



WHY DO WE NEED A CODE OF ETHICS?

Our company today consists of many people (employees, collaborators, managers, etc.) and several companies (Euro Holding S.p.A., Valpharma International S.p.A., Valpharma S.p.A., Erba Vita Group S.p.A.—hereinafter collectively referred to as “Valpharma Group”) located in different physical locations. However, the values that underlie everyone’s daily commitment and that Valpharma Group intends to pursue are common.

We wish for our workplaces to be environments where individuals can grow and feel well, and to achieve this, it is necessary that everyone behaves correctly and respectfully (towards people, places, and assets used) and is guided by the values Valpharma Group proposes. With this Code of Ethics (hereinafter referred to as the “Code”), we aim to provide guidelines that help understand how to achieve this and what is expected of us as members of Valpharma Group.

The primary goal of adopting the Code is to best meet the needs and expectations of Valpharma Group’s stakeholders by recommending and promoting a high level of professionalism and prohibiting behaviors that conflict not only with the relevant legal provisions but also with the values that Valpharma Group intends to promote.

WHO ARE WE?

Valpharma Group is an industrial group made up of two CDMO pharmaceutical companies (Valpharma International and Valpharma San Marino), specialized in the development and production of oral solid modified-release products and Erba Vita, a historic company in the field of phytotherapy and nutraceuticals.

Valpharma Group supports its customers by providing them with the necessary registration documentation, chemical-pharmaceutical dossiers and bioequivalence studies, to allow them to finalize the product registration procedure with the local regulatory authorities. Erba Vita, in addition to developing products, markets the products.

MISSION

The company's mission is to develop a sustainable business in the pharmaceutical and nutraceutical fields, with the ultimate goal of health and well-being for people. Achieving this objective allows investment in human resources (as Valducci used to say: "We have the responsibility of supporting families"), as well as enabling the development of virtuous activities that benefit the social and economic fabric of the region. As a health company, the mission also focuses on individual well-being.

Well-being of People

The Valpharma Group companies' missions are the well-being, health, and care of people. The first well-being to pursue is that of the people within the company by understanding their needs, values, and expectations, to foster a serene, positive, and respectful atmosphere that helps achieve business objectives. Indeed, it is the people who develop, produce, verify, and control, and it is thanks to them and how they perform their duties that each year Valpharma Group can satisfy its customers and contribute to the care of many people in Italy and worldwide. The three companies of the Group, in carrying out their activities, are driven by great environmental and social responsibility, taking actions aimed at reducing environmental impact and fostering social development in the region.

Thanks to people, we take care of people.

VALUES

Courage

Making the necessary choices: without fear or regret. Stepping out of the known path to personally take on challenges. Being agents of change.

Transparency

Acting with logic and a spirit that allows everyone to have a clear view of the course and the goal.

Team

Working synergistically towards common objectives because only together can we win.

Sharing

Promoting and facilitating communication of goals and actions so that everyone's contribution and thoughts can bring value and commitment to the common project.

Responsibility

Being aware of one's actions and responding to their effects.

Respect

Moving within the community with care and attention for the people and things inhabiting it.

These values were expressed by the company boards and also represent the key to understanding all the definitions subsequently contained in the Code.

CORPORATE SOCIAL RESPONSIBILITY

Valpharma Group recognizes the social responsibility of all its people as a core value. This value is important for supporting the local community, enhancing initiatives that positively educate and assist those in need, or promoting positive social groups. Furthermore, by its nature, Valpharma supports areas related to scientific research and social progress. These initiatives are enabled through economic support, sponsorships, and charitable contributions, as well as by promoting actions from its collaborators aimed at pursuing these goals.

SUSTAINABILITY

Valpharma Group promotes social and environmental sustainability policies. In particular, regarding the environment, encouraging policies and investments towards better use of energy resources and reducing environmental impact while encouraging virtuous behaviors from the entire company

population. From a social standpoint, Valpharma Group promotes wellness activities carried out in the region from every perspective.

There are numerous actions concerning the education of young people in schools and sports, supporting disadvantaged individuals, and promoting cultural activities.

RESEARCH AND DEVELOPMENT

Over its 40 years of activity, the Research and Development department has developed more than 100 modified-release products, patenting formulations and process technologies.

This vocation makes Valpharma Group's experience particularly unique in the world of contract manufacturing in the pharmaceutical sector.

Today, Valpharma Group also sees development from an organizational standpoint, constantly striving to improve processes, people, behaviors, and results.

RECIPIENTS

The Code applies to Valpharma Group and all companies directly or indirectly controlled by Valpharma Group, as well as those companies that may become part of the group in the future.

