

CODE OF ETHICS

Code of ethics and Code of conduct
(Legislative Decree 8th June 2001 no. 231)
Approved by resolution of BoD on 01/03/2019

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1. FOREWORD

1.1 Overview

The Code of Ethics (hereinafter, also the “Code”) is the expression of the ethical principles and the values inspiring the Foundation Bologna University Business School (hereinafter, “BBS” or the “Foundation”), adopted by its Collaborators¹, Participant² and BBS Alumni, in the fulfilment of their activities and their conduct.

The Code also represents the measures the Foundation intends to adopt from an ethical-conduct point of view, the aim being to ensure the alignment of its structure to the requirements provided for by the Legislative Decree no. 231/2001 (hereinafter also “Decree”) and to set up the BBS internal and external lines of conduct, to be followed while pursuing its institutional targets. Therefore, the principles contained in this Code are an integral part of the Organizational, Management and Control Model set forth in articles 6 and 7 of the Legislative Decree no. 231/2001 of the Foundation.

The Code of Ethics features:

- general principles: fundamental values, shared and recognized by BBS to fulfil its mission, to whom all subjects involved must be inspired by, in order to foster the correct functioning, the reliability and the reputation of the Foundation;
- conduct criteria: guidelines and regulations Collaborators, Students and BBS Alumni are required to abide by to comply with the general principles and prevent the risk of non-ethical conducts;
- methods of implementation: processes and control system to comply with the Code and for its continuous improvement.

BBS confirms - also by way of this document - its will to follow a new conduct model, to face the challenges arising from the contemporary society and the markets on a global scale.

The Collaborators therefore commit to comply with the principles and the provisions contained in this Code, as well as with the other policies having an ethical-conduct nature anyhow adopted by BBS. The Foundation - by setting forth suitable information, prevention and control tools -guarantees the transparency of the conducts implemented, intervening, whenever necessary, to punish any possible infringement of the Code and will monitor the actual compliance with the Code itself.

¹ Collaborators means the directors, employees, programmes directors , the faculty, with the exception of those identified by letter d. paragraph 1.3, and all those who, being part of the BBS Community, because of specific offices, proxies or roles, represent the Foundation to third parties.

² Participants means all participants to the BBS Courses / Masters with the exclusion of what is set forth in letter d. of paragraph 1.3

1.2 Identity and institutional mission

BBS is a Foundation, in which private institutions hold stakes, established under private law, whose object is the establishment of an international business school, with the mission of contributing to the development of people, of organizations and society. The Foundation is a not-for-profit entity and cannot distribute profits.

It is organized according to flexibility and independence criteria, in compliance with the regulatory framework and with what is set forth in the By-laws, in continuity with *Consorzio Alma* from which it derives, with the aim of competing on the international market of managerial education and to meet the needs of the businesses in this industry.

The Foundation is the reference structure of Alma Mater Studiorum University of Bologna (hereinafter University) and other Members, to carry out initiatives of managerial education and training, post-graduate and post-experience.

As such, the Foundation enhances the knowledge developed by the University, through its own activities that are inspired by principles of international approach, multi-disciplinarity and integration with the business world.

The Foundation recognizes the value of merit as a fundamental element for the development of society and as a leading criterion in the implementation of the universal right of access to higher education.

The Foundation mission is defined in its By-laws, and is approved by the Founding Members at the time of establishment. The Code of Ethics is inspired by the principles and values set forth in the By-laws, as well as the Code of Ethics of the Founding Members.

1.3 The Recipients of the Code of Ethics

The Subjects Recipients of this Code (hereinafter, the “Recipients”) are:

- a. the Board of Directors (hereinafter, the “BoD”) members and the members of the *Collegio di Indirizzo*;
- b. the company control bodies (Board of Auditors and any other possible control body);
- c. the Faculty, that is all the subjects that have a relationship with BBS that features the carrying out of teaching activities, with the specific exclusion of what is set forth at the following point d., from the moment when the relationship with BBS is defined, until the end of the relationship, or until the term differently provided for and regulated contractually (for the purposes of this Code, also the visiting professors coming from other universities are considered faculty, as well as BBS professors visiting other universities);
- d. the Faculty and the didactic Tutors working at Alma Mater Studiorum-University of Bologna, those who carry out their activity as part of the University Master’s Courses hosted by BBS, under conventions or formal agreements, as well as the participants enrolled at said university master’s, they are required to comply with the Code of Ethics of Alma Mater Studiorum-University of Bologna and with the regulatory framework concerning the specific *status* adopted by the University itself;
- e. the Participants, that is, all subjects that for whatever reason have a relationship with BBS in their capacity as students or participants to masters, courses and/or activities anyhow organized by BBS, with the exception of what is stated at the previous point d., from the moment when the relationship is defined with BBS, until when, even after the end of the course, they make use of the services offered by BBS (just for example, the placement service), or until a different term specifically set forth and signed);
- f. the Employees with permanent or temporary employment contracts and teaching Collaborators;
- g. the external Consultants;

h. the Suppliers of goods and services;

i. the other third parties with which the Foundation has signed contracts for the achievement of institutional targets, implying the provision of services, including temporary ones, or the carrying out of activities in the name and on behalf of the Foundation, such as to establish a trust relationship with the Foundation itself;

j. the Community of BBS Alumni.

