



# ETHICS CODE

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## **INTRODUCTION**

The Fondazione Istituto Firc di Oncologia Molecolare (hereinafter "**IFOM**" or "**Foundation**") pursues excellence in the oncological research field, based on genomic and post-genomic technologies. The Foundation also aims to work closely with scientific institutes, universities, public and private bodies, both nationally and internationally, in order to formulate, assess and implement research projects in the molecular oncology field.

IFOM is sensitive to the requirement to ensure compliance with the principles of probity and transparency in carrying out its institutional activities and in accordance with the specific importance of the public service provided as a research Institute, and IFOM has adopted and distributed this Ethics Code (hereinafter referred to only as the "**Code**"), with the intention of bringing it to the attention of all the employees and collaborators, consultants and any partners as well as having them comply with all the values and rules of conduct to which the Foundation intends to constantly refer in carrying out its activities, to safeguard its reputation and image in the market.

IFOM has always been cognizant of the fact that creating and inculcating organisational values cannot be separated from actual compliance with essential principles such as professional probity, personal integrity and confidentiality.

In accordance with this policy, IFOM considers this Ethics Code to be a tool for regulating and governing its activities and the principles set out therein, and as a behavioural model in relations both with its employees and more specifically with those receiving the services provided, and vis-à-vis the external parties.

Compliance with the Code is to be considered an integral part of the contractual obligations entered into by the employees pursuant to and as a consequence of article 2104 of the civil code. Breach of the provisions of the Code may therefore represent serious breach of the obligations arising under the employment contract and may be the source of a civil tort, with all consequential personal liabilities.

The Foundation's human resources, at all hierarchical levels and at all levels of functional responsibility, in addition to third-party collaborators (where compliance on the part of such third-party collaborators is contractually agreed) and the consultants, are therefore required to scrupulously comply with the rules and regulations of conduct set out in this Code.

IFOM will monitor compliance with the rules set out in the Ethics Code, also ensuring that corrective action taken in the event of breach of same is open and transparent.

## **GENERAL PRINCIPLES**

### **General ethical principles**

IFOM intends to base its activities on compliance with the general ethical principles set forth hereinafter.

#### **Compliance with the law and honesty**

IFOM undertakes to carry out its activity in compliance with European Union regulations, in addition to national and international regulations, rejecting any all conduct which is contrary to law and more specifically conduct which may constitute corruption.

In no case may furtherance of a Foundation interest be considered justification for failure to comply with the law, and neither may it justify dishonest conduct.

Members of the governing bodies, senior management and in general the employees, collaborators and consultants of the Foundation, within the framework of their professional activities, are required to diligently comply with regulations in force, this Ethics Code and internal regulations.

#### **Probity in the case of potential conflict of interest**

In carrying on any activity each party involved must avoid all conflict of interest between its personal, corporate, financial or political interest and the pursuit of the Foundation's interest. At all times it is necessary to act in favour of the Foundation in accordance with procedures which enhance rather than damage its reputation. Any employee who, with regard to certain evaluations or acts pertaining to their duties, enters into conflict of interest or in a situation which is only apparently a conflict of interest, must notify their managers who will assess the advisability of reassigning the specific duty. The same prohibition applies to members of the governing bodies, the senior management, collaborators and consultants.

In compliance with the provisions of the "Guidelines on potential conflict of interest between research and industry" adopted by the Foundation, the obligation remains to inform the Executive Committee of any conflict of interest, whether real or potential.

#### **Diligence and accuracy in performing institutional activities and professional services**

IFOM considers that it is of fundamental importance to provide services which are of a very high level to persons and entities with which it has dealings arising from performance of its activities, and IFOM therefore is always open to requests and suggestions which may favour improvement of the quality of services provided.

To this end, professional services provided by employees and collaborators of the Foundation must be carried out with maximum diligence, accuracy and professionalism.

#### **Impartiality**

The Foundation considers impartiality in terms of treatment of individuals and entities to be a most important value in any and all of the Foundation's internal and external relations.

For this reason the Foundation rejects, challenges and punishes all discrimination with regard to age, sex, sexual attitudes, state of health, race, nationality political opinions and religious beliefs of all those with whom it comes into contact, referring specifically to access by users to services provided.

