests or offers involving money, gifts (with the exception of those classified as "low value", as specified below), or favours of any kind, made or received by the Personnel, must be promptly brought to the attention of their direct superiors and the Supervisory Board.

Gifts and acts of courtesy towards public officials or public employees are only permitted when, being of low value, they do not in any way compromise the integrity and independence of the parties, and can not be construed as a means for obtaining undue advantages.

Whatever the case, during negotiations or any other dealings with the Public Authorities, the Personnel must refrain from directly or indirectly engaging in any actions aimed at:



- proposing employment and/or business opportunities from which the employees of the P.A. could derive benefits for themselves or others;
- hiring at the Company any former employees of the P.A. who have personally and actively participated in business or contract negotiations or endorsements of requests submitted by the Company to the P.A., during the year following the termination of their employment with the P.A.;
- soliciting or obtaining confidential information that could compromise the integrity or reputation of one or both of the parties;
- improperly influencing the decisions of the P.A.

The Personnel must duly cooperate in the event of any investigations, inspections or requests on the part of the Public Authorities.

For the purposes of this Code, the provisions relating to public officials and public service officers also extend to their family members and relatives, whether Italian or foreign nationals;

In order to better control the flow of any donations, the purchase of gifts is managed by the Communications department in a centralized manner. The traceability of the gifts is also ensured, even by preparing and filing the relevant documentation.

II.2.3. Ethics, particularly in dealings with Healthcare Professionals

HS understands that compliance with the ethical standards of conduct is of fundamental importance, particularly in dealings with healthcare professionals (henceforth also 'Professionals'), who represent the natural partners of all the subjects who operate in the name and on behalf of the Company.

All of the Company's internal and external collaborators are therefore required to develop and maintain relationships with the Professionals by always acting in good faith, with integrity and transparency.

In addition to the current laws and regulations, and the provisions applicable to the case in question, the Personnel must strictly adhere to the procedures regulating their dealings with the Professionals.

II.2.3.1. Education courses

HS can provide education and training in relation to the marketed and/or installed diagnostic systems on its own initiative, or upon specific request, in order to facilitate and ensure the safe, effective and efficient use of the diagnostic technology.

In this context, and in full compliance with ethical standards issued by Assobiomedica, the Company has adopted specific procedures (which must be followed by all the Personnel) designed to ensure, among other things, that:

- the events are conducted in suitable locations (e.g. clinics, laboratories, rooms equipped for training or conference purposes, etc.), as well as places and venues that have been specifically selected for logistical, scientific and organizational reasons. Locations of a primarily tourist nature, such as seaside destinations from **15 June to 15 September**, and mountain destinations from **15 December to 15 March** and **1 July to 31 August**, are strictly excluded.
- the teaching staff for the education courses are in possession of the necessary qualifications;



- low-cost meals are provided for the participants and, for training programs that require an overnight stay, that low-cost accommodations are provided (in hotels with a maximum rating of four stars) for a period that is consistent and functional with respect to the educational purpose of the training course itself;
- the Professionals are reimbursed for travel expenses and reasonable accommodations (airfare must be exclusively in economy class, with the exception of intercontinental flights);
- travel expenses or other expenses for spouses, guests, or any other people who do not, in good faith, have a legitimate professional interest in the issues addressed during the meeting, are not reimbursed; spouses or guests can take advantage of the group's hotel service, provided that they pay for any additional amounts applied;
- the Company does not participate or assume responsibility (even only partially) for the costs associated with any activities that are not of a strictly educational nature (e.g. concerts, shows, social programs, etc.).

II.2.3.2. Informational events

The Company may organize informational events for the Professionals (even if not customers), provided that the location and venue is selected based on scientific, logistical and organizational criteria, favouring locations close to those where the Professionals operate, and excluding locations of a primarily tourist nature, such as seaside destinations from 1 July to 31 August, and mountain destinations from 1 January to 15 March and 1 July to 31 August.

For informational events, meals, accommodation services may be offered (at facilities with a maximum rating of four stars), and any necessary and reasonable travel expenses may be paid for (airfare will only be reimbursed for economy class tickets, with the exception of intercontinental flights).

It is prohibited to offer any form of hospitality, or to pay for the meals, travel or other accommodation services for the guests of the Professionals, or any other person who does not, in good faith, have a legitimate professional interest in the topics addressed at the meeting.

