

**Teatro Alla Scala Foundation**

**CODE OF ETHICS**

CONTENTS	
1. INTRODUCTION	4
2. RECIPIENTS	5
3. ETHICAL PRINCIPLES OF REFERENCE	5
3.1 General principles	5
3.1.1 Valorising human resources and personal integrity	5
3.1.2 Honesty and fairness	6
3.1.3 Confidentiality	6
3.1.4 Transparency	6
3.1.5 Countering corruption and conflicts of interest	6
3.1.6 Fair contract management	7
3.1.7 Impartiality	7
4. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH STAFF	8
4.1 Staff policies	8
4.1.1 Molestation in the workplace	8
4.1.2 Abuse of alcoholic substances or use of drugs	9
4.1.3 Smoking	9
4.1.4 Safety and the environment	9
4.1.5 Selection and management of staff	10
4.1.6 Privacy protection	10
4.2 Duties of employees	11
4.2.1 Diligence and good faith	11
4.2.2 Protection of corporate assets	11
4.2.3 Management and protection of copyrights	12
4.2.4 Protection of confidentiality	12
4.2.5 Anti money-laundering	13
5. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH PUBLIC ENTITIES	13
5.1 Principles of conduct in institutional relationships	14
5.2 Principles of conduct with the Supervisory Authorities	15
6. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH SUPPLIERS	16
6.1 Duties of staff members of the Teatro alla Scala Foundation in relationships with third-party suppliers	16
6.2 Principles of conduct in the course of tenders called by Teatro alla Scala Foundation	17
6.2.1 Duty of fairness	17
6.2.2 Competition	17
6.2.3 Principles of conduct in relationships with the contracting entity	18
6.2.4 Duty of notification	18
7. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH SERVICE PROVIDERS AND CONSULTANTS	18
8. PRINCIPLES OF CONDUCT WITH OTHER INTERLOCUTORS	19
8.1 Responsibility towards the community	19
8.2 Economic relationships with political parties, trade unions and associations	19
8.3 Relationships with sponsors	20
8.4 External relationships	20
9. ACCOUNTING CONTROL AND TRANSPARENCY	20
10. METHODS AND IMPLEMENTATION OF THE CODE OF ETHICS	21
10.1 The Supervisory Body in compliance with Article 6, Legislative Decree no.231/2001	21
10.2 Distribution of the Code of Ethics	22
10.3 Efficacy of the Code of Ethics and consequences of its violation	22

## 1. INTRODUCTION

This Code of Ethics (henceforth also referred to as just “the Code”) governs the set of rights, duties and responsibilities that the Teatro alla Scala Foundation (hereafter, also referred to as just “the Foundation”) expressly assumes with regard to the stakeholders with which it interacts on a daily basis in conducting its activities.

The following functions are attributed to the Code:

- preventive*: the codification of the ethical principles of reference and the basic rules of conduct to which all stakeholders<sup>1</sup> must adhere forms the express declaration of the Foundation’s professional and effective commitment to act as the guarantor for the legality of its activities, with particular regard to preventing unlawful acts;
- cognitive*: in detailing the abstract and general principles and the rules of conduct, the Code makes it possible to identify any conduct which is unethical. It also makes it possible to indicate the correct means of performing the functions and powers attributed to each party;
- legitimation*: the Code outlines the duties and responsibility of the Foundation with regard to the stakeholders so as to reflect the expectations of the latter;
- incentive*: by imposing the observance of the principles and rules contained herein, the Code helps to develop ethical awareness and strengthen the reputation of the Foundation, along with the relationship of trust with stakeholders.

The set of ethical principles and values detailed in the Code must inspire the activities of all those who work in the Foundation, taking into account the importance of the roles, the complexity of the functions and the responsibilities entrusted to them for the purposes of pursuing the Foundation’s goals. In particular, by way of non-exhaustive example:

- The members of the Foundation’s organisations are inspired by the principles of the Code in establishing its objectives;
- The individual managers render the values and principles contained in the Code tangible, and shoulder responsibilities both internally and externally, reinforcing trust, cohesion and team spirit;
- The employees and ongoing external service providers, in exercising due respect for the law and regulations in force, adapt their actions and their conduct, bringing them into line with the objectives and commitments outlined in the Code.