The Code is directed toward members of the board of directors, the board of auditors, auditing bodies, and the managers of Valpharma Group. The Code also applies to employees (full-time or part-time) of Valpharma Group, as well as all collaborators and other individuals or companies acting on behalf of Valpharma Group or who, for any reason, establish direct or indirect relationships with Valpharma Group, whether permanently or temporarily, or who otherwise work to pursue the company's objectives. All the aforementioned individuals are collectively referred to as the "Recipients."

Recipients who violate the principles and rules contained in the Code damage the trust relationship established with Valpharma Group.

All Recipients are required to know the Code, contribute to its implementation, improvement, and dissemination. Valpharma Group does not intend to maintain relationships with individuals who do not commit to respecting the principles and rules contained in the Code.

In no way can the belief of acting in the interest or to the advantage of Valpharma Group justify adopting behaviors that conflict with the principles outlined in the Code.

Valpharma Group is committed to publishing the Code's content within its networks, making it easily accessible and consultable by all Recipients.

PEOPLE AT THE CENTER

Valpharma Group acknowledges its human resources—who are the intended recipients of this Code—as the main actors enabling Valpharma Group to operate and pursue its mission. For this reason, Valpharma Group is committed to promoting a positive and collaborative environment, striving to support every activity that enhances its people, with the objective of effectively pursuing this principle.

Every relationship between human resources and Valpharma Group is defined by the following principles, respecting each individual. Furthermore, every action is defined by principles of efficiency and effectiveness, with a view toward the right balance of economy and sustainability in management. Because each human resource is a direct protagonist of the mission, they contribute not only with their work and behaviors but also with their suggestions and ideas for the continuous improvement and development of Valpharma Group.

TRAINING

Valpharma Group believes in the training of its people as a continuous development opportunity. Training includes not only the technical skills but also the so-called soft skills, seen as added value to help individuals adapt positively and proactively in various situations. Moreover, these skills allow individuals to engage in virtuous paths of shared responsibility and the pursuit of the company's values presented here, while improving the company climate.

For this reason, managerial paths are promoted for those holding positions of greater responsibility,

with the aim of raising awareness that the primary skill of a manager is to lead, guide, and manage, and thus to be a leader capable of involving, valuing, and maximizing the human capital entrusted to them. Given the value placed on training, Valpharma Group is committed to allocating part of its annual budget to both technical/professional training and the development of soft skills.

Safety

Valpharma Group promotes workplace safety as a founding principle. It strives to develop an internal culture through control processes, training, and periodical training updates. Periodic audits are conducted to ensure monitoring and verification of ongoing situations. Valpharma Group also promotes continuous improvement actions suggested by all corporate actors and promotes the professional training necessary to ensure that people perform their tasks with full awareness of risks and appropriate behaviors.

GENERAL PRINCIPLES

The principles on which the Code is based are the following, reflecting the values of Valpharma Group:

- Ethically correct behavior by Valpharma Group and its various stakeholders, in compliance with the law;
- Loyalty and trust of the Recipients toward Valpharma Group and the values it upholds;
- Solidarity, meaning fairness, courtesy, and respect in relationships with oneself and others;
- Professionalism and diligence;
- Transparency in the organizational model, decision-making methods, and activities performed;
- Respect for the environment, health, and safety.
- Sharing ideas and involvement of Valpharma Group people.
- Responsibility, understood as being accountable for one's actions with concrete initiatives.
- Autonomy and co-responsibility, understood as stimulating the positive circulation of ideas and personal initiative in comparison and respect for others.
- not have/pursue interests of a personal and/or financial and/or economic nature, direct or indirect, which may influence one's business or which may derive from the improper use of company information or related to the role within Valpharma Group a favor of suppliers or customers.

Valpharma Group works to give substance to the values and principles contained in the Code, taking on responsibilities internally and externally and strengthening the trust, cohesion and spirit that animates it. It therefore engages in training/information actions on the contents of the Code with the objectives of:

- to promote the values recognized as founding Valpharma Group;
- disseminate the rules, procedures and practices to be followed;
- broaden consensus on the basic principles of this Code.

VALPHARMA GROUP'S RESPONSIBILITIES

In developing the above principles, Valpharma Group commits to:

- Ensuring that no form of harassment occurs in internal or external work relationships, nor adopting behaviors or initiatives that create an intimidating, hostile, or isolating work environment towards individuals or groups of workers that negatively interfere with the performance of others or hinder

others' work prospects for mere personal competition;

- Not tolerating any form of discrimination based on personal characteristics and/or inclinations such as race, color, gender, political, union, religious, or sexual orientation, country of origin, age, health status, physical or mental disability, pregnancy, or marital status;
- Banning and prosecuting child labor and forced labor, even in cases where it is carried out by customers and suppliers;
- Developing the capabilities and skills of each internal resource through training and periodical training updates;
- Offering equal opportunities to all employees based on merit and respecting the principle of equality, allowing them to develop their aptitudes, skills, and competencies;
- Guaranteeing fair treatment based on merit and competence;
- Ensuring that transparent opportunities are offered to Valpharma Group's people, avoiding the use of criteria that differ from those expressed in the company's values;
- Banning favoritism, nepotism, or cronyism in hiring staff and in the professional development and growth of its employees;
- Protecting the information concerning employees and collaborators generated or acquired within and outside Valpharma Group, and taking all necessary measures to prevent the improper use of such information;
- Promoting and protecting the health and safety of individuals in compliance with current legal regulations;
- Conducting its activities in full compliance with anti-money laundering laws and regulations issued by the competent authorities.