Members of the governing bodies, senior management and in general employees, collaborators and consultants of the Foundation, in fulfilling their respective professional duties, must comply with the principle of impartiality, avoiding personal preferences or favouring certain persons or entities or providing

solutions which are not based on technical and professional assessments.

### **Transparency and confidentiality**

IFOM and its collaborators undertake to give information which is complete, transparent, comprehensible and accurate, in such a manner that those wishing to have relations with the Foundation are able to take autonomous decisions and are fully aware of interests involved and any significant consequences.

IFOM ensures that all information in its possession remains confidential and refrains from seeking confidential data, barring the case of express, conscious authorisation and compliance with applicable legal regulations.

In addition, employees, collaborators and consultants of the Foundation are required to respect confidentiality with regard to confidential information required or information which comes to their attention through performance of their function. They may not therefore disclose to third parties or make improper use of confidential information coming to their attention.

### **Democratic principles and respect for the individual**

IFOM considers the individual, his or her values and rights, to be inalienable values to be defended.

The Foundation's employees and collaborators have the widest freedom of expression to express their ideas and convictions, in accordance with the Foundation's regulations, the rights and dignity of other persons and orderly working together in the workplace.

Dealings with external parties outside the Foundation must be informed by criteria of probity, cooperation, loyalty and mutual respect.

### **Value of human resources**

IFOM promotes the value of human resources in order to enhance the value of and increase its property and assets as the competitiveness of the skills of each person.

In IFOM the values underpinning the management of human resources have always been informed by respect for individuals in the widest sense of the word, such as the ethical aspect of relations, the absence of discrimination, transparency, making individuals responsible for their actions, and trust. These values are applied in practical terms in an innovative management system directed at integrating the various roles and professions, and enhancing and recognizing individual contributions and professional growth.

### **Risk culture**

IFOM intends to develop in its employees and collaborators an awareness of the risks underlying their daily actions. This awareness must be seen in the conduct of every person. There must be a widespread perception of how the internal control system concretely monitors these risks without dangerous overlapping or shortcomings.

### **Image**

The image and reputation of the Foundation's are values to be safeguarded and developed through widespread dissemination, sharing and compliance with the ethical principles set out in this Code.

The employees, collaborators and consultants of the Foundation must refrain from any conduct which may damage the Foundation's image.

### **Gifts, presents and benefits**

It is permitted to accept gifts or other forms of present, only if they are of low economic value and provided

that they cannot be interpreted, by an impartial observer, as exceeding normal business practices or common courtesy, or in any manner directed at gaining favourable treatment in the performance of any activity which may be connected to the Foundation. More specifically any form of gift is prohibited to Italian or foreign public officials, or to their family members, which may influence their impartiality or which may induce them to provide any advantage.

This regulation concerns both promised gifts or offered gifts and those which are received; it should be clear that gift means any type of benefit (for example free participation in conferences, promises of an offer of work, etc).

Gifts offered, save for those of very low economic value, must be documented appropriately in order to allow checks to be carried out and in order to be authorised by the Foundation's senior management.

Taking part by invitation in events, conferences, conventions, business presentations or technical courses pertaining to work activity must be authorised by superiors.

The employees of the Foundation and personnel collaborating on whatsoever count with the Foundation, who receive gifts, presents or benefits which are not contemplated by the allowable situations, are required to notify the Executive Committee which shall assess whether or not they are appropriate.

### **Fair competition**

IFOM bases its activity on compliance with rules of fair competition, which it considers are fundamental to the development of the market and in order to satisfy the requirements of those receiving the services.

### **Defence of privacy**

IFOM bases its activities on compliance with the rules of loyal competition, which it considers essential in order to develop the market and in order to meet the requirements of those receiving the services.

### **Safeguarding privacy**

IFOM has complied with all obligations and has adopted all safety measures required under legislative decree 196/2003 and as subsequently amended. The privacy of employees, collaborators consultants and partners is safeguarded by adopting standards specifying the information which the Foundation requests from same and the related procedures for processing and retaining such data. These standards also provide for a prohibition, subject to those cases provided by law, on notifying/disseminating personal data without the prior consent of those concerned and the standards set down rules for monitoring the regulations defending privacy by same.