<sup>1</sup>- The term indicates those individuals who are directly or indirectly involved in the work of the Foundation and who are somehow involved in decisions, strategic initiatives and the possible actions conducted by the Foundation. Accordingly, the stakeholders include, merely by way of example, the employees, clients, shareholders, members of the public, agents, service providers of any kind, suppliers, financial and/or commercial partners, municipal, provincial and national authorities, trade organisations, environmental organisations and anybody interested in the work of the Foundation in general.

An ethical orientation is indispensable for ensuring the reliability of the Foundation's conduct towards stakeholders and, more generally speaking, the civil and economic context in which the Foundation operates as a whole. The adoption of certain specific principles of conduct in relationships with Public Authorities clients and third parties is also a demonstration of the Foundation's commitment to preventing the offences detailed under Legislative Decree 8 June 2001 no.231, as amended.

For the above reasons, it is important to define the set of values which the Foundation acknowledges, accepts and shares in a clear manner. The drafting of this Code of Ethics responds to these needs. The observance of this Code of Ethics by the members of the company is of primary importance for the proper functioning, reliability and reputation of the Foundation.

## **2. RECIPIENTS**

The provisions contained in this Code apply to the members of the Foundations' bodies, the employees (including the managers), service providers, suppliers and all those who, directly or indirectly, permanently or temporarily, work on behalf of the Foundation.

These individuals shall contribute towards the ethical management of the Foundation and the application of its principles and self-regulation criteria. Each shall do so within the framework of their own responsibilities, in keeping with the principles of a healthy and prudent management, and in compliance with national and European laws, not to mention domestic policies, plans, regulations and procedures.

The Code also stipulates measures that penalise any conduct which does not conform with its stipulations. These shall be in proportion with their seriousness.

The adoption of certain principles of specific conduct to be observed in relations with the Public Authorities and with third parties demonstrates the Foundation's commitment regarding the prevention of offences detailed under Legislative Decree 8 June 2001 no.231, as amended.

## **3. ETHICAL PRINCIPLES OF REFERENCE**

### **3.1 General Principles**

The Foundation has adopted respect for the laws and regulations in force in the areas in which it operates (e.g. Legislative Decree 29 June 1996, no. 367) as the cornerstone of its principles. It has also adopted this Code and company procedures, and applies them in an equal and upright manner. As a result, all recipients of the Code must commit to respecting these elements.

#### **3.1.1 Valorising human resources and personal integrity**

The Foundation protects and promotes the value of human resources with an end to increasing the skills of each employee, and promotes respect for the physical, moral and cultural integrity of the individual.

The Foundation guarantees working conditions that respect individual dignity and safe working environments.

#### **3.1.2 Honesty and Fairness**

Under no circumstances can pursuing the interests of the Foundation justify conduct which goes against the principles of honesty and fairness.

Relationships with the stakeholders are geared towards criteria of fairness, cooperation, loyalty and reciprocal respect.

The administrators, employees and service providers of the Foundation conduct their activities in the interests of the latter, and may not pay or accept sums of money, exercise other forms of corruption or actions, or accept gifts or favours to third parties or by third parties with an end to procuring direct or indirect advantages for the Foundation.

#### **3.1.3 Confidentiality**

The Foundation guarantees the confidentiality of the information and the personal data involved in the handling and protection of information acquired in relation to the working activities performed. It complies with the provisions for confidentiality of personal data as detailed under legislative decree no. 196 of 2003, which governs the "Personal Data Protection Code" as subsequently amended, and as per implementation regulations.

#### **3.1.4 Transparency**

The Foundation undertakes to inform all stakeholders in a way that is clear, precise and transparent regarding its situation and its financial and operating status. In doing so it shall not favour any one group of interest or single individual, thereby ensuring that stakeholders are in a position to take autonomous and informed decisions.

#### **3.1.5 Countering corruption and conflicts of interest**

In keeping with its values of honesty and transparency, the Foundation is committed to taking all the necessary measures for preventing and avoiding phenomena of corruption and conflicts of interest.