RECIPIENTS' RESPONSIBILITIES

The Recipients commit to:

- Providing their services in line with assigned tasks, objectives, and responsibilities, without delegating activities or decisions that fall within their competence;
- Respecting working hours if they are employees, except for justified reasons. In any case, all Recipients must dedicate adequate resources in terms of time and commitment to the tasks assigned to achieve the related objectives;
- Complying with the company's procedures and regulations in force;
- Within the company structure, it is strictly forbidden to smoke, except in designated areas, or to enter in an altered state due to psychotropic substances and/or alcohol, as well as to bring such substances into the company at one's own discretion;
- Contributing to creating a professional atmosphere in which all colleagues feel positively involved in achieving Valpharma Group's objectives;
- Providing colleagues, managers, and/or their supervisors with adequate collaboration by communicating complete and detailed information with the aim of efficiently achieving the common business objectives within the expected timeframes;

- Using the assets and resources made available in accordance with their intended use and ensuring their preservation and functionality, as each recipient is considered directly and personally responsible for protecting and preserving the assets and resources entrusted to them to carry out their duties. By way of example, recipients commit to not using office phone lines for personal needs except in emergencies, to correctly use IT systems, the Internet, and email as per their intended use;
- Exercising utmost caution and care in using non-public information obtained through performing their duties. The information and any other materials obtained in the course of their work are Valpharma Group's property. Recipients commit to not disclosing, using, or communicating information and/or any other kind of news, documents, data, etc., related to their tasks or responsibilities, which are of a confidential nature without specific authorization. Any disclosure may harm the company's intellectual property and cause damage to its common value;
- Avoiding all situations and activities where a conflict of interest may arise between personal economic activities and the duties and/or responsibilities held in the company or Valpharma Group's interests. Should occasional conflict situations arise, or situations of potential conflict, full communication and transparency with the supervisor or relevant function for the related decisions are required;
- Accepting or offering acts of commercial courtesy, such as gifts, payments, or benefits, only when they cannot be interpreted as intended to obtain improper advantages for oneself or for Valpharma Group. Recipients who receive or offer gifts that cannot be classified as normal, appropriate acts of courtesy must inform their supervisor or relevant function and refuse;
- Under no circumstances disparaging Valpharma Group, either within their workplace or outside;
- Participating in the risk prevention, environmental protection, and health and safety safeguarding processes for themselves, colleagues, and third parties;
- Not engaging in behaviors that make a colleague's performance difficult or adopting harmful behaviors that create a climate of mobbing and isolation;
- Even after termination of the employment relationship in any form or type, treating with absolute confidentiality any data, information, or news obtained during their employment with Valpharma Group;
- Avoiding joining associations, clubs, or other organizations from which obligations, ties, and expectations may arise that could interfere with the performance of their work at Valpharma Group;
- Conducting themselves, using appropriate language, and dressing in a manner suitable for the work environment.

ADMINISTRATIVE RESPONSIBILITY

Transparency, accuracy, and completeness of financial information are of particular importance. Each Recipient is required to collaborate to ensure that business facts are correctly represented.

Information contained in periodic reports or accounting must adhere to principles of transparency, correctness, completeness, and accuracy.

Accounting records must be based on precise, exhaustive, and verifiable information. Each entry in the accounting books must reflect the nature of the transaction, represent its substance, and be based on adequate supporting documentation.

Recipients who become aware of falsifications in the accounting or in the documentation on which the accounting records are based, must report the event according to the instructions on the company website, by clicking on the "Whistleblowing" link as established in the "Policy for the monitoring of ethical and internal reporting policies" attached to the Code.

GUIDING CRITERIA IN POLICIES TOWARDS THIRD PARTIES

Recipients must adequately inform third parties with whom they engage in business relationships on behalf of Valpharma Group of the provisions of the Code and the principles it promotes to align their behavior with these provisions.

RELATIONS WITH CUSTOMERS AND SUPPLIERS

Recipients are required to perform their tasks with the goal of achieving maximum customer satisfaction. When requested, each recipient must provide assistance and information in a courteous, polite, correct, and comprehensive manner.

