

Code of Conduct

Courtesy translation



Approved by resolution of the Board of Directors on 28/11/2017

TABLE OF CONTENTS

1. THE CODE OF CONDUCT 3

2. RECIPIENTS AND SCOPE OF APPLICATION 3

3. GUARANTOR OF THE MODEL 4

4. VALUES AND PRINCIPLES 4

 4.1. WISE'S MISSION 4

 4.2. WISE'S KEY VALUES 4

 4.3. FUNDAMENTAL ETHICAL PRINCIPLES 4

5. RULES OF CONDUCT 6

 5.1. RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION 6

 5.2. RELATIONSHIPS WITH THE SUPERVISORY AUTHORITY 6

 5.3. RELATIONSHIPS WITH THE JUDICIAL AUTHORITY 7

 5.4. RELATIONSHIPS WITH CUSTOMERS 7

 5.5. RELATIONSHIPS WITH SUPPLIERS AND COMMERCIAL PARTNERS 8

 5.6. TRANSPARENCY IN MANAGING THE ADMINISTRATIVE-ACCOUNTING SYSTEM 8

 5.7. ANTI-BRIBERY MEASURES 9

 5.8. RELATIONSHIPS WITH EMPLOYEES 10

 5.9. HEALTH AND SAFETY 11

 5.10. ENVIRONMENTAL PROTECTION 12

 5.11. PRIVACY PROTECTION 12

 5.12. DUTIES OF EMPLOYEES 13

6. IMPLEMENTATION, DISSEMINATION AND RESPECT OF CODE OF CONDUCT 14

 6.1. DISSEMINATION OF CODE OF CONDUCT 14

 6.2. SYSTEM OF SANCTIONS 14

 6.3. HEADS OF FUNCTION/DEPARTMENT 15

7. REPORTING OBLIGATIONS TO SUPERVISORY BODY 15

8. FINAL PROVISIONS 15

1. THE CODE OF CONDUCT

This Code of Conduct contains the ethical principles and rules of conduct that characterise the organisation and activity of WISE S.r.l. ("WISE" or "the Company") and the entities that collaborate with it.

In that sense, the directors, managers and employees of the Company in general are required to respect those principles, implementing them in their daily business behaviours.

Anybody (suppliers, consultants, commercial partners, etc.) who, in various guises, collaborates with WISE is required, as part of those relationships, to respect the rules of this Code of Conduct insofar as they are applicable.

The Company's main values include business ethics, through which to convey a message of integrity, fairness and respect as the cornerstone of its activity and the corporate structure in which it works.

This Code of Conduct is an integral and fundamental part, as well as a key interpretative instrument, of the Organisation, Management and Control Model ("Model") adopted by WISE, to combat and avoid, insofar as possible, any unlawful conduct implemented in favour or to the benefit of the Company.

WISE's Code of Conduct was adopted by the Company at the same time as adopting the Organisation, Management and Control Model. Any subsequent revisions and/or amendments of the Code of Conduct must in any case be approved by the Board of Directors.

WISE's Code of Conduct is brought to the attention of everyone who holds relationships with the Company.

2. RECIPIENTS AND SCOPE OF APPLICATION

This Code of Conduct is the document of reference, the "Constitution", that guides the actions, inspires the decisions and guarantees the application, without exceptions, of WISE's ethical principles in the daily working life of all members of the Board of Directors, managers, employees, external collaborators, suppliers and commercial partners of WISE, i.e. every person who performs their activity, in the name and on behalf of the Company, or any third party with which WISE establishes contractual relationships or business partnerships.

All these entities, which operate directly or indirectly together with or in favour of WISE, whatever the relationship that links them, are hereafter also known by the term "Recipients".

3. GUARANTOR OF THE MODEL

WISE has established a Supervisory Body, in accordance with Art. 6 of Italian Legislative Decree no. 231/01, responsible for overseeing the functioning of and the compliance with the Model. In that regard, as the Code of Conduct is an integral part of the latter, the Supervisory Body ensures that the Code of Conduct is respected, reporting to the Company's senior management any conduct that does not meet the requirements and principles contained in this Code.