The latter phenomenon arises both when an employee or service providers attempts to achieve an interest which differs from the equal division of interests of the stakeholders, or to gain “personal” advantages from the business opportunities of the Foundation, and when the representatives of clients, suppliers or public authorities act against the duties of trust linked to their position.

Moreover, it is not permitted for sums of money to be paid or accepted, or for other forms of corruption to be exercised, or for gifts or favours to be made by or accepted by third parties with an end to obtaining direct or indirect advantages for the Foundation itself.

With regard to potential conflicts of interest, Directors and Managers are obliged to avoid any situation in which conflicts of interest might arise, and to avoid drawing personal advantages from any business opportunities which they might become aware of in the course of fulfilling their roles.

By way of non-exhaustive example, the following situations can result in a conflict of interest:

- Having economic and financial interests, including through family members, with suppliers;
- Accepting cash, gifts, favours, benefits or other advantages of any kind from persons, companies or organisations which are in, or intend entering into, a business relationship with the Foundation. By way of example, when a call for tenders is held, the employee may not ask for, nor accept, for himself or for others, gifts, cash services or other benefits offered by suppliers and contractors;
- Using one's own functional position for achieving personal interests, whether or not they coincide with those of the Foundation;
- Concluding, completing or initiating one's own negotiation and/or contracts – in the name and on the behalf of the Foundation – where the counterpart is one's own family members or partners.

In the event that a conflict of interest should even appear to manifest itself, the Director or Manager shall be obliged to inform the Supervisory Body, and to suspend the operation concerned.

In any case, it is necessary to:

- Avoid any situations and activities in which a conflict with the interests of the Foundation can arise, or which might interfere with the ability to take decisions in an impartial manner, in the best interests of the business and in full respect for the principles and contents of the Code;
- In a general sense, to comply in whole with the roles and responsibilities held.

### **3.1.6 Fair contract management**

With regard to business relations in force, any party working in the name and on behalf of the Foundation must avoid taking advantage of any contractual omissions or from unforeseen situations to renegotiate the contract, exploiting the position of dependency or inferiority in which the interlocutor should find itself.

The Foundation shall endeavour to ensure that the contracts and employment positions are performed in accordance with the conditions freely established with full awareness by the parties involved.

### **3.1.7 Impartiality**

In its relations with the stakeholders, the Foundation avoids all forms of discrimination whatsoever, whether it be of age, gender, sexual orientation, state of health, civil status, race, political opinions and religious beliefs.

The Foundation guarantees that businesses which come into contact with it shall be treated on equal terms, and that it shall refrain from any arbitrary actions that can have a negative effect on the businesses, as well as refraining from any preferential treatment whatsoever.

#### **4. PRINCIPLES OF CONDUCT IN RELATIONS WITH STAFF**

##### **4.1 Staff policies**

Respect for and enhancement of the people who work for the Teatro alla Scala Foundation are amongst its primary values. The Foundation is committed to:

- Implementing any and all initiatives that make it possible to enhance and increase skills, creativity and the active participation of staff, to increase their motivation and promote professional growth and staff fulfilment. Bringing personal and corporate knowledge up-to-date and developing skills are essential values for the company;
- Recognising that work performance and professional potential are decisive criteria for developing retribution and career. The policies adopted for selecting, hiring, training, managing, developing and paying staff are strictly geared towards criteria of merit and skill, with assessments made on an exclusively professional basis, without discrimination of any kind;
- Protecting its employees in terms of their working conditions, protecting their psychological and physical integrity and in respecting their moral personality;
- Ensuring that all employees contribute towards maintaining a corporate climate of cooperation and trust, of reciprocal respect for the dignity, honour and reputation of all;
- Ensuring that employees are not subjected to unlawful influence within the work field, ensuring that any injurious and defamatory attitudes are prevented;
- Protecting the moral integrity of its staff, guaranteeing entitlement to working conditions that respect the dignity and potential of the person. For this reason, it safeguards employees against acts of psychological violence or mobbing, and counteracts any attitudes or behaviour which discriminate against or damage persons, their convictions and their inclinations.