Towards these subjects, BBS undertakes to:

- ensure the timely dissemination of the Code, with the aim of ensuring its preventive knowledge, by distributing both physical or electronic copies, and by publishing it on the Foundation Internet site;
- carry out appropriate training and awareness-raising programmes on the content of the Code, mainly targeted to personnel, collaborators and faculty;
- periodically verify the respect of and compliance with the Code, together with the Supervisory Body;
- ensure the regular review and update of the Code to adapt it to any changes in the organization or management structure of the Foundation, the development of civil sensitivity, environmental and regulatory conditions;
- adopt suitable prevention tools and implement appropriate sanctions that shall be applied in a timely fashion, should a proven breach of the provisions of the Code be ascertained.

The Recipients of the Code, as the Code itself is an integral part of the employment relationship or of other agreements and contracts, commit to act and behave in line with what is stated in this document, to report any breach as soon as they become aware of it, to cooperate in compliance with internal procedures, set forth for the implementation of the Code.

2. GENERAL PRINCIPLES

2.1 Honesty, correctness and legality

BBS sets up the relationships with stakeholders³ respecting the rules of correctness, loyalty, collaboration and mutual respect. Conducts that are not consistent with such principles shall be in no case justified, even if aimed at pursuing the interest of the Foundation.

³ "Stakeholders" means those subjects with which the Foundation establishes permanent or temporary interactions or exchanges for different reasons in the fulfilment of its activities and in pursuing its institutional mission. These subjects are, in particular, the Members (founding members, supporters and participants), commercial and financial partners, territorial communities, public and private institutions at a municipal, metropolitan, regional, national and international level, the associations of economic categories, the faculty, the students, the alumni, the personnel and the collaborators.

BBS, in carrying out its activities, acts in accordance with the laws and regulations in force in the territories in which it is active, with the Code of Ethics and with the internal company regulations.

2.2 Impartiality and Transparency

BBS undertakes to comply with the principles of impartiality and transparency, both as for internal relationships, with employees, collaborators and consultants, with the faculty and with the students, and as for external relationships with third parties. To this end, the Foundation excludes any action, towards or by third parties, aimed at damaging or jeopardising the impartiality and transparency and independence of judgment.

BBS collaborators are required to provide transparent, accurate, complete and understandable information, so that, while setting up the relationships with the Foundation, the stakeholders are able to take independent decisions, conscious of the interests involved, of the alternatives and relevant consequences. In particular, in preparing agreements and contracts, BBS takes care in specifying for the contracting party the conducts to be maintained in all foreseen circumstances, in a clear and understandable way.

2.3 Respect for the dignity of human beings and equal opportunities

The Foundation recognises equal dignity to all human beings and condemns all forms of discrimination against individuals or groups, based on whatever type of difference (gender and sexual orientation, age, ethnicity, religious beliefs, political opinions, personal and social conditions). The Foundation, aware of its educational and social function, promotes the integration and the dialogue among people and different traditions and cultures, on the basis of the recognition of equal consideration and respect for all individuals.

The Foundation undertakes to carry out actions of prevention of discriminations, enhancing the protection of the individual, ensuring in every institutional activity the respect for equal treatment with equal conditions and equal roles, as well as by disseminating the culture of equal opportunities.

2.4 Social and environmental sustainability

The Foundation undertakes to respect and pursue objectives of environmental, social and economic sustainability, aimed at minimizing its own impact on the environment and natural resources, to increase social cohesion and to reduce inequalities, to promote cultural growth and sustainable economic advancement.

The Foundation undertakes to pursue the United Nations Sustainable Development Goals.

2.5 Protection of intellectual property

The Foundation considers excellence in scientific research and innovation as fundamental factors for the advancement of science and society and the increase of the level of quality of life for the entire collectivity.

All recipients of the Code operate in pursuit of goals of correct management of the research results, of intellectual property, of innovation and technology transfer, in compliance with current regulations in force.

2.6 Confidentiality

BBS collaborators undertake to process all information acquired while performing their work activity as confidential and, therefore, not to disclose it, if not within the limits of the use of such information for the performance of the activity, fully complying with privacy regulations. The information the Code recipients obtain shall not be used for their own interests, with the aim of deriving an undue advantage of whatever type, following methods that go against the law or in ways so as to cause damage to the rights, the equity and the goals of the Foundation.

2.7 Recognizing the merit

The Foundation recognizes and enhances individual merit as an essential criterion for human and professional promotion. The Foundation considers the promotion of merit as a growth, development and competitiveness factor, for the advantage of the whole collectivity.