4. VALUES AND PRINCIPLES

4.1. WISE'S MISSION

WISE is a company that performs research activities in the field of nanotechnologies and deals with the development and entrepreneurial use, in innovative contexts, of the results of such research.

In particular, the Company focuses on developing highly biocompatible and minimally invasive electrodes for Neuromonitoring and Neuromodulation, meeting the complex technical requirements related thereto.

The industrial development is oriented towards the markets of research, biomedicine and personalised medicine, particularly by marketing products for Neuromonitoring and Neuromodulation that combine high specialisation, practicality and cost containment. Those medical devices are also subject to industrial patents (both granted and at the preliminary stage) owned by the Company.

4.2. WISE'S KEY VALUES

Precision, innovation, efficiency and functionality have, since the origins of the Company, been WISE's key values which are concretely applied in the design and production of medical devices that combine high specialisation, reduced invasiveness and high performance.

In order to guarantee business continuity and growth, WISE protects very sensitively and with constant commitment the individuals who work for the Company and the locations in which they operate.

4.3. FUNDAMENTAL ETHICAL PRINCIPLES

The fundamental ethical principles recognised by WISE, which guide and inspire the conduct of the Recipients of the Code of Conduct are indicated below.

- Impartiality: in decisions that influence relationships with its stakeholders (customer management, work organisation, supplier selection and management, relationships with commercial partners and institutions), WISE avoids any form of discrimination based upon gender, race, social class, national origin, language, religion, political and philosophical opinions, political or trade union affiliation, state of health and invalidity or age, except as provided by the laws in force.
- Legality: in conducting its activity, WISE respects all applicable laws and regulations, as well as the Model, the Code of Conduct and the company rules.
- Correctness: in the conduct of any activity, situations must be avoided in which the entities involved in the different company processes are, or may even only appear to be, in conflict of interest.
- Honesty: in conducting the activities and in relationships of any nature, WISE's collaborators are required diligently to respect the laws in force, the Code of Conduct and the internal company rules. The presumed pursuit of WISE's interest or benefit can never justify actions that differ from honest conduct. WISE, in fact, firmly states that a violation of the law cannot in any case and for any reason constitute an action in its interests or a means to achieving a benefit for it.
- Relationships with supervisory/control bodies: the relationships with control bodies or supervisory authorities, both public and private, are based upon principles of transparency, completeness, truthfulness and correctness of information. Information to be communicated to the control bodies or supervisory authorities, based upon existing regulations, must not be withheld or distorted.
- Privacy protection: the Company guarantees the confidentiality of the information in its possession and refrains from seeking confidential information, except in the case of express and informed authorisation in compliance with existing domestic and Community laws. WISE's collaborators are required to refrain from using confidential information for purposes not connected to the performance of their working duties.
- Value of human resources: WISE sees its personnel as an essential factor for success of the Company. For this reason, WISE protects and promotes the value of its employees and collaborators and anyone else who works in its name or on its behalf, with the aim of raising the satisfaction level and increasing the wealth of knowledge held.
- Respect of individual rights and human dignity: WISE rejects any form of harm to individual rights and human dignity, slavery or exploitation of child labour, both by itself and by its suppliers, with respect to which it performs controls and assessments on the social rating.

5. RULES OF CONDUCT

5.1. RELATIONSHIPS WITH THE PUBLIC ADMINISTRATION

WISE holds relationships with the Public Administration according to the utmost transparency and correctness. In particular, the Company produces the necessary reports, in respect of all domestic and Community laws and regulations, and implements the controls identified within the Model in full collaborative spirit.

Relationships with representatives of public institutions are handled only by the duly authorised functions in charge and in the strictest respect of legal and regulatory provisions. They may not in any way compromise the Company's integrity and reputation. To that end, it is prohibited for anyone working within WISE or on its instruction to provide or to make or accept any payments or promises of money, goods or other benefits of any nature to representatives of the Public Administration. These requirements may not be evaded by making recourse to forms of contributions that, even in the guise of sponsorships, assignments, consultancy, publicity, etc., actually have the same unlawful purposes that are prohibited above.