To this end, in managing relations with employees, the Foundation is inspired by certain primary principles indicated forthwith, in addition to those already outlined.

##### **4.1.1 Harassment in the workplace**

The Foundation undertakes to avoid and to pursue any type of harassment in the workplaces.

Harassment refers to:

- a working environment which is intimidatory, hostile, which isolates individuals or groups of workers;

- unjustified interference with the execution of the work of others;
- any behaviour apt to cause damage to the dignity and personal and sexual liberties of workers.

#### **4.1.2 Abuse of alcoholic substances or drugs**

The Foundation asks that each employee personally contributes towards ensuring that the working environment respects the sensibilities of others. Accordingly where the following occur during the course of working activities and on work premises, it shall be considered that the risk of harming environmental conditions was consciously assumed:

- Working under the effects of abuse of alcoholic substances, drugs or substances that cause a similar effect;
- Consuming or supplying drugs during work, for any purpose whatsoever.

When they affect the working environment, states of chronic dependency on these substances shall – for contractual effects – be considered on a par with the cases outlined above.

The Foundation undertakes to promote the relevant social measures stipulated by collective negotiation.

#### **4.1.3 Smoking**

In compliance with health and safety regulations in the workplace, it is forbidden to smoke within all of the company buildings of the Teatro alla Scala Foundation, regardless of the work being conducted there.

#### **4.1.4 Safety and the Environment**

The Foundation has drafted a Manual for the Safety Management System in the workplace, and has also committed to promoting the commitment amongst all employees and external service providers to observe the principles of health and safety that the Foundation places at the basis of its work, with the aim of ensuring that the legislation for protecting working conditions and protecting the moral and physical integrity of its staff and the external environment is respected and improving the quality of life in the working environment by identifying suitable technical and organisational measures.

All employees of the Foundation are, within the framework of their roles, obliged to participate in the process of preventing risks, of safeguarding the environment and protecting their own health and safety as well as those of colleagues and third parties.

The activities of the Teatro alla Scala Foundation are managed in full compliance with the laws in force regarding the prevention and protection against accidents and safety in the workplace.

For the Foundation, respect for the environment is a fundamental value for satisfying one of the primary needs of the individual citizen and the community as a whole.

The Teatro alla Scala Foundation undertakes to conduct all activities in full compliance with the applicable legislation and environmental regulations,

ensuring that the resources are safeguarded and that the environmental impact of the activities is reduced, along with any associated risks. The Foundation organises its activities adapting the work to the individual, as far as structuring job roles is concerned, along with the choice of equipment and work and production methods used, in order to reduce effects on health. In particular, the Foundation is committed to taking the degree of evolution in technology into account, and to replacing anything which is hazardous with items that are not, or which are less hazardous. It is also committed to providing suitable instructions to workers, in order to inform them regarding the risks involved in their working activities.

The principles regarding respect and protection of health, safety and hygiene in the workplace apply at all levels, and to all the company's activities.

#### **4.1.5 Selecting and managing staff**

The hiring of staff is decided based on the match between the profiles of the candidates and the characteristics being sought, along with the company's requirements.

Accordingly, searches and selection of staff are purely carried out according to criteria of objectiveness, equity and transparency, guaranteeing equal opportunities and avoiding any kind of favouritism, nepotism and influence peddling.

The requested information is necessary and sufficient to verify the aspects required from the professional and aptitude standpoints, with full respect for the private life and opinions of the candidate.

The decisions taken during processes for managing and developing staff, not to mention in the selection phase itself, are based on the actual conformity between the profiles being sought and the profiles possessed by the employees.

They are also based on objective considerations regarding the expected performance and that which is recorded.

The Teatro alla Scala Foundation prohibits all and any form of psychological, physical or sexual harassment towards its managers, employees, service providers, suppliers, clients or visitors. Harassment includes any form of intimidation or threat which poses an obstacle to the undisturbed fulfilment of its functions, or any abuse by the hierarchical superior of his or her position of authority.

Anyone who feels he or she has been subjected to harassment or has been discriminated against for any reason may report it to the Supervisory Body. Any act of reprisal against those employees who reject, complain about or report such actions is forbidden.