The merit is a criterion through which students are assessed in relation to study programmes and recognized in the forms and manners set forth in BBS Master's courses regulations.

The Foundation adopts scholarship programmes, as well as economic and financial facilitations aimed at enhancing merit.

The Foundation uses the merit principle for the assessment systems and processes of structures, of the personnel and of the faculty, with the aim of improving the organization and individual performances.

2.8 Safety, health protection and work conditions

BBS undertakes to act scrupulously in compliance with the regulations in force and the WHO recommendations, concerning safety and hygiene in the workplace, as well as to foster their implementation.

BBS also undertakes to disseminate and consolidate a culture of safety, developing the awareness of risks and promoting responsible conducts on the part of all employees.

The Foundation performs a constant control of the premises and their installations, that it uses for whatever reason, with the aim of ensuring safety and hygiene standards in the workplace.

BBS collaborators guarantee their greatest willingness to cooperate with the Prevention and Protection Service Officer (in Italian *Responsabile del Servizio Prevenzione e Protezione*, hereinafter, also "RSPP") and with whomever performs inspections and controls on behalf of any competent public authority.

Should BBS Collaborators identify anomalies or irregularities in these matters, they shall immediately notify the employer or, if foreseen, the employer delegated under art. no.16 Legislative Decree No. 81/2008, as well as the RSPP.

3. CONDUCT CRITERIA

3.1. Conduct criteria in the relationships with partners and in accounting matters

3.1.1. Respectability of counterparts

The Recipients, before establishing legal relationships and non occasional commercial partnerships, must make sure the latter enjoy a respectable reputation, or that their activity is inspired by principles and values not below the ones BBS abides by with its activity.

3.1.2 Anti money-laundering

The Foundation implements national and international anti-money laundering regulations.

Therefore, BBS verifies with the highest diligence the information available on business counterparts, suppliers, partners and consultants, with the aim of ascertaining their respectability and the legitimacy of their activity before establishing a business relationship with them.

BBS also verifies that the operations it is part of do not imply, even only potentially, the risk of fostering receiving, replacing or using money or goods deriving from criminal activities.

3.1.3 Internal controls

BBS promotes at every level the taking on of a sustainable economic criteria-oriented mindset. The Foundation fosters a positive attitude concerning controls, intended as tools for improvement and learning, as well as a guarantee for integrity.

“Internal controls” means all the tools adopted in order to lead, manage and check the organization activities, with the aim of ensuring the respect of laws and company procedures, protecting the Foundation’s assets, efficiently managing the activities and providing accounting and financial data that are accurate and complete.

Every level of the organizational structure has the task of cooperating in putting together an efficient and effective internal control system. For this reason, all Foundation’s employees, in the framework of their functions and the specific tasks they perform, are responsible for the correct functioning of the internal control system. BBS guarantees to the company bodies in charge of performing control activities, as well as to the Supervisory Body, free access to data, to documents and any other information helpful to the fulfilment of their activity.

The Recipients are required to fully cooperate with the entities in charge of performing control activities; it is forbidden to put in place activities that hinder the control function, carried out by institutional bodies.

3.1.4 Transparency of Accounting Records

Accounting transparency is based on accuracy, truth and completeness of the information for the specific accounting records. Every member of the corporate bodies, of the management and every employee are required to cooperate, in the framework of their competences, so that management facts are recorded correctly and in a timely fashion in the accounting entries.

All operations or transactions must be authorized, legitimate, congruous and timely recorded in the company accounting system according to the criteria set forth by the law and on the basis of the applicable accounting principles.

It is forbidden to adopt conducts that might damage the transparency and the traceability of the annual report.

The appropriate support documents of the activity carried out is kept in the records for all operations, in order to ensure:

- an easy and punctual accounting entry;
- the determination of the characteristics and reasons at the basis of the operation itself;
- the identification of the different levels of responsibility and allocation and segregation of tasks;
- the accurate reconstruction of the operation, also to reduce the likelihood of mistakes being made, both material and of interpretation.

The employees and collaborators (the latter in relation to the extent to which they are entrusted with the given task) that become privy to the presence of omissions, falsifications or negligence in accounting or in relation to the documents which the accounting records are based on, are required to inform of the facts the higher body or the body they are part of.

Should the notification be ignored, the employee or collaborator shall report it to the Supervisory Body.

Consultants, limited to the activity they perform for the Foundation, shall directly notify the Supervisory Body.

3.1.5 Documents accuracy and retaining

All Recipients are required to document and provide all the information concerning the management in a truthful and accurate manner. Falsifying or altering the documents concerning the management activity, or consciously approving false documents, implies for the subject/s involved the termination of the professional relationship once the actual responsibility has been ascertained.

No employee or collaborator can make, without suitable support documents and formal authorization, payments in the interest and on behalf of the Foundation.

The Foundation promotes training and updating programmes in order to make employees and collaborators, as well as the faculty, aware of the rules to be applied to the creation and management of accounting documents.