Acts of courtesy, gifts and forms of hospitality may not be distributed to public officials or civil servants beyond what is the norm in company practice, in compliance with the regulations and controls adopted in the Model.

Similarly, managers, employees and collaborators may not receive gifts or other benefits, except within the limits of normal relationships of courtesy and provided that they are of small value.

If a manager, employee, collaborator or other Company representative receives gifts over the aforementioned limits, he or she must immediately return the same and immediately inform the Supervisory Body.

Relationships with public institutions or persons must be held exclusively by company personnel equipped with adequate powers of representation and/or expenditure, or by other personnel (both employees and consultants) expressly delegated/instructed for the same, in accordance with clear and transparent methods, aims and purposes.

5.2. RELATIONSHIPS WITH THE SUPERVISORY AUTHORITY

WISE undertakes to comply fully and scrupulously with the rules dictated by the Supervisory Authorities, as well as to base its relationships with the aforementioned Authorities on the utmost collaboration, transparency, integrity and correctness, in respect of their institutional role, undertaking to promptly fulfil their requirements.

In particular, all Recipients are required to:

- comply with the laws and regulations in force;
- adopt a conduct towards the Supervisory Authorities based upon efficiency, collaboration and courtesy, complying with every request made as part of their inspection functions and collaborating in the respective preliminary procedures;
- provide detailed, complete and accurate information so as to allow the Supervisory Authorities to acquire all knowledge necessary and useful for the purpose of making decisions;
- not to hinder in any way their actions, by omitting data and/or information requested directly and/or indirectly.

5.3.RELATIONSHIPS WITH THE JUDICIAL AUTHORITY

WISE guarantees and promotes correct, transparent and collaborative conduct in relationships with the Police and the Judicial Authorities.

It is prohibited to implement any form of conditioning towards anyone (employee, collaborator or third party) asked to make statements before the Judicial Authority which may be used in criminal proceedings.

5.4.RELATIONSHIPS WITH CUSTOMERS

The Company aims to satisfy the expectations of its customers by supplying high quality products in respect of existing regulations and in protection of competition and the market, orienting its conduct towards values of correctness, honesty and professionalism. To that end, WISE performs constant monitoring of the quality standard of its products and increases the competitiveness of the respective commercial terms.

WISE, therefore, ensures, in relationships with customers, that the rules indicated below are followed:

- respect all laws and regulations in force;
- comply with the existing internal procedures and controls indicated in the Model;
- base the relationship with customers on expertise, efficiency and courtesy;
- refrain from offering or giving cash, as well as gifts or presents that may in any case be interpreted as exceeding normal commercial practice or courtesy;
- propagate complete and comprehensive, as well as absolutely truthful, information on services/products offered;
- refrain from using misleading or deceptive advertising messages;

- act in full respect of industrial and intellectual property rights legitimately held by third parties, as well as in compliance with requirements contained in laws, regulations and conventions implemented to protect those rights.

5.5.RELATIONSHIPS WITH SUPPLIERS AND COMMERCIAL PARTNERS

WISE selects suppliers/commercial partners based upon assessments that allow it to identify the best options from the perspective of reliability, integrity, quality and cost-effectiveness.

The selection of suppliers/commercial partners must also be based upon respect of the rules of legality and impartially, as well as on principles of professionalism and integrity, as indicated in the Model.

In this regard, therefore, the Company's collaborators/partners must:

- act on the basis of objective and traceable criteria;
- comply exclusively with identified selection criteria, avoiding any discrimination;
- comply with internal selection/management procedures of suppliers/partners, also in accordance with the regulations and controls identified in the Model;
- guarantee the traceability and recording of decisions made by archiving documents that provide evidence that the internal procedures and purposes of the purchase have been respected;
- avoid possible conflict of interest situations or, in this case, notify the management body (Board of Directors) of the conflict and refrain from making decisions that could be influenced by that relationship;
- refrain from accepting any sum of money or any form of gift or benefit that may be seen as exceeding normal commercial practice or courtesy;
- promptly report any conduct that is potentially contrary to the principles and values of this Code.

