

## The Hovione Code of Ethics

### Fundamental Principles

Since its foundation, Hovione's activity has been governed by ethical values that have been transmitted down for more than four decades. Hovione believes that the respect for these values is the basic principle for the healthy growth of the Company, permeating and guiding its business conduct and human relations. This behaviour is based on Compliance with the Law, Honesty, Loyalty, Courtesy, Respect, Diligence and a Sense of Responsibility.

The Hovione Code of Ethics establishes fundamental rules of conduct which govern relationships between the Company and the Staff, Clients, Suppliers, Competitors, Shareholders, Public Authorities, and the Community. Hovione's ethical principles aim to establish and develop Trust in all of its relationships. While the Company strives to defend and promote its scientific, industrial, commercial and financial interests, Truth and Honesty shall prevail above all.

Hovione is dedicated to serving the Pharma Industry with products that save human lives and improve quality of life – the mission of our Company and the nature of our activity implies great responsibility in our work, not only in the quest for sound science but also in achieving a constant state of compliance with the regulations and best practices in the industry. Our daily activity is further based on observing our obligations towards confidentiality and protecting the valuable know-how and information of the Company and that of our Clients.

Hovione operates in three continents and represents a multitude of different cultures, races, nationalities and religions. A written document describing certain fundamental rules of conduct which reflect the values we have always held essential is now necessary.

This document applies to all members of the Company; it also applies to persons who are conducting business on behalf of Hovione and who are seen by third parties as representing the Company. Hovione expects from all members of its staff, irrespective of their level of responsibility, a conduct in accordance with these principles and rules of conduct. In case of doubt in the application of any of the present rules, it is each one's responsibility to seek advice from his or her hierarchical head or from Human Resources.

This Code of Ethics is a set of principles. Local Hovione companies will use them to develop additional internal procedures if required by their own laws, regulations and local custom or business.

### Rules of Conduct

#### 1. Working at Hovione

- 1.1 Our relations to other members of the Company are courteous and respectful within a climate of mutual trust, loyalty and team spirit.
- 1.2 We are diligent in our tasks, exerting an effort continuously, for the good of all in Hovione.
- 1.3 We have a duty to uphold Hovione's reputation, interests and image of excellence.
- 1.4 We safeguard the best interests of the Company, respect its assets as we would our own, and refrain from using resources, information or authority for our personal use.
- 1.5 We have a duty to observe, in all instances, our contractual obligation towards confidentiality and protect all Hovione information and know-how.
- 1.6 Authority is to be used with responsibility and correctness, never undermining the importance and relevance of anyone's job.



- 1.7 Relationships between members of Hovione staff will be professional at all times.
- 1.8 If we hold other functions external to the Company we must ensure that our activities are compatible with our employment contract and must not use our link with Hovione to other personal ends.
- 1.9 In case of conflict of interest between you and Hovione, you must inform and discuss the issue with your hierarchical head or with Human Resources.
- 1.10 The Company will defend the interests of the shareholders, informing them of any financial and/or business situation, decision or action that may affect their position as a shareholder.

## **2. Dealing with our business partners**

- 2.1 The prosperity and future of Hovione is based on serving our clients to their satisfaction and best expectations.
- 2.2 We treat clients with honesty, professionalism and openness.
- 2.3 We endeavour to supply products and services as agreed, namely in terms of quantity, quality, price, and delivery date, always conforming to specification and to the regulations.
- 2.4 We inform clients without delay of any relevant or unexpected deviation from the agreed terms, conditions and specifications, whether technical, scientific or commercial.
- 2.5 We promote with our customers and other business partners long lasting partnerships, which are based on trust and are mutually beneficial.
- 2.6 We select our suppliers through an objective evaluation of competence, price, quality, delivery dates, payment terms, shared values and other due diligence issues, according to our requirements and interests.
- 2.7 Loyal competition is essential to establish a level playing field for all participants in the industry and for its sound development and we will work to uphold and preserve it.
- 2.8 We will not obtain or acquire information about competitors in an illegal or irregular manner, we will not denigrate their reputation but endeavour to make objective comparisons.
- 2.9 We will not undertake any unethical business practices to attract a client to the detriment of a competitor.
- 2.10 We will not increase profits by any illegal or dishonest means. We will not accept any personal presents or personal favors, which are intended to influence the business relationship with the Company.
- 2.11 We work with our business partners under contractual obligations of confidentiality. We protect and keep confidential all scientific, industrial and business information obtained under that relationship, in the present and for the future.
- 2.12 We never promise what we cannot keep or what is not ours to guarantee, as our promises bind the Company.
- 2.13 We investigate and respond to all complaints, striving to give each one equal attention, irrespective of origin.

## **3. Respecting and obeying laws and regulations**

- 3.1 We respect the Law. We observe the truth, act honestly and in accordance with Industry regulations.
- 3.2 When we become aware of any instance of non-compliance with these rules or with this Code of Ethics, we will inform the Company of any such instance
- 3.3 We report our activities to Authorities as required by law





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#### **4. Hovione and the Community**

- 4.1 Hovione strives to maintain good and stable neighbourly relations within its Community and takes an interest in its needs.
- 4.2 Hovione encourages dialogue and informs the public in a clear and accessible language of its activity and undertakings, opening its doors regularly to the Community, Authorities, Press, Academia and the Public in general.
- 4.3 Hovione organizes plant visits for schools, students or other parties with an educational intent.
- 4.4 Hovione strives to constantly improve the conditions of its facilities and its performance in terms of safety, health and environmental protection and communicates its performance to the public.
- 4.5 Hovione takes all necessary measures within its possibilities to prevent or reduce environmental, material or personal damage.
- 4.6 Hovione will offer help to Authorities in case of an incident outside the Company in the field of its expertise and available means.
- 4.7 Hovione collaborates with Authorities in issues relating to safety and environmental protection.
- 4.8 Partisan politics shall not take place within the Company.

Loures, December 2004

*J. V. K.*

*P. V. K.*

*G. L.*