#### **4.1.6 Protecting Privacy**

The Teatro alla Scala Foundation embraces the provisions regarding the protection of personal data as described in legislative decree no 196 of 2003, governing the "Personal data protection code" as subsequently amended and implemented in law.

With particular regard to the handling of personal data belonging to workers, the Foundation takes specific protective measures geared towards informing each employee of the nature of the personal data handled by the Teatro alla Scala Foundation, the handling methods used, the spheres of communication and, in general, all items of data regarding the person in question.

## **4.2 Duties of the employees**

### **4.2.1 Diligence and good faith**

All employees of the Foundation must act in a loyal manner and in good faith, respecting the obligations which he or she has signed in the employment contract and ensuring that the requested performance standards are reached, providing his or her own personal contribution of ideas, pro-activeness and enthusiasm, all of which are essential for the harmonious and lasting development of the business.

Furthermore, employees must also know and observe the professional regulations contained in this Code, ensuring that their conduct aims to achieve the reciprocal respect, cooperation and reciprocal collaboration.

### **4.2.2 Protection of corporate assets**

Each member of the Foundation's organisations, whether managers or employees, are obliged to endeavour to protect its corporate assets.

They are also responsible for protecting the corporate resources entrusted to them, and are obliged to inform their direct superiors regarding any events that might potentially prove damaging for the Foundation in a prompt manner.

### **4.2.3 Use of computerised systems**

The Foundation stipulates that it is absolutely prohibited for those to which this Code is addressed to alter the functioning of a computerised or IT system in any way whatsoever, or to tamper with data, information or programmes contained in one of the aforementioned systems without entitlement to do so.

In particular, all employees and Service providers are obliged:

- To respect all regulatory provisions in force, and the conditions of the licensing contracts signed by the Foundation;
- To observe the corporate procedures in force regarding the management of the computer systems;
- To refrain from any activities that might result in the modification, removal or fraudulent creation of computerised documents, whether public or private, which might be of evidentiary value, and in any case to refrain from gaining unlawful access to the company computer or IT system with an end to amending or removing the data, documents and information contained therein;
- To refrain from conducting any activities that can result in damage or interruption to a computerised or IT system of third parties, whether public or private, and from distributing equipment, devices or computer programmes with an end to damaging or interrupting a computer or IT system;
- To refrain from conducting any abusive activities for intercepting, preventing or interrupting computerised or IT communications, and from installing any equipment that can

- Intercept, impede or interrupt computerised or IT communications;
- To refrain from carrying out any activities that might result in damage to information, data and computer programmes of third parties, whether public or private;
  - Not to access websites that are not involved in performing the allocated tasks, and not to participate, for non-professional reasons, in Forums, nor to use chat lines or electronic notice boards, and not to register themselves in guest books, even if using pseudonyms (or nicknames).
  - To avoid diffusing his or her own password or code for PC access;
  - To always and only use his or her own password and access code. Both the identification code and the password are strictly personal instruments, use of which is the responsibility of each user;
  - To notify any violations regarding access or use of the computer systems at any time;
  - Not to reproduce unauthorised copies of licensed programmes for personal or company use, or for third parties.

#### **4.2.3 Managing and protecting copyright**

The Foundation stipulates that it is absolutely forbidden for the recipients of this Code to use, in any form and/or manner and for any purpose, even if for personal use, works of intellectual property and/or materials protected by copyrights and/or other such rights, as well as any intellectual and/or industrial property rights (in particular these include rights over trademarks, designs and models, invention and utility model patents and rights covering confidential information), including image and name rights, without the consent of the owners of said rights and/or those legitimately entitled to use them. The recipients of this Code are obliged to ensure that the necessary consent is obtained for using protected works and materials.

#### **4.2.4 Protecting confidentiality**

In order to protect the confidentiality of the information communicated by businesses that enter into contact with the Teatro alla Scala Foundation, the employee shall:

- Refrain from diffusing and using, for personal purposes, any information at his or her disposal for work-related reasons, notwithstanding respect for the rules and regulations imposed to protect information and access rights;
- Maintain, with particular care, confidentiality concerning the entire procedure for tenders and the names of the competing participants until such time as the tenders are awarded;
- Not meet, unless expressly authorised in this respect, the participating businesses during the period in which the call for tenders is being conducted. Any requests for information must be sent to the employee in writing and he or she shall supply, using the same means used for the request, the clarifications to the requesting business and the Employer Associations.