The spouses or guests of the Professionals may take advantage of the group's hotel services, provided that they pay for any additional amounts applied.

It is permitted to organize secondary activities alongside the informational and/or promotional event, provided that the nature, cost, and/or visibility of these activities do not distort the informational and/or scientific purpose of the event itself.

II.2.3.3. Participation in training courses organized by third parties

HS may make financial contributions to training courses organized by national, local or specialized medical associations or by accredited bodies for ongoing medical training.

The events must be organized at places and venues that have been specifically selected for logistical and scientific reasons, strictly excluding any locations of a primarily tourist nature, such as seaside destinations from 1 July to 31 August, and mountain destinations from 1 January to 15 March and 1 July to 31 August, in accordance with the following principles:



- The Company may, at its own discretion, purchase advertisements and lease spaces for product exhibition stands during the course of the conference.

Within the scope of its ongoing research and experimentation activities, HS may occasionally collaborate with Professionals, who, in accordance with the current regulations:

- Due to the particular nature of its business activities and the importance it plays in the field of science and medicine, HS is required to identify the professionals figures who are most suitable for the activities in question. For this reason, the consultants must be selected based on their qualifications and experience.

If an HS employee or administrator deems it appropriate to initiate a relationship with a Professional, he/she must ensure that the terms of the agreement are formalized in a specific contract or assignment letter, which must specify the contents and financial terms of the relationship itself.

The compensation provided to the Professionals who collaborate with HS is always reasonable, and is estimated based on the actual services rendered. The Company may reimburse the consultants for any expenses they may incur while performing their consulting activities.

The places and the circumstances for meetings with the consultants must be appropriate for the topics of the consultations themselves. The accommodation services (which must never have a rating greater than four stars) paid for by the Company and provided in relation to a meeting with the consultants, must be low-cost, and must fall within the duration and the main functional purpose of the meeting itself.

In the event that a contract is stipulated with a Professional consultant for the provision of research services:

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- maximum transparency must be ensured towards the Administration of membership.

II.2.3.5. Participation in Meetings and Conferences

In order to sustain the development of scientific knowledge and medical advancement, HS may participate in meetings and conferences held by Medical or Scientific associations, or by any other accredited organization.

In such cases, an informational notice must be sent to the Public Authorities (Local Health Authorities, Regional Health Authorities, etc.), indicating the Company's willingness to sustain the costs for a healthcare worker's enrolment and/or participation in a specific conference event. HS may suggest the names of one or more healthcare professionals who are experts on the topic of interest at the conference, whose participation will be determined by the P.A., in full and complete autonomy.

For events organized exclusively by HS, the informative invitation and notice of expense coverage can also indicate the healthcare worker's name, without merely being limited to a simple invitation.

In the case of paid assignments, the Professional will only be permitted to participate in the conference event with express written authorization issued to HS by the P.A.

Whatever the case, HS shall not directly or indirectly organize nor participate in any manner in congresses, conferences, meetings, or any other similar events, in which:

- a) the tourist/recreational aspects take precedence over the technical/scientific aspects;
- b) the accommodation and travel expenses also cover the invitees' companions;
- c) the accommodation and travel expenses cover periods of time greater than 24 hours prior to the start of the event and/or after the event has been concluded.

II.2.3.6. Scholarships

In accordance with the current applicable provisions, HS may contribute to the professional development of subjects operating in the healthcare sector by awarding scholarships.

The beneficiaries are determined according to transparent and objective candidate evaluation procedures, based on recognized scientific criteria.

In this regard, during the evaluation phase it is necessary to consider the potential beneficiaries' technical and scientific skills and competences, the overall number of candidates, the technological equipment of the facility to which they belong, and their consistency with the objectives of the collaboration.

II.2.3.7. Donations

HS may make donations (including financial contributions) for charity or other philanthropic purposes, provided that the recipients of the donations are organizations and bodies that are entitled to receive them pursuant to the applicable laws and regulations. All donations must be properly documented.

Donations of money, goods, equipment, etc., to the P.A. must be carried out in accordance with the local regulations and the ethical principles indicated by the Industry Association, as well as the Code of Ethics and the specific procedures adopted by HS.



In particular, the Company must draw up and send the P.A. (Local Health Authority, Regional Health Authority, etc.) a notice indicating its intent to donate a sum of money or a particular piece of equipment, except for cases in which the Public Body in question has sent a donation request directly to the Company.