5.6.TRANSPARENCY IN MANAGING THE ADMINISTRATIVE-ACCOUNTING SYSTEM

WISE is sensitive to the importance of transparency, accuracy and completeness of accounting information and it implements an administrative-accounting system that is reliable in correctly representing the management facts and in providing the tools to identify, prevent and manage, where possible, risks of financial and operational nature, as well as fraud in detriment to the Company itself or third parties.

The accounting records, and documents deriving from them, must be based on clear, comprehensive and verifiable information; they must reflect the nature of the transaction to which they refer in respect of external constraints (rules of law, accounting standards) as well as internal procedures and controls identified in the Model; in addition, they must be accompanied by the respective supporting documentation to allow for objective analyses and verifications.

The accounting records must allow for the following:

- to produce accurate and prompt economic, capital and financial situations, transmitted both internally and externally to the Company (financial statements, information documents, etc.);
- to provide tools to identify, prevent and manage, where possible, risks of financial and operational nature and fraud in detriment to the Company or third parties also in relation to the use of public funds;
- to perform controls that reasonably safeguard the value of the assets and protect against losses.

All Recipients are required to:

- follow the company's administrative-accounting procedures and respect the controls indicated in the Model;
- ensure that management facts are represented correctly and promptly, so that the administrative-accounting system achieves all the purposes described above;
- ensure that information and documents provided to the Auditing Company are promptly prepared in compliance with the principles of the Code of Conduct and the requirements contained in the Model adopted by WISE;
- comply scrupulously with the regulations aimed at preventing phenomena of money laundering, self-laundering and financing of criminal activities;
- immediately report any irregularities that, according to normal professional diligence, give rise to suspicions on the legality and regularity of the origin of money received.

5.7.ANTI-BRIBERY MEASURES

WISE rejects any bribery, both externally and towards itself.

In this regard, the Company, in the awareness that the spread of bribery threatens the trust of stakeholders, facilitating the loss of its competitiveness, by adopting the Model, has identified specific sensitive activities that have an impact on cases of bribery both in relation to the P.A. and to private entities and it has established

specific measures and controls aimed at influencing the reasons and opportunities for bribery.

5.8.RELATIONSHIPS WITH EMPLOYEES

WISE is fully aware of the essential nature of human resources to a company's very existence and development.

In fact, only workers with an adequate professional training, strong motivation and full involvement in the community and company "spirit" can allow the Company to perform efficient and effective strategic planning, aimed at achieving its objectives.

The Company, therefore, as well as strictly complying with existing employment regulations, pursues a policy of development and enhancement of the company's human resources based upon the following rules:

- Staff selection and recruitment: the activity of staff selection and recruitment is performed solely on the basis of the professional profiles of the candidates, with respect to the contingent business needs, in the utmost transparency and in compliance with the principle of equal opportunities, avoiding any form of favouritism or unjustified privilege.
- Impartiality: the Company believes that the principle of impartiality should guide not only the initial phases of staff selection and recruitment but, more generally, the entire development of the employment relationship.

The Company therefore promotes a staff management policy aimed at preventing any discrimination or abuse against employees based upon race, language, gender, religious beliefs, political convictions and sexual orientation.

Any initiative concerning employees, such as the assignment of roles or responsibilities, promotion or transfer, must be done solely on the basis of the professional profile, as well as the actual expertise and skills of the individual employee.

- Professional growth: WISE is aware that only a precise policy aimed at developing both the skills and professional aspirations of each employee can guarantee for the Company the necessary dedication and optimal performance of employees.

The Company, therefore, in respect of criteria of fairness and impartiality that must always characterise every phase of company life, provides adequate professional training for its staff which takes account of both the professional skills and human characteristics of the same.

In this perspective, the individual heads of Function/Department are required to pursue, insofar as possible, a policy of employee integration and involvement,

incentivising a spirit of proactive collaboration, not only in operations but also in decision-making phases under the remit of the department.