### **Anti-money laundering**

Members of the administration and control bodies, employees and collaborators of IFOM are required to comply with all the norms and provisions, both national and international in addition to internal procedures governing anti-money laundering.

### **Recipients of the Ethics Code**

The regulations set out in the Ethics Code apply to IFOM's employees and to all those who cooperate in order to pursue the aims of the Foundation within the framework of contractual relations with the Foundation.

The members of IFOM's Executive Committee and of all the other statutory bodies in addition to the senior management of IFOM are required to operate on the basis of ethical standards set down by this Code. They must act so as to represent by their conduct an example for their employees and collaborators and in such a manner as demonstrates to same that compliance with the Code is an essential aspect of the quality of their work.

## **CRITERIA GOVERNING CONDUCT IN RESPECT OF RELATIONS WITH PARTIES OUTSIDE THE FOUNDATION**

### **Suppliers**

In business relations with its suppliers IFOM complies with the principles set down in this Code and with the Foundation's procedures.

It is the Foundation's policy to negotiate in good faith and transparently with all potential suppliers in order to avoid even the mere appearance of carrying out negotiations which are unjustifiably partial or based on any rationale grounded on favouritism or dictated by the certainty or the hope of obtaining advantages, including with regard to situations which are extraneous to the supply of goods or services, for oneself or for the Foundation.

More specifically, employees responsible for conducting relations with suppliers of the Foundation are required not to exclude any party which fulfils the stated requirements from the possibility of competing to enter into contracts, adopting in the choice of the short-list of candidates, criteria which are objective and which can be documented.

Entering into a contract with a supplier must at all times be based on extremely clear relations, avoiding where possible any form of dependency..

### **Collaborators and consultants**

Collaborators on whatsoever account and consultants of IFOM are required, during performance of the contract entered into with the Foundation or during performance of the engagement received, to behave with probity, good faith and loyalty, complying with, to the extent that they are applicable, the provisions of this Ethics Code, the Foundation's regulations and instructions and orders given to the Foundation's personnel.

IFOM proceeds to identify and to select collaborators and consultants in a manner which is totally impartial, independent and unbiased without accepting any conditioning or compromise of whatsoever type intended to create or obtain favours or advantages. Within this framework the Foundation considers solely professional competence, reputation, independence, organisational skills, probity and scrupulous fulfilment of contractual obligations and engagements.

### **Relations with the public administration**

In its dealings with the public administration or with bodies performing public services or bodies of public interest, IFOM scrupulously complies with the European Community, national, international and Foundation regulations, to the extent that they are applicable.

Generally, relations with public administrations or with bodies performing public service activities must be based on the utmost probity, integrity, impartiality and independence, also avoiding giving the impression of wishing to improperly influence the counterpart's decisions or seeking favourable treatment. In the aforementioned relations and in relations with investors, reserved for the Foundation's functions which are assigned the related responsibilities and authorised, it is prohibited to provide or receive favours, sums of money and benefits of any other type, should they be directed at obtaining an improper advantage.

Any employee or collaborator receiving instructions to operate in this manner is required to promptly notify the Supervisory Organisation

### **Relations with the community**

#### **Responsibility vis-a-vis the community**

IFOM is "aware of the influence", including indirect influence, which its activities may have on the



conditions and on the economic and social development and general well-being of the community, in addition to the importance of acceptance in the communities in which it operates.

For this reason IFOM intends to carry out its investments, respecting the local and national communities, and supporting initiatives of a scientific and social value in order to obtain continuous enhancement of its reputation and social acceptance.

### **The Press and the mass media**

IFOM has relations with the press and the mass media, solely through corporate bodies and the Foundation's departments assigned the related responsibility and such relations are informed by principles of probity, willingness to co-operate and openness, in compliance with communications policy defined by the Foundation.

IFOM's employees and collaborators may not provide information to the mass media without prior specific authorisation from the appropriate functions.

The Foundation opposes and rejects any and all form of disinformation or dissemination of information regarding the Foundation and its activities, which is not accurate, thorough and truthful and shall take such action as is necessary in order to defend its image and to ensure that information concerning the Foundation is accurate.

### **Political and trade union organisations**

IFOM makes no contributions, whether directly or indirectly, to political parties, movements, committees and political and trade union organisations, neither to their representatives and candidates unless in the manner provided for by applicable legislation.