#### **4.2.5 Anti money-laundering**

The Foundation conducts its business in full compliance with currency provisions and anti money-laundering regulations in force in the countries in which it operates, as well as the regulations issued by the competent Authorities.

The Foundation undertakes to respect all rules and provisions, whether national or international, concerning money-laundering.

Before establishing relations or stipulating contracts with third parties, recipients are obliged to verify the reputation of the party involved.

To this end, employees and service providers must avoid carrying out any operations that are dubious from the standpoint of honesty and transparency. In particular, employees and service providers undertake to verify available information regarding the commercial parties involved beforehand in order to verify that they are respectable and that their businesses are legitimate. They also undertake to work in such a way as to avoid involvement in any operations that might even potentially lend themselves to money laundering in unlawful or criminal activities, and shall operate in full compliance with primary and secondary anti money-laundering regulations.

In order to avoid giving or receiving undue payments and suchlike, employees and Service providers must, in all their dealings, respect the following principles regarding documentation and keeping records:

- All payments and other transfers made by or in favour of the Foundation must be carefully recorded in full in the accounting books and in the obligatory records;
- All payments must only be made to the recipients, and for the activities contractually stipulated and/or deliberated by the Foundation;
- No false, incomplete or misleading entries may be made, nor may hidden or unrecorded funds be established. Nor is it permitted to deposit funds in personal accounts which do not belong to the Foundation;
- No unauthorised use may be made of the Foundation's funds or resources;
- No payments may be made in cash or using payment means to the bearer.

#### **5. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH PUBLIC ENTITIES**

The Foundation is committed to satisfying public authorities in complying with obligations stipulated by the Agreements and Contracts it stipulates with the latter. It also undertakes not to discriminate between its clients. The Foundation establishes a highly professional relationship with the Authorities it is in contact with. This relationship shall be geared towards offering the utmost willingness, respect, courtesy and to endeavouring to offer the highest levels of cooperation.

When participating in commercial negotiations or tender proceedings, the Foundation is committed to:

- Acting in full compliance with the principles of fairness, transparency and good faith;
- During the examination phase of calls for tenders, ensuring that the requested services are congruent and that they can be executed;
- Providing all the data, information and updates requested during selection of the participants such as are needed to win the call for tenders;
- Ensuring, where supplies are concerned, that clear and professional relationships will be maintained with the appointed public officials, avoiding any conduct which might compromise the free judgment of the competent officials.
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In the event that the tender is won, in its relations with the client, the Foundation undertakes to:

- guarantee that negotiating and commercial relations are conducted in a clear and professional manner;
- that the contractual obligations are complied with in a diligent manner.

With respect to its relationship with the founders, the Foundation undertakes to provide them with accurate, truthful and prompt information and to improve the conditions of their participation as far as their prerogatives in the Foundations' decision-making are concerned. The Foundation is committed to safeguarding and increasing the value of its activities in view of the commitment made by the Founders with their investments. To do so it will enhance management, pursue high standards in production and ensure that its assets are of a solid nature.

The Foundation is also committed to safeguarding and protecting the company's resources and assets.

#### **5.1 Principles of conduct in institutional relationships**

The Foundation's relationships with local, national or international authorities are geared towards attaining the utmost transparency and professionalism.

All relationships with Italian and foreign Public Authorities are geared towards maintaining principles of fairness, transparency, cooperation and non-interference in full respect of reciprocal roles.

Relationships with officials of the public authorities are limited to the designated and duly authorised corporate functions, in full compliance with strict observance of legal provisions and regulations, and may not in any way compromise the integrity and reputation of the Foundation.