5.9.HEALTH AND SAFETY

WISE intends to ensure that its personnel have a working environment that poses no risks to health and safety and to guarantee that the company structure applies adequate measures in that regard, in compliance with legislative and regulatory provisions, and to train workers and raise their awareness of workplace safety.

All of WISE's directors, managers, employees and collaborators must respect the safety rules and must report any dangers or fears in relation to health or safety to their hierarchical manager or to the Supervisory Body.

In managing workplace health and safety, WISE focuses on the following fundamental principles and criteria:

- assess the risks and take steps to minimise them;
- adjust the work to the individual, particularly in relation to the design of the workstations and the choice of work equipment and work and production methods, particularly to attenuate monotonous work and repetitive work and to reduce its effects on health;
- take account of the degree of evolution and modernisation of technologies;
- implement prevention, aiming at a coherent set of interventions that integrates technique, conditions, work organisation, respect of social relationships and environmental factors;
- train and inform workers of the risks related to the company activity in accordance with what is defined in the Risk Assessment Document and established by existing regulations;
- impart adequate instructions to workers.

In this perspective, and for the purposes of achieving the maximum safety level, workers are required to:

- participate in fulfilling the obligations provided in protection of workplace health and safety;
- respect the provisions and instructions imparted, for the purposes of collective and individual protection;
- correctly use the work equipment, as well as safety devices and protections;
- comply with existing internal procedures;
- follow training and education programmes organised by the company;

- undergo medical checks required by existing regulations or in any case arranged by the Company Doctor.

5.10. ENVIRONMENTAL PROTECTION

WISE undertakes to protect human health and the environment. The fulfilment of this undertaking is a primary objective and the responsibility of every individual involved in the Company activities.

In this regard, the Company has adopted the following environmental principles:

- identify environmental management as a sensitive activity within the Model and prepare a series of controls to guarantee that WISE's activities are conducted in an eco-friendly manner and in respect of the rules in force on environmental protection;
- educate, train and motivate people involved in the Company activities to conduct these activities in an eco-friendly manner and to communicate and strengthen the sense of responsibility towards attentive environmental management;
- manage the structures and conduct the activities whilst considering the efficient use of energy and materials, the sustainable use of renewable resources, the reduction to a minimum of any negative environmental impact and on the generation of waste, responsible and safe management of waste and atmospheric emissions.

In this regard, the Company undertakes to:

- identify selection, qualification and management criteria for suppliers of services relevant in terms of the environment;
- verify the presence of authorisations required by the regulations, as well as a general assessment of the supplier's activity;
- verify the presence of forms, where required, with reference to the holding and transportation of waste.

5.11. PRIVACY PROTECTION

WISE undertakes to ensure that any personal data acquired is adequately protected, in accordance with the terms provided by existing domestic and Community rules, avoiding improper or unauthorised uses, in protection of the dignity, image and confidentiality of each entity that has relationships with the Company.

The Company provides information on the type of data collected, the use that it intends to make of the same and the methods by which the data subjects may contact the Company to obtain information.

Personal data is collected and stored only where it is necessary for identified, explicit and legitimate purposes, and it is stored for the time strictly necessary for the use for which it was acquired.

5.12. DUTIES OF EMPLOYEES

In addition to respecting the Code, the principles and the rules expressed therein, employees of WISE are required to:

- refrain from any situation of actual or potential conflict of interest between the company activity and personal and/or family activities, or in any case which may interfere with the serenity and impartiality of their operational and decision-making sphere;
- maintain the strictest confidentiality over all information acquired whilst performing their company activity, avoiding use or dissemination of that information, both internally and externally to the Company, except in conformity with and in respect of the company regulations and procedures;
- carry out their performances diligently, efficiently, correctly and honestly, making the best use of the time made available and using the company assets responsibly and diligently, with particular regard to those assets personally entrusted to them to perform the specific company activity. Employees, in particular, accept the responsibilities connected to their roles, refraining from any unlawful use of the assets and in any case use that may compromise their efficiency, be potentially harmful or be in contrast with the Company interests;
- use computer tools for company and not personal purposes, not accessing third party hardware or software (both public and private) unlawfully in order to learn of or damage its contents;
- the tools provided by the Company must be used in a manner compliant with the purposes for which they were entrusted; their use is prohibited in the event of any suspension from the role (subject to express authorisation) and they must be returned immediately upon receiving a letter of dismissal or in any case upon the termination of the relationship;
- base relationships with colleagues on values of civil coexistence and respect, avoiding any form of discrimination;
- behave on a daily basis in a manner respectful of the environment, also from an ecological perspective;

- promptly inform their direct managers of any situations that are contrary to the law, to this Code, to the Model and to internal company procedures/practices.