HS may make donations in favour of Professionals, provided that they are of modest value and that, as a general rule, they are meant to benefit the patients, or are of an essentially educational nature.

HS may occasionally provide products (of low value) for promotional purposes, either relating to the work of the Professionals, or else for the benefit of patients themselves. Donations must not be made in the form of cash or cash equivalents.

II.2.4. Tenders

In the specific case of tenders conducted with the P.A., the Personnel and/or consultants must operate in accordance with the current laws and proper business practices, and must instil relationships characterized by maximum transparency and fairness with the employees of the P.A.

Furthermore, when participating in tenders, it is necessary to:

- evaluate the consistency and feasibility of the services required during the tender's examination stage;
- provide all the data, information and reports necessary for the awarding of the contract that may be requested during the selection of the participants;
- engage in clear and fair dealings with the public officials (in the case of public tenders), in order to avoid any conduct that could compromise the competent officials' freedom of judgement.

If awarded the contract, when dealing with the customer, it is necessary to:

- ensure the execution of the contractual and commercial relationships in a clear and fair manner;
- ensure the diligent fulfilment of the contractual obligations.

II.2.5. Relations with customers and suppliers

All relations with the customers and suppliers of HS must be handled with the utmost fairness and transparency, in accordance with the current laws and regulations, the Model and this Code of Ethics, as well as the internal procedures on customer relations, and those relating to procurement and supplier selection.

II.2.6. Financial statements and other corporate documents

The Personnel must dedicate particular attention to the preparation of the financial statements and the other corporate documents.

In this regard, it is necessary to ensure:

- adequate collaboration with the departments responsible for preparing the corporate documents;
- the completeness, clarity and accuracy of the data and information provided;
- compliance with the principles for compiling accounting documents.

II.2.7. Health and safety at work

With regard to health and safety at work, the HS Personnel must also do the following:

- a) safeguard his/her own health and safety, as well as that of the other people present at the workplace who may be affected by his/her actions or omissions, in compliance with his/her training and the instructions and means provided by the employer;
- b) contribute, together with the employer, to the fulfilment of the workplace health and safety obligations;
- c) comply with the directions and instructions given by the employer regarding personal and collective protection;
- d) make proper use of the work equipment, any hazardous substances and preparations, the means of transport, and the safety devices;
- e) make proper use of the protection devices placed at their disposal;
- f) immediately advise their employer of any deficiencies in the equipment or devices described under letters d) and e), as well as any dangerous situations of which they may come to have knowledge, taking direct action, in the case of urgency, within the sphere of their own possibilities and responsibilities, and in keeping with the obligation described under the subsequent letter g) to eliminate or reduce any serious and incumbent situations of danger, also notifying the workers' safety representative;
- g) not remove or modify, without prior authorization, any safety, signaling or control devices;
- h) arrange for the proper care of the personal protective equipment rendered available to them, without making any modifications on their own initiative, and pointing out any defects or problems to their employer;
- i) not carry out any operations or manoeuvres on their own initiative for which they are not authorized or that could compromise the safety of themselves or others;
- j) participate in the theoretical and practical training programs organised by the employer;
- k) subject themselves to the health inspections required by the current regulations or otherwise arranged by the company physician.

II.2.8. Principles of conduct for "product specialists"

Subjects who, on behalf of HS SpA (employees, agents, distributors), provide technical assistance to medical personnel on the use of the medical devices furnished by HS itself, are referred to as "**product specialists**".

"Product specialists" are only authorized to provide their technical support services if their presence is requested by the physician, and prior authorization has been obtained from the healthcare facility's Administration, in accordance with all the protocols of the hospital facilities in which such services are provided along with the furnished medical devices.

Like all those who enter the operating rooms, the "product specialists" must use all the necessary Personal Protective Equipment (PPE), including gloves, masks, gowns, eye protection, shoe covers, and radiation protection devices.

The "product specialists" may **only intervene for the following purposes**:

1. To provide their technical opinions, and information about the safe and proper use of the technological devices;
2. To exclusively provide the information on the use of the technical devices found in the manuals and operating instructions;
3. To help the physician make the most of the devices and equipment furnished by HS SpA;
4. To set the functions of the devices according to the instructions given by the operating physician, and under the supervision of the same;
5. To provide the physician with information/experiences from other physicians, for the sole purpose of helping them develop proper and independent judgement;
6. To illustrate the characteristics of the devices, as well as the differences with respect to the competitors' products, while always acting with maximum transparency;
7. To comply with the privacy regulations.