Relations with local, national, European and international Public Authorities, or in any case relations of a public nature (for example, management of relations with the main authorities, local authorities and regulatory and/or supervisory bodies; activities regarding management of relationships with local authorities for obtaining the authorisations needed to exercise company activities; managing checks/inspections for health and safety in the workplace conducted by the applicable authorities and overseeing the relevant obligations; managing social security checks/inspections conducted by the competent authorities and overseeing the relevant obligations, etc), must be inspired by the strictest observance of the

applicable legal and regulatory provisions, as well as the general principles of professionalism and loyalty as outlined above, and as per company procedures.

Only duly appointed and authorised company figures can acquire commitments and manage relationships of any kind with the Public Authorities and/or relations of a public nature.

Notwithstanding all the obligations imposed by the relevant regulations currently in force, the Foundation shall, in the case of contracts or tenders, abstain from the following, whether directly or indirectly:

- to endorse in any way or offer employment and/or commercial opportunities to staff of the Public Authorities involved, in relationships or checks/inspections/assessments, or to their family members;
- to offer or in any way supply, accept or encourage presents, free gifts or any type of benefit to the staff of the Public Authorities or to their family members, except in cases involving commercial courtesy of modest value, in compliance with common custom and such as do not compromise the integrity and reputation of the parties;
- to solicit or obtain confidential information which can compromise the integrity or reputation of both parties, or which in any case violates equal treatment and public tenders activated by the Public Authorities;
- to create the basis for any situation of conflict of interests with the Public Authorities;
- to accept any request for contributions and sponsorships which can influence the Public Authorities or favour the Foundation in the event of checks/inspections/assessments made by Supervisory Authorities;
- to deny, conceal or delay any information requested by the Supervisory Authorities and other regulatory bodies in their inspection roles, and to actively cooperate in the course of any preliminary procedures.

In particular, requests for contributions and patronage shall only be evaluated if these are forwarded by non-profit bodies and associations, or those which are of a high value in cultural or benefit terms (by way of example, contributions and patronage can concern initiatives of a social, environmental, sporting, performance, cultural or artistic nature). In any case, in choosing proposals which are accepted, particular attention will be paid to any potential conflicts of interest of a personal or corporate nature.

## **5.2 Principles of conduct with the Supervisory Authorities**

The Foundation undertakes to observe, in a full and scrupulous manner, the rules dictated by the Supervisory Authorities for respecting the regulations in force in the sectors linked to its activities by providing the utmost cooperation and transparency.

The Foundation shall not deny, conceal or delay any information requested by the Supervisory Authorities and for other regulatory bodies conducting inspections. It will actively cooperate in the course of any preliminary proceedings.

The Foundations condemns any conduct which aims to obtain any type of contribution, financing, favourable loan or other provision of a similar kind from Supervisory Authorities or other Public Body, by means of declarations and/or documents that are altered or falsified, or by means of information that is omitted or, more generally, by means of contrivance or deception, including those made using computerised or IT systems, with an end to causing the dispensing body to make an error.

It is forbidden to misappropriate or allocate contributions, grants or financing obtained from Supervisory Authorities or other Public Bodies with timescales and/or purposes that differ to those for which the funding was granted, even if the latter is only of a modest value and/or amount.

Individuals appointed to manage the financial activities, investments and/or financing received from the Public Authorities or from foreign public Authorities, must ensure that their work endeavours to adhere to the principles of fairness and transparency. In addition they must also adhere to the obligations of information towards the administrative and controlling bodies of the Foundation. To this end, it must make available and accessible all documentation and operations, including those not of an economic nature, when these are conducted within the framework of the associated tasks and functions.

## **6. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH SUPPLIERS**

### **6.1 Duties of staff members of the Teatro alla Scala Foundation in relationships with third-party suppliers**

The Foundation ensures that its conduct in relations with its suppliers is geared towards safeguarding the principles of transparency, equality, loyalty and free competition.

In particular, employees must:

- observe and respect, in supply relationships, all the applicable legal provisions and contractually stipulated conditions;
- scrupulously observe internal procedures regarding the selection and management of relationships with suppliers;
- obtain the cooperation of suppliers in ensuring that requirements in terms of quality, safety and delivery times for the goods or services provided are satisfied;
- observe the principles of transparency and completeness of information in correspondence maintained with suppliers; avoid being subjected to any form of bias by third parties outside of the Foundation in taking decisions and/or