If these situations involve the direct manager, employees must contact the Head of Function/Department and/or the Supervisory Body directly.

6. IMPLEMENTATION, DISSEMINATION AND RESPECT OF CODE OF CONDUCT

6.1. DISSEMINATION OF CODE OF CONDUCT

WISE undertakes to guarantee a prompt dissemination, internally and externally, of the Code of Conduct by appropriately distributing the same to all members of WISE's corporate bodies and to all its employees.

6.2. SYSTEM OF SANCTIONS

Compliance with the rules contained in this Code is considered an essential part of the contractual obligations of WISE's employees, in accordance with Article 2104 of the Italian Civil Code, as well as for external collaborators of the Company itself, with reference to the existing contractual relationship.

WISE undertakes to apply, coherently, impartially and uniformly, sanctions proportionate to the respective violations of the Code and compliant with existing provisions on the regulation of employment relationships. In particular, if employees of the Company violate the Code of Conduct, the respective measures will be adopted and the respective sanctions will be applied in full respect of Art. 7 of Italian Law 300 dated 20 May 1970, as well as existing regulations and the contents of the collective agreement in force.

Individual punishable infringements and the respective applicable sanctions are established in the Model, in compliance with the provisions of the National Collective Labour Agreement applied. This Code ratifies the mandatory nature of the disciplinary action in the case of a breach of the rules of conduct defined herein. Any violation of the rules of the Code of Conduct constitutes an infraction of the fiduciary bond relating to the mandate of the members of the corporate bodies, with every legal consequence. The Supervisory Body, in accordance with Italian Legislative Decree 231/01, must be informed of any measure adopted as a consequence of disputed violations of this Code of Conduct.

Managers and directors - also Recipients - must comply with the rules of conduct and principles expressed in this Code. Violations will be assessed by WISE in compliance with the provisions of the Model and may affect the mandate, assignment or appointment, the emanation of the fiduciary bond.

6.3. HEADS OF FUNCTION/DEPARTMENT

All Company Heads of Function and Department have the duty to oversee and act in order to concretely implement the Code.

In particular, they must:

- comply insofar as possible in their company conduct with the spirit, principles and dictates of the Code;
- promote compliance with the Code by their respective subordinates, acting as an example for them;
- take the appropriate initiatives, in the case of ascertained violation of the Code;
- liaise with other Heads of Function/Department, where necessary, in circumstances of significant violations, as well as make the due reports to the Supervisory Body.

7. REPORTING OBLIGATIONS TO SUPERVISORY BODY

The Recipients are required promptly to report to the Supervisory Body (SB) when they become aware of violations, even only potential, as part of WISE's activity, of rules of law or regulations, of the Model, of the Code of Conduct, of the internal practices and procedures.

Communications may be made to the SB, even in anonymous form, both by e-mail (to the address 231@wiseneuro.com) and in writing to the address: Supervisory Body of WISE S.r.l. – Via Michelangelo Buonarroti 38 – 20093 Cologno Monzese (MI).

In any case, the SB ensures that the person making the communication, where identified or identifiable, is not subject to retaliation, discrimination or in any case penalisation, thus guaranteeing their confidentiality (except where any legal obligations require otherwise).

8. FINAL PROVISIONS

WISE's Board of Directors approves this Code of Conduct, as well as any change/addition made to it, by board resolution.

The Board of Directors deals with the update and any revision of the Code and assesses any change/addition proposals originating from the SB.

This Code of Conduct can be consulted on the Company's internet website.