It is strictly prohibited to set up and/or keep hidden funds and reserves.

Recipients are required to act so that BBS information is used appropriately, that means in compliance with the regulation in force on the matters.

Documents must be retained and destroyed according to BBS retaining/elimination rules. Recipients are required to report to their supervisor or the Supervisory Body concerning the document retaining practices for their department.

The above-mentioned subjects must be contacted without any delay if one becomes privy to the existence of a notice of indictment or if one is communicated.

All documents that might concern the notice of indictment or other acts that are served during the investigations or subsequently must be retained, without applying the rules concerning documents retaining. All questions concerning the relevance of a document for criminal proceedings that are underway or already concluded, must be asked to the above-mentioned subjects.

3.2. Conduct criteria in the relationships between collaborators and the Foundation

3.2.1 Confidential information

All recipients of this Code are required to manage responsibly all information they become privy to in the course of their relationship with BBS, protecting with particular attention all information that has a confidential nature. The expression “confidential information” means information concerning the activities (past, present and future) that has not been made public and that, if used or made public, could bring economic advantages to third parties with unjust damage to the Foundation.

Confidential information might include, without limitations, information on clients and suppliers, marketing and sales programmes and strategies, ways of determining sales and purchase prices, financial data, software, formulas, service protocols, new products, know-how contents, information on the faculty, the employees, the collaborators, the alumni and members of the community, contracts/non-disclosure agreements. Also information coming from third parties and entrusted to BBS is to be considered as confidential.

All confidential information is property of BBS (and/or of its transferees of intellectual property) and should not be used if not in pursuit of the Foundation institutional interest.

In particular, the Recipients who have or can have access to confidential information are required to:

- avoid disclosing this information to individuals outside the Foundation or to other Recipients who do not need to know it in order to perform their role. For this reason, they must refrain from discussing such topics in BBS public areas or classrooms, with members of their families, with individuals with whom they entertain business or social relationships, in public places, including taxis, lifts and restaurants;
- refrain from using the information to their advantage or to the advantage of other individuals belonging to or external to BBS;
- ensure that the confidential information is kept in a safe place or, if stored using electronic devices, is accessible uniquely by way of secure passwords; in all cases, such information must be under the strict supervision of the responsible Subjects whenever it is used;
- refrain from disseminating confidential information to other Recipients, unless it is essential for the pursuit of company goals.

The constraint of using in a confidential way all information does not end with the termination of the relationship with the Foundation. Also after the termination of the employment relationship it remains forbidden to communicate confidential information to a new employer or to others.

With the termination of the relationship, the obligation arises to deliver to one's direct supervisor all documents and the other materials containing confidential information on BBS. Failing to comply with this confidentiality obligation shall be the source of serious liability for the non-complying subject. Besides protecting its own confidential information, BBS undertakes to respect others' confidential information, complying in all cases with privacy regulations. Should Recipients become unduly privy to confidential information, or to revelations coming from subjects that are bound to non-disclosure, they are obliged to turn to the Supervisory Body.

3.2.2 Conflict of interest

The Recipients of the Code are required to ensure that all decisions are taken in the interest of BBS. Therefore, they must avoid conflict of interest situations, between economic, personal or family activities and duties performed at the Foundation, which might hinder their judgment and choice independence.

Should one of the Recipients find themselves in a situation that, even potentially, could constitute or determine a conflict of interest, they are required to timely report it and in written form to their supervisor or the Supervisory Body.

In case of a possible conflict of interest, in the first place, it is necessary to send a timely and complete report about it to the Supervisory Body.

The employees and the collaborators cannot use to their advantage opportunities that should arise thanks to the use of the name, the assets, the information or their position within the Foundation, and they cannot perform any activity in competition with BBS.

By way of example but without limitation, the following situations may determine a conflict of interest:

- the economic interest, manifest or hidden, of the employee in activities of the same nature carried out by competitors, users or suppliers;

- accepting collaboration assignments with public and private subjects that have or have had in the two previous years an economic interest in the decisions or in the activities of the Foundation, if not explicitly authorized;
- employees accepting, as payment or as any other form, the offer of money or other assets or goods from competitors, clients or suppliers;
- taking advantage of one's function position for the realization of interests in contrast with the Foundation's;
- using information acquired while carrying out work activities to one's own or third parties' advantage and anyhow in contrast with the interests of the Foundation;
- carrying out work activities of any type (providing services/goods, providing intellectual services) at users, suppliers, competitors and/or third parties in contrast with the interests of the Foundation;
- all situations that affect or that could affect the objectivity, the loyalty to the Foundation, the performances while carrying out the assigned work duties;

3.2.3 Computers and communication means

All Recipients are required to adopt all necessary measures to ensure the security of the computer and smartphone they were provided with by the Foundation, as well as of any other software package they use.