"Product Specialists" are strictly forbidden to engage in the following conduct:

- a) To perform diagnoses, as their activities are limited to providing answers to the physicians' questions about the technological devices;
- b) To touch the patients, as this constitutes a criminal act;
- c) To program/reprogram the HS SpA device without the direct supervision of the physician, who is the only one who can make such requests and can provide the necessary indications about the case to be treated;
- d) To write on the healthcare documentation;
- e) To interact directly with the patient without the physician being present;
- f) To provide the patient with information about the medical devices being utilized;
- g) To provide information that is not present within the manual, the literature, or their company's official documentation;
- h) To provide any third parties with comments, details, names and other information about the patients or the medical staff of the hospitals and private clinics;

Furthermore, the "product specialists" **must respect the following principles of conduct:**

- I. in the case of accidents that pose biohazard risks due to accidental contact with potentially infected biological matrices, they must immediately inform the physician in charge of the operating team, and scrupulously follow the instructions provided to them;
- II. if radiological equipment is being utilized during a surgical intervention, they must remain outside the operating room;
- III. if their presence is required in the operating room while ionizing radiation is present:
 - they must stand as far as possible from the source, outside the primary beam of irradiation, and, if present, must also stand behind the dedicated protection barriers in order to remain exposed for the shortest possible time



- they must wear appropriate shielding personal protective equipment, which must be provided by the head nurse, or by their designated replacement;
- they must use dosimeters at the request of the healthcare facility's management;
- they must be adequately informed about the risk areas and the protection and safety regulations in place

IV. they must be aware that they could be exposed to anaesthetics due to accidental gas leaks from the anaesthesia devices and the relative circuits, and while the patient is waking back up;

V. they must abide by the evacuation plans in the event of a fire, and must following all the instructions provided by the Institute in the emergency and evacuation plans;

VI. they must be in possession of the appropriate authorization issued by the Healthcare Facility's Management in order to enter the operating department;

VII. they must comply with the health and hygiene rules and the protocols required by each hospital/private clinic for entering the operating room.

II.2.9. Anti-money laundering/receiving stolen property

The Personnel must adopt all the necessary tools and precautions to ensure the transparency and fairness of the commercial transactions.

In particular, the following rules must be respected:

- a) the assignments entrusted to any service companies and/or individuals handling the Company's economic/financial interests must be drawn up in writing, indicating the contents and the agreed financial conditions.
- b) the competent departments must monitor the regularity of the payments made by all the counterparts, and must make sure that the subject to whom the order is made payable coincides with the subject who collects the relative sums.
- c) the control of the financial flows relating to dealings with other companies belonging to HS Group (payments/inter-group transactions) must be carried out;
- d) it is necessary to scrupulously respect the minimum requirements established and requested for the selection of the subjects offering the goods and/or services that the Company intends to purchase;
- e) any so-called standard contracts must contain criteria for evaluating the offer, and all the necessary information must be requested and obtained with regard to the commercial/professional reliability of the suppliers and partners.

II.3. Principles and standards of conduct for Third Party Recipients

In addition to the members of the Corporate Bodies and the Personnel, this Code of Ethics and the Model also apply to Third Party Recipients, which can be understood as external subjects who either directly or indirectly work for HS (including, but not limited to, attorneys, agents, collaborators in any capacity, consultants, suppliers, and business partners).



The Third Party Recipients are therefore required to respect the provisions of the Model and this Code, and, in particular, within the limits of their respective powers and responsibilities, the ethical principles of reference (see. Section I) and the rules of conduct applicable to the HS Personnel (see. Sec. II, par. 2).

Without the expressed commitment to respect the rules contained within this Code of Ethics, HS will not initiate and/or continue any relationship with a Third Party Recipient. To this end, the letters of assignment and/or negotiated agreements shall contain special clauses confirming the Third Party Recipient's obligation to fully comply with this Code, with a formal notice to comply with the Model being sent in the case of infringement, upon penalty of sanctions or even the termination of the contract itself.

For the contractual relationships already in place when this Code of Ethics becomes effective, HS shall require the Third Party Recipient to sign a special supplementary agreement consisting of the content indicated above.