### **Protection of the environment**

The environment is an asset of primary importance which IFOM undertakes to safeguard.

To this end its approach is directed and its activities managed so as to guarantee balance between economic initiatives and environmental concerns, not only in compliance with applicable legislation, but also taking into account development of scientific research and the best related experiences.

## **CRITERIA GOVERNING CONDUCT IN INTERNAL RELATIONS**

### **Assets and property**

IFOM undertakes to fully protect its assets and property, so as to avoid losses, theft or damage.

The assets and property owned by the Foundation may be used solely for reasons which are connected to its activity and in no case may they be used for unlawful activities.

### **Managing accounts**

The Foundation undertakes to comply with rules providing for accurate, thorough and open accounting, in accordance with the criteria laid down by law and in accordance with the accounting principles adopted.

With regards to accounts activity, the employees and collaborators are required to comply with legislation in force and with the Foundation's procedures, maintaining supporting documentation in respect of the activity carried out in order to allow straightforward account registration, identification of the various levels of responsibility and accurate reconstruction of operations, reducing the likelihood of errors of interpretation.

In other terms, in addition to being properly recorded, each operation must be authorised, verifiable, legitimate and consistent.

The Foundation's employees and collaborators are required to be open in their relations with the auditor who is engaged to carry out auditing and to provide the utmost collaboration whilst auditing and control activities are being performed.

### **Internal control**

IFOM promotes an approach based on verification and aims to raise awareness in employees and collaborators as to the importance of the control system and compliance with applicable legislation and internal procedures during performance of the Foundation's activities.

The Foundation ensures that the organisation of all activities performed by those responsible for internal controls are carried out with the broadest possible degree of autonomy and in compliance with the principles of confidentiality, independence and probity, in addition to such principles as set out in this Code.

The Foundation's employees and collaborators are required to collaborate in order to ensure that the internal control system functions correctly and efficiently, actively reporting any situations which may be of interest to the internal control function and committing to promote principles fostered by this function.

### **Regulatory and oversight authorities**

IFOM undertakes to base its relations with the regulatory and oversight authorities on the utmost co-operation in accordance with their institutional role, undertaking to promptly implement regulatory provisions issued by the aforementioned authorities and providing, periodically or on request, data and accurate, verifiable, clear and complete information.

### **Personnel**

#### **Mutual respect**

IFOM's policy is to promote an internal climate in which every employee interacts with their colleagues, with honesty, dignity and mutual respect. A climate made up of work groups in which the human resources communicate openly, facilitates achievement of goals and objectives of the Foundation, and promotes creativity and personal growth.

#### **Ethical conduct**

All human resources are required to perform their duties responsibly, honestly, diligently and with good judgement, in accordance with the procedures and directives laid down by the Foundation. IFOM intends to comply with the highest ethical standards in carrying out its business activities and every person is therefore under an obligation to avoid situations involving conflict of interest or other situations which may be potentially harmful for the Foundation. It is therefore advisable to avoid even just the appearance of lack of integrity.

#### **Selection of personnel**

Assessment of personnel to be hired is carried out by matching the profiles of candidates with profiles being sought and the Foundation's requirements, in accordance with principles of equal opportunity for all. All information requested is closely linked to verifying aspects included in the professional and psycho-attitudinal profile, respecting the individual's privacy and the candidate's opinions. The human resources function, subject to the limits of available information, adopts all appropriate measures in order to avoid bias, nepotism or forms of cronyism during the selection and hiring stages (for example making sure that the recruiter is not related in any way to the candidate).

#### **Commencing the employment relationship**

Personnel are hired under a proper employment contract in accordance with all applicable laws. Upon

commencement of employment all employees receive accurate information in respect of:

- features of the function and tasks to be performed;
- payments related aspects, as regulated by the National collective employment contract;
- rules and procedures to be adopted in order to avoid possible risks affecting health associated with the work activity.

New employees also receive:

- a copy of this Code;
- the guidelines laid down in the model pursuant to law 231;
- legislative decree 231/2001;
- legislation governing privacy,

in order that acceptance of the position is based on true understanding.