As for the use of passwords, Recipients are required to abide by the following rules:

- a) make sure they do not choose a conventional password (such as name or surname would be) and use in every password at least a capital letter, a number and a special character;
- b) make sure to change their password at least once every three months;
- c) neither sharing their passwords with third parties (inside or outside the Foundation), nor making it accessible to others by publishing it.

All electronic information that is delicate, confidential or private must be password protected. Should one, for whatever reason, believe that their computer, smartphone, any other device or software security is at risk, it is mandatory to immediately change the password and immediately inform one's own supervisor of what has happened.

BBS resources shall neither be used for illegal purposes, to cause disturbance, nor be used in a way that offend others. When sending an e-mail or other recorded messages, it shall be appropriate not to transmit comments, not to use expressions, images or other types of recordings that could cause embarrassment if read by third parties. Everyone should remember that "private" e-mails can be easily forwarded to a vast audience and once sent they cannot be withdrawn. The use of computers and communication means owned by the Foundation to send e-mails or to access Internet, affects the image of BBS. The use of these means should not negatively affect the Foundation and in no way it should damage its image. The use of the computer and communication means must be in line with the Foundation's policies, privacy, copyrights, trademarks, business secrets and other instances on intellectual properties.

3.2.4 Teaching activities, consulting and professional services

The external lecturers and consultants, as well as the suppliers, are required to follow the same conduct standards as the Foundation's employees when they operate for the Foundation itself.

No lecturer, consultant or professional operating on behalf of the Foundation is authorized, even indirectly, through third parties, to do what is not allowed by the Foundation policy.

Those who act in name and/or on behalf of BBS are required to keep and protect the Foundation's professional, respectable and correct image.

3.2.5 Privacy

BBS cares for the Recipients' privacy and of all individuals who, for any reason, provide their personal data to the Foundation. BBS guarantees the correct protection of such data adopting every precaution and measure concerning the processing of personal and/or sensitive data collected.

In compliance with the applicable law, it is forbidden to conduct any investigation on the opinions, preferences, personal tastes and, in general, the private life of people with the sole exception of what is allowed by law and authorized by the person concerned by way of a specific formal, free and informed consent. Furthermore, with the exception of what is set forth in the law, communicating/disclosing personal data without the explicit previous consent of the person concerned is also excluded.

Should activities non-compliant with the European Regulation on privacy or with the policies adopted on the matter by BBS, or non-compliant with security standards arise, one's own supervisor, the internal manager for privacy, the Data Protection Officer and the Supervisory Body shall have to be notified immediately.

3.2.6 Use and protection of company goods

All employees or collaborators are required to work diligently to protect the company goods, by implementing responsible conducts, that are in line with the operational procedures set forth to regulate the use of said goods, documenting their use with precision.

In particular, BBS Collaborators and participants are required to:

- use responsibly the goods placed in their care;
- avoid improper uses of movable and immovable assets owned by or at the disposal of the Foundation, that might cause a damage or have their efficiency reduced, or that are in any way against the interest of the Foundation;
- obtain the necessary permits for the possible use of the good outside the Foundation.

All and every necessary measures must be put in place against thefts, damaging and the bad use of the Foundation's assets.

3.2.7 Use of illegal drugs and alcohol

All Recipients are required to personally contribute to promote and keep an atmosphere of mutual respect in the workplace.

The Foundation shall consider individuals who are found to be or are under the effect of alcohol, illegal drugs or substances having a similar effect whilst providing their work performance and in the workplace, as being aware of the risk they cause to the above-mentioned environmental characteristics.

3.2.8 Hiring and on-boarding

On the one hand, hirings meet the need of acquiring from the market the skills and professionalism that are not present in-house, on the other hand, the need of taking on young people on whom to invest to ensure the company's growth and development.

The Human Resources Department is in charge of recruiting and selecting the personnel to be hired. This activity is carried out respecting the candidates' privacy, solely on the basis of criteria of objectivity and transparency, as defined in the regulation for personnel recruitment, granting equal opportunities and avoiding all forms of favouritism.

All personnel is hired with a regular employment contract complying with the legislation in force in the place of hiring; no form of irregular work is allowed and tolerated.

At the time of hiring and during the initial on-boarding period in the company, every Collaborator receives accurate information, with specific reference to the norms that regulate their employment relationship, the prevention norms and procedures concerning safety and health in the workplace, the company policies and the norms of this Code, so to ensure an immediate knowledge and to foster a quicker integration in the life and culture of the Foundation.

3.3 Conduct criteria in the relationships with the collectivity

A) Representation expenses

Expenses for meals, travel and networking events offered to third parties, shall be consistent with BBS policy and anyhow made for justified institutional or business reasons.

All expenses shall be made in compliance with the laws in force and with the policies adopted by the Foundation on the matter.