II.4. Reporting requirements to the Supervisory Board

The Recipients are required to promptly notify the Supervisory Board whenever they come to have knowledge of any potential violations of the legal or regulatory requirements, the Model, the Code of Ethics, or the internal procedures, within the scope of the activities performed by HS.

Whatever the case, any information that may be relevant to violations or potential violations of the Model must be immediately transmitted to the SB, including, but without limitations:

- 1) any orders received from superiors that are deemed to be inconsistent with the laws, the internal regulations, or the Model;
 - 2) any requests or offers involving gifts (exceeding a modest value) or other benefits from or for public officials or public service officers;
 - 3) any significant deviations from the budget or expenditure anomalies that may have emerged from the authorization requests during the final Management Control phase;
 - 4) any omissions, negligence or falsifications in the accounting documents or in the archiving of the documentation upon which the accounting records are based;
 - 5) any measures and/or reports from the police or any other authorities indicating investigations involving the Company, its employees or members of the corporate bodies (even indirectly);
 - 6) any requests for legal assistance sent to the company by the employees pursuant to the national collective bargaining agreement, in the event that criminal proceedings have been initiated against the same;
 - 7) any information concerning disciplinary proceedings in progress, as well as any penalties imposed or the reason of their dismissal;
 - 8) any reports not promptly detected by the relevant departments concerning deficiencies or inadequacies in the work equipment or work environments, or rather the protective equipment rendered available to the Company, as well as any other hazardous situations linked to workplace health and safety.
- A. in relation to the activities performed by the Company, which may become relevant during the performance of the SB's assigned tasks, including, but without limitation:
- 9) the reports prepared, within the scope of its activities, by the Internal Managers appointed;

- 10) the news relating to any organizational changes;
- 11) any updates to the power structure and delegation system;
- 12) any communications from the auditing firm regarding issues that may indicate a lack of internal controls;
- 13) decisions relating to the request, granting, and use of public funding;
- 14) the summaries of the national/local tenders, either open to the public or of public importance, in which the Company participated and was awarded the contract; as well as the summaries of any orders obtained following private negotiations;
- 15) the periodic reports on workplace health and safety.

The communications to the SB can be sent via email to the address odvhsspa@gmail.com.

Whatever the case, the SB must ensure that the person who submits the communication, if identified or identifiable, is not the subject of retribution, discrimination or penalties of any type, and must subsequently ensure the confidentiality of the person themselves (without prejudice to any legal obligations to the contrary).

SECTION III. IMPLEMENTATION AND MONITORING OF COMPLIANCE WITH THE CODE OF ETHICS

III.1. Tasks of the Supervisory Board

The Supervisory Board is responsible for monitoring the implementation and observance of the Model and the Code of Ethics.

The duties of the Supervisory Board mainly consist of the following:

- to monitor compliance with the Model and the Code of Ethics, in order to reduce the risk that the offences foreseen by the Decree will be committed;
- to formulate observations about the ethical issues arising within the context of the business decisions, as well as in relation to any alleged violations of the Code of Ethics;
- to provide all the clarifications and explanations requested to the concerned subjects, including those relating to the legality of a specific type of behaviour or conduct, or rather the proper interpretation of the provisions of the Model or the Code of Ethics;
- to monitor and coordinate the updating of the Code of Ethics, even by submitting its own proposals for modifications or updates;
- to promote and monitor the communication and training activities relating to the Model and, in particular, the Code of Ethics;
- to report any violations of the Model or the Code of Ethics to the competent corporate bodies, suggesting the sanctions to be imposed, and verifying the effective implementation of the measures in question.



III.2. Reporting of any violations of the Model and/or the Code of Ethics

If a subject who is required to comply with the Model and the Code of Ethics becomes aware of a fact and/or circumstance that could also pose a risk of violating the same, this must be promptly reported to the SB.

The Company has implemented dedicated communication channels in order to facilitate the process of reporting to the SB.

In particular, a dedicated email account (odvhsspa@gmail.com) has been activated, which can be used to send any reports relating to lack of compliance with the requirements of this Code.

The SB must ensure that the individuals who submit the reports are not the subject of retribution, discrimination or penalties of any type, and must subsequently ensure the adequate confidentiality of the individuals themselves (without prejudice to any legal obligations to the contrary).

This draft of the Code of Ethics was approved by the HS S.p.A. Board of Directors on June 28, 2016.