The following is prohibited:

- Accepting gifts directly or indirectly from suppliers if aimed at obtaining improper economic and/or financial advantages;
- Engaging in illegal practices and behaviors such as collusion, illicit payments, bribery attempts, and favoritism.

It is possible to accept symbolic and modest-value gifts only if:

- They are not solicited by the Recipients;
- They are not offered in exchange for undue advantages acquired or to be acquired.

The selection of suppliers and the determination of purchase conditions must be based on an objective assessment of:

- Quality of goods and services required;
- Price of goods and services required;
- The counterpart's ability to timely provide goods and services at a level adequate to Valpharma Group's needs.

RELATIONS WITH PUBLIC ADMINISTRATION

Engaging with public administration, control, and regulatory bodies is reserved exclusively for the corporate functions designated for this purpose.

Recipients must not promise, offer, or accept payments or goods to or from public officials to promote or favor Valpharma Group's interests, except for modest-value acts of commercial courtesy that cannot be interpreted as aimed at gaining improper advantages for themselves or Valpharma Group.

In the event of offers/proposals from public officials, the employee or collaborator must report to their supervisor or the relevant function and refuse.

During relationships (contacts, requests, negotiations, etc.) with the Public Administration, internal and external Valpharma Group personnel must not improperly influence the counterpart's decisions.

During competitions with the Public Administration, it is mandatory to operate in compliance with regulations and fair commercial practices, respecting competition rules.

During relationships (contacts, requests, negotiations, etc.) with the Public Administration, the following actions are not allowed, either directly or indirectly:

- Offering or suggesting job and/or commercial opportunities that may benefit Public Administration entities;
- Soliciting or obtaining confidential information that may compromise the reputation or integrity of one or both parties or Valpharma Group;

- Offering or providing gifts or benefits.

Valpharma Group is committed to ensuring that its employees and collaborators maintain correct behavior in relations with financial administration bodies and authorities.

RELATIONS WITH THE PRESS

Relations with the press are handled by functions authorized by the Valpharma Group Communications Office and are conducted in line with the communication policy defined by the company's board. The information provided must be truthful, complete, accurate, transparent, and consistent with each other.

Recipients must refrain from making statements or giving interviews about Valpharma Group to press representatives, other media, or third parties without prior authorization from the responsible parties.

VIOLATIONS OF THE CODE OF ETHICS

The rules contained in the Code integrate the behavior that the recipients are required to observe, by virtue of the civil and criminal laws in force and the obligations established by collective bargaining.

Violation of the rules of the Code damages the relationship of trust established with Valpharma Group and, if it leads to a failure to fulfill the contractual obligations of the employment relationship or professional collaboration, it can lead to disciplinary, legal or criminal actions; in the most serious cases, the violation can lead to the termination of the employment relationship, if carried out by the employee, or to the interruption of the relationship, if carried out by a third party who does not have an employment relationship (supplier, consultants, etc.).

POLICY FOR MONITORING ETHICAL POLICIES AND INTERNAL REPORTING

In compliance with the Code of Ethics approved by the company, the following policy is defined for monitoring ethical policies and reporting possible violations.

1. The Code of Ethics defines the conduct to be followed with customers and suppliers and with public administration to prevent actions that violate the company's values and principles and could consequently lead to crimes.
2. It is the responsibility of company managers and department heads to ensure that the Code of Ethics is respected in the company.
3. At any time, any employee, collaborator, or stakeholder of the company may report conduct contrary to the Code of Ethics directly to their supervisors, and if such conduct involves a supervisor, to the general management, up to the CEO and/or President.
4. The report must be substantiated, i.e., it must include details such as the day, time, and place of the incident, and it must provide evidence of the conduct (e.g., not just "rumors").
5. If the evidence is only testimonial, it must be written, signed, and accompanied by the witness's identification document.
6. At the conclusion of the report, both the reporter and the manager who receives the report will draft a written statement including all the data from the previous points, as well as the signatures of the reporter and the manager, the location, the date, and copies of their valid identification documents with signatures.
7. The company, in the person receiving the report, undertakes to maintain the anonymity of the report and ensure that privacy regulations are respected.
8. All employees can report violations of this policy by using the Whistleblowing channel made available by the company. Any employee can send a report by accessing the homepage of the Valpharma website, clicking on the "Whistleblowing" link and accessing the service via the link: <https://valpharma.legalwb.it/>.
9. Anonymity may be lost if further information is requested by the judicial authority.

10. The president/CEO will update the Board at least once a year related to the complaints received and on the actions implemented by the company.

This policy is made known and approved by the Board of Directors and communicated to all employees through internal channels.

Additionally, personnel may request further information from the company management on this policy, the methods of application, and any need for training.



VALPHARMA GROUP

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