B) Gifts and benefits

Any form of gift not compliant with the regulation on “gratuities to speakers and guests” adopted by the Foundation and that might even just be interpreted as exceeding the ordinary practices of courtesy or business ones or as an attempt of ensuring preferential treatments in carrying out any activity that can be connected to BBS towards public officials or their family members, as well as private subjects dealing with the Foundation (clients, suppliers, lecturers, bank officers, students, etc.) is strictly prohibited.

Such conduct rule applies to both gifts promised and offered, and received ones. It should be highlighted that by gifts it is meant any type of benefit, among which: discounts outside the business practice followed by the Foundation, promise of a job offer, etc..

In any case, BBS refrains from practices not permitted by law, by commercial uses or by the codes of ethics of the companies or entities it has relationships with.

In case of doubt, the Recipient must turn to the Supervisory Body and ask for clarifications.

C) Relationships with the Public Administration

The relationships between BBS and the Public Administration, public officials, subjects in charge of providing a public service or public agents must be inspired by the maximum compliance with the applicable laws and regulations, besides the specific policies on the matter approved by the Foundation and in no way they can compromise the integrity and the image of BBS.

D) Relationships with the Judicial Authorities

In case of participation to legal proceedings (administrative, civil or criminal), the Foundation undertakes to act in accordance with the law and the norms of this Code of Ethics.

It is forbidden, in particular for company bodies and employees having a proxy to represent the Foundation at a court hearing, to promise or give money or other assets to magistrates, judges, registry officials and witnesses, with the aim of influencing the outcome of the trial in a positive way for BBS.

4. CODE OF ETHICS IMPLEMENTATION METHODS

4.1 The efficacy of the Code to third parties

Those who in the name of and/or on behalf of BBS, get in contact with third parties with whom the Foundation intends to enter into legal relationships or the Foundation is bound to have relationships with of institutional, social, political nature or of any other nature, are required to:

- a) Communicate the existence of the Code of Ethics of the Foundation and provide a copy of it when the legal relationship or the relationship at an institutional, social, political level or of any other nature is formalized;
- a) Ask for the respect of the obligations concerning their activities;
- b) Adopt the internal initiatives that can help and guarantee the compliance with the Code, in case of refusal on the part of third parties to abide by the Code or in case of failure (even partial) to carry out the commitment, that had been taken on, to comply with the provisions contained in the Code itself.

4.2 The contractual value of the Code

The Code, considered as a whole, together with all the specific implementation procedures approved by the Foundation, must be considered an integral part of the existing and to-be Employment Contracts, under article 2104 of the Italian Civil Code.

Breaching such provisions shall qualify as a disciplinary offence and, as such, may be pursued and sanctioned by BBS pursuant to and in accordance with art. 7 of Law 300/1970; such offence may determine, as well, the repayment of any damage caused to the Foundation.

Concerning collaborators, students, with the exclusion of what is provided for in letter d. paragraph 1.3, consultants, contracting parties and other third parties, signing or, anyhow, endorsing the provisions and the principles provided for by the Code are a *condicio sine qua non* of the conclusion of contracts of any nature between BBS and such subjects; therefore, the provisions approved, made known and accepted are an integral part of the contracts themselves. In view of what has just been stated, any violation on the part of third parties of specific provisions of the Code justify the interruption on the part of the Foundation of the existing contractual relationships with said subjects and may as well be identified *ex ante* as causes of express termination of the contract in accordance with article 1456 of the Italian Civil Code.

4.3 The function of the Supervisory Body

BBS transferred to the Supervisory Body the function of “Guarantor” of the Code.

Such function covers the following tasks:

- a) identifying, with the Dean, criteria and procedures aimed at respecting the Code;
- b) promoting the issuance of guidelines and operational procedures with the support of the Functions in charge of their definition;
- c) preparing communication and training programmes for the employees, the aim being to disseminate the knowledge and understanding of the Code within the Foundation;
- d) checking the actual implementation of the Code;
- e) analysing all notices of possible violations of the Code;

- f) informing the Dean of the results of any investigation that was carried out in relation to violations of the Code, with the aim of adopting possible sanction measures and anyhow perform, if requested, a consultative function during the disciplinary proceedings;
- g) submit to the Dean helpful initiatives to better disseminate and update the Code;
- h) put in place and maintain an adequate information flow among the subjects concerned who, for whatever reason, are required to comply with the Organizational Model;
- i) submit to the BoD an annual report on the state of implementation of the Code.

4.4 Operational principles

The implementation of this Code of is based on operational principles that characterized the Foundation since its establishment:

- actions in line with company values and clients' needs (correctness in business relationships);
- constructive, transparent, direct, honest and timely communication;
- commitment to build thanks to the trust of others;
- participation to team-work;
- progressive and constant improvement of positions;
- definition of ambitious goals, thinking in an unconventional way.

4.5 Shared commitments

All Recipients are required to adopt the legal and ethical principles that apply to the company activities and in case of doubt, as for the appropriateness of the conduct proposed, should turn to the Supervisory Body with the aim of receiving an opinion on the compliance of their acting with the rules set forth in this Code.