### **Management of personnel**

IFOM avoids any form of discrimination in dealings with its employees. Within the framework of processes and managing and developing personnel, as during recruitment and selection, decisions taken are based on matching profiles being sought and those of the employees and/or on merit-related considerations. Access to positions and responsibilities is also decided by taking into consideration the competences and skills; furthermore, where permitted by general employment efficiency, priority is given to flexibility in organisation of work which facilitates management of maternity and, generally, care of children. Assessment of employees is carried out "across the board", involving managers, the personnel function and, where possible, individuals who work with the person being assessed. Subject to the limits of available information and protection of privacy, the personnel function works to avoid workplace harassment.

- **Distribution of policy statements relating to personnel**

Policy statements relating to management of personnel are available to all employees through the Foundations communication tools (organisational documents and notices issued by management).

- **Skills upgrading and training human resources**

In order that its employees are able to perform their functions and in order to make sure that they are professionally qualified, IFOM, makes use of tools available to promote growth and development of its employees (for example job sharing, mentoring, job shadowing to gain experience of positions involving greater responsibility etc...).

Within this framework communication by managers of employees' strengths and weaknesses plays a particularly important role, so that employees may seek to improve their skills, also through targeted training. IFOM makes available to all employees informational and training tools with a view to enhancing specific skills and maintaining a professional skills base of its employees. Training is assigned to groups or individuals on the basis of specific requirements of professional development.

- **Managing employees' work time**

Every manager is required to make the best use of employees' work time, making sure that work performed is consistent with employees' tasks, and with the work organisation plans. Any request for work to be performed, personal favours or any conduct constituting breach of this Code, as a duty to one's hierarchical superior, constitutes abuse of authority.

- **Involvement of employees**

Involvement of employees in carrying out work activities is assured, also by dedicating time to take part in discussions and decisions serving to attain the Foundation's objectives. Employees are to take part in these sessions with a spirit of co-operation and freedom of judgement. Listening to the various points of view, where permitted by the Foundation's requirements, allows managers to formulate final decisions; employees must therefore always contribute to implementing decisions.

## **Safety and health**

- **Compliance with legislation**

IFOM guarantees workplace compliance with applicable legislation in force governing health and safety by monitoring, managing and preventing work-related risks.

- **The system for managing Workplace Health and Safety**

The Foundation is also committed to disseminating and consolidating a safety culture by developing risk awareness and promoting responsible conduct on the part of all employees. To this end, IFOM has put in place a Workplace Health and Safety Management System in compliance with the provisions of the UNI-INAIL Guidelines.

- **Duties on the part of employees and third parties working with IFOM**

The Foundation explicitly prohibits the use of alcoholic and/or psychotropic substances during work time; such conduct may endanger one's own or others' physical safety.

IFOM is committed to ensuring the physical safety of its workers and vigorously condemns any and all deliberate conduct breaching said prohibition.

## **Integrity and protection of individuals' dignity**

IFOM undertakes to protect its employees' moral integrity, guaranteeing employees the right to employment conditions which respects individual's dignity. For this reason IFOM protects workers against acts of psychological violence, and strongly opposes any discriminatory attitude or behaviour or behaviour which is detrimental to the individual, his or her convictions and preferences (for example in the case of insults, threats, ostracising or excessive prying, professional limitations). Sexual harassment is strongly opposed and any conduct or comments which may upset a person's sensitivity must be avoided (for example showing images with explicit sexual references, insistent and continuous allusions).

Any employee who feels that he or she has been the victim of harassment or feels discriminated against on grounds linked to age, sex, sexuality, race, state of health, nationality political opinions and religious faith, may report the occurrence to the supervisory organisation which shall assess whether this Code has actually been breached. Disparity of treatment however is not to be considered discriminatory if justified or if it can be justified on the basis of objective criteria.

## **The duties of employees**

Employees must act loyally in order to comply with the obligations endorsed in the employment contract and in order to comply with the provisions of this Code, assuring that work is performed in the manner requested.

- **Managing information**

Employees must be familiar with and implement the provisions of the Foundation's policies relating to security of information in order to guarantee completeness, confidentiality and availability. All employees are required to draw up their documents using clear, objective and exhaustive language, allowing verification on the part of individuals inside or outside the Foundation who are authorised to do so.

- **Conflict of interest**

All IFOM's employees are required to avoid situations which may give rise to conflict of interest and they are required to abstain from taking personal advantage of business opportunities coming to their attention during performance of their work functions.

On the basis of the provisions of the Guidelines relating to conflict of interest adopted by the Foundation, the Foundation has put in place a Conflict of Interests Committee (external to the Foundation) which meets, usually, once a year in order to examine and assess the disclosure submitted by the specific employee.

The considerations of the Conflict of Interests Committee are then sent to the chairman of the Executive

Committee and the Research Director of the Foundation who, after also informing the Supervisory Organisation and having consulted the Supervisory Organisation, decides on the most advisable action to take.

The Conflict of Interests Committee shall also proceed to meet specifically throughout the year, should it become aware of a serious breach relating to conflict of interest which cannot wait for consideration during the aforementioned annual meeting.

### **Use of the Foundation's assets**

All employees are required to work diligently in order to safeguard the Foundation' assets, through responsible conduct which is in line with the operating procedures drawn up in order to regulate use, carefully documenting use of same. More specifically, every employee must:

- scrupulously and parsimoniously use the assets assigned to him/her;
- avoid inappropriate use of the Foundation's assets and property which may cause loss or damage or a reduction in efficiency, or in any case which conflict with the Foundation's interests.

Every employee is responsible for protecting the resources assigned to him/her and is under an obligation to promptly inform the appropriate function of any threats or damaging events for the Foundation.

With regards to the information technology applications, every employee is required to:

- scrupulously adopt the provisions of the security policies, in order not to compromise the functionality and in order to protect the information technology systems;
- not send threatening and insulting electronic mail messages, not resort to scurrilous language, not express inappropriate comments which may offend people and/or harm the Foundation's image;
- not visit Internet sites with inappropriate, offensive contents.

## **SUPERVISION OF APPLICATION OF THE ETHICS CODE AND CONSEQUENCES OF BREACH OF SAME**

### **Supervisory organisation**

IFOM has set up within its structure a Supervisory Organisation holding independent powers to take initiative and oversight powers and said organisation has been assigned the task of monitoring the working of and compliance with the organisational, management and control model pursuant to legislative decree 231/2001, in addition to attending to systematic updating of same.

The Supervisory Organisation has also been assigned the task of promoting dissemination and awareness of the Ethics Code and ensuring application and updating of same. Taking action, on its own initiative or subject to reporting, in order to prevent or suppress, through the competent functions, any breach of same.

### **Reports relating to breach of the Code**

IFOM's employees and collaborators, in addition to third parties wishing to report a breach of the Ethics Code must follow the procedure provided for under article 4.6 of the organisation, management and control model adopted pursuant to legislative decree 231/2001.

IFOM opposes and rejects any form of discrimination or retaliation against employees, collaborators or third parties reporting a breach of the Code.

Any report groundlessly submitted represents a breach of the Ethics Code.

### **Sanctions against the governing bodies**

In the event of breach of the Ethics Code by members of governing bodies, the Supervisory Organisation shall inform the Foundation's Executive Committee which shall be responsible for adopting any and all appropriate initiatives pursuant to applicable law such as, if necessary, calling a meeting of the Committee and proposing, during the Committee meeting, dismissal of the aforementioned member as well as legal action against him or her.

### **Sanctions against senior managers**

In the event of breach of the Ethics Code by senior managers, the Foundation shall assess the facts and the conduct and shall proceed to apply the most suitable measures against those responsible in accordance with the provisions of the National Collective Labour Agreement, without prejudice to the right to take legal action and to seek damages.

### **Sanctions against employees**

Breach of the principles and rules of conduct provided for in the Ethics Code, on the part of Foundation employees, represents breach of the obligations arising under the employment contract pursuant to article 2104 of the civil Code and represents an unlawful act for disciplinary purposes.

The human resources function is responsible for establishing whether breaches have been committed, for managing disciplinary proceedings and for inflicting sanctions.

### **Sanctions against collaborators, consultants and contractual counterparts**

IFOM may terminate contractual agreements with collaborators, consultants and contractual counterparts behaving in such a manner as breaches the provisions of the Ethics Code, in accordance with the provisions of the specific contractual clauses set out in the letters of engagement and without prejudice to the rights to claim damages should such conduct give rise to loss or damage for the Foundation, including if such loss or damage is unconnected to termination of the contractual relationship.