BBS is committed to act with integrity and to manage its activities in line with the values at the basis of this Code. Everyone is required to commit to interact in a correct way with clients, suppliers, competitors and with colleagues. One should not aim at achieving positions of supremacy in work relationships, using manipulation, hiding things or abusing privileged information, or anyhow misrepresenting material facts. Everyone should act in fairness towards anyone else.

This Code includes the rules on personal and professional conduct, therefore endorsing said Code does not integrate in any way the signing of an employment contract or the guarantee of an open-ended job.

4.6 The rules of conduct of the BoD and *Collegio di Indirizzo* members of the Foundation

The members of the Board of Directors and of the *Collegio di Indirizzo*, as well as the managers of the Foundation, are required to respect this Code and to adjust their activity to the values of honesty, loyalty, correctness and integrity, consciously sharing the mission of BBS.

It is the task of the BoD members to concretely implement the principles included in this Code, strengthening the trust and the cohesion which the company operations are inspired by.

To this purpose, the Board of Directors draws inspiration, also whilst setting business goals and in taking strategic and management choices, from the values stated in the Code, acting with full awareness of precisely interpreting the principles stated in this Code of Ethics which are the principles of the Foundation.

4.7 Function managers' obligations

Every Function Manager is required to:

- a) set the example, with their conduct, for those reporting to them;
- b) make sure those reporting to them abide by the Code;
- c) make sure collaborators understand that respecting the provisions included in the Code is an integral and substantial part of their work performance;
- d) notify in a timely fashion the Supervisory Body in case of notifications of violations or requests for clarifications from collaborators;
- e) prevent all forms of retaliation, within their Functions, to the detriment of workers or collaborators who cooperate in abiding by or concretely implementing the Code.

4.8 Employees' and collaborators' obligations

Every employee and collaborator is required to know the provisions included in the Code and the legal framework regulating the activity carried out within their individual function.

Employees and collaborator are required to:

- a) respect the Code and refrain from conducts that go against such provisions and norms;
- b) in case of doubt, turn to their immediate direct supervisor, to the Supervisory Body, for the necessary clarifications on the implementation methods of the Code or the regulatory framework;
- c) inform in a timely fashion their immediate supervisor about news on possible breaches of the Code, except if the irregularities identified concern the office manager themselves; in such case, the information shall have to be communicated to subjects above the "immediate direct supervisor" concerned;
- d) cooperate with BBS for the investigations aimed at assessing, and possibly sanctioning, possible violations.

Employees and collaborators are not authorized to conduct investigations themselves concerning alleged illegal conducts and are required to communicate the information they are privy to only to their supervisors.

"Direct supervisor" means the subject formally above in the hierarchy, responsible as he/she is in charge or anyway entitled to perform vigilance and/or control on the activity.

4.9 Notifying a violation and seeking advice

The Recipients of the provisions included in this Code are required to notify to the Supervisory Body or their direct supervisors, any conduct that is, even just potentially, against the provisions of this Code. No-one shall be subject to retaliations for communicating a substantiated suspicion of violation of these rules.

Should doubts arise about the compliance of a type of conduct in relation to this Code, or other ethical-conduct policies anyway adopted by the Foundation while carrying out the company activities, Recipients are required to get in touch with the Supervisory Body or their supervisor. Everyone is individually responsible for the implementation of these rules and nobody is required to "implement them by themselves".

All Recipients of this Code of Ethics can notify in writing, through protected information channels, every violation or suspicion of violation of the Code: the Supervisory Body, in guaranteeing the anonymity to those who make a notification, shall assess on a case-basis the appropriateness of starting an investigatory procedure in consideration of the concrete circumstances.

Notifications can be sent to the following e-mail address:

odv@bbs.unibo.it

or by ordinary post to the offices of the Foundation in Bologna - Via degli Scalini n. 18, care of the OdV (Supervisory Body).

Except where required by law, the confidentiality of the whistle-blower is guaranteed.

4.10 Liability

The fundamental condition to work with the Foundation is to keep a conduct compliant with all legal requirements and the key principles included in this document. Failing to comply with these rules of conduct may justify the implementation of disciplinary measures based on what is provided for in the related paragraphs of this Code, up to a possible dismissal.

This shall not affect the civil or criminal liability of the Recipients for conducts put into being in breach of the rules of this Code.

As soon as BBS receives the communication about alleged violations, it shall assess them based on the relevance parameters, represented by the seriousness of the action and the circumstances that lead to the violation of said rules or company procedures; the Foundation shall have to take into account the seniority of the employee, their conduct and contribution. The disciplinary measures could consist in a temporary suspension of the pay and suspension from work or dismissal. Furthermore, should BBS incur a loss, in terms of assets, BBS could institute legal proceedings for compensation for damage against the responsible party.

The Foundation shall cooperate with the competent authorities where laws have been breached and, if deemed appropriate, shall report directly to said authorities the violations in question.

4.11 Investigations on the violations

All violations shall be immediately subject to an investigation and treated with the utmost confidentiality; in particular, as for employees, the investigations shall be conducted according to the law and collective agreements provisions on disciplinary measure (see related paragraph of this Code).

The individual who communicated the violation is prohibited from conducting personal preliminary investigations. The investigations on alleged violations may imply complex legal issues; thus, acting on one's own initiative can jeopardise the authenticity of the investigations and have negative consequences for the employee and the Foundation.

All notifications concerning possible violations of this Code, or the refusal to implement the Code itself or other policies adopted by BBS having an ethical-conduct relevance must be communicated to one's direct supervisor.

Should one of the members of the BoD intend to derogate, for motivated needs, from the rules of this Code, they shall first ask for an authorization to do so from the Supervisory Body.

Immediately, after the approval of the derogation on the part of the Supervisory Body, the Foundation shall publicly publish the reasons for said derogation.

4.12 No retaliations

BBS requires its employees behave correctly and in good faith also as for what concerns the communication of any violation of the law or of the company policies: no retaliations against the employees who in good faith provided a report concerning one of the infringements or who took part in the investigation of an alleged violation shall be tolerated.

4.13 Implementation of the Code and disciplinary consequences

Any possible violation of this Code could have serious repercussions on the Foundation.

As this Code is not simply a mere illustration of moral principles that inspire the activities put in place by BBS, but a specific tool of adjustment to the requirements set forth in the Legislative Decree no. 231/2001, it follows that the criteria adopted by the Foundation Board of Directors to authorize the derogations to said Code shall have to be very rigorous, upon control, on a case-by-case basis, that such derogations do not nullify the principles of the Decree or the actual functioning of the Code and, more in general, of the Model: in any case, derogations shall have to be immediately made known. Therefore every employee shall have to timely inform their supervisor or the Supervisory Body of any activity they are privy to that is or might be a violation of the rules of conduct or values here included.

Violations of the rules of conduct of this Code on the part of employees could lead to the application of disciplinary sanctions, in accordance with the rules of law, the National Collective Labour Agreement (hereinafter, the "C.C.N.L.", following the Italian acronym) and the Code itself.

Once a possible violation of this Code, or of other policies adopted by the Foundation, is identified, BBS shall open a disciplinary procedure against the employee according to the methods and terms under art. 7, L. 300/70 and the C.C.N.L.

In particular, the disciplinary breaches to the rules of the C.C.N.L. and possible regulation and the Code of Ethics could be punished, taking into account the seriousness of the violations, according to what is described in the related paragraph of the Organizational Model.

Notwithstanding what is set forth in the paragraph on the "Contractual value of the Code", signing or, anyhow, endorsing the provisions, or even a few of them, and the principles provided for by this Code on the part of third parties to the Foundation, with which the Foundation itself has collaboration, professional consultancy or business partnership relationships, is a *condicio sine qua non* of the signing of contracts of whatever nature between the Foundation and said subjects. The specific provisions contained in the Code, signed by said subjects or, in any case, approved also by conduct on the part of said subjects under the previous paragraph, are an integral and substantial part of the contracts signed with BBS.

Any violation on the part of third parties of specific provisions of the Code justify the interruption on the part of the Foundation of the contractual relationships existing with said subjects and may also be identified *ex ante* as causes for the express termination of the contract under article art. 1456 of the Italian Civil Code.

BBS requires its employees to behave correctly and in good faith also for what concerns the communication of any violation of the law or of company policies: no retaliations against the employees who in good faith provided a report concerning one of the infringements or who took part in the investigation of an alleged violation shall be tolerated.

4.14 Additional information

For additional information on these topics or others related to them, the Foundation invites the Recipients to get in touch with the Supervisory Body at the following e-mail address: odv@bbs.unibo.it.

The rules concerning the sanctions, the violations in relation to which each of them can be applied and the procedures challenging the violations themselves must be collected in a disciplinary code and must be made known to all workers by putting up a copy in a place accessible to everyone.

The disciplinary rules must apply what is provided for on the matter by the collective agreements.

4.15 Preventive identification of the violations

It is not necessary that the Code contains a precise and systematic forecast of individual violations, of their various degrees and their specific sanctions as a proportioned correlation between the individual violation hypotheses, even defined schematically and in a non-detailed way, and the corresponding sanctioning provisions, even if they could be implemented in a discretionary manner and adapted to the concrete and actual failures of the employee, respecting the principle for which disciplinary sanctions must have a sufficient degree of specificity so as to exclude that the placing of the employee's conduct in the disciplinary situation is entirely entrusted to a unilateral and widely discretionary assessment of the employer (Court of Cassation 9th August 1996, n. 7370).

In disciplinary proceedings, also the conduct outside work can be sanctioned when the nature of the worker's performance requires a broad margin of trust, extended to private conducts (Court of Cassation 12th September 2000, n. 11986). On this matter, please refer to the internal regulation adopted by the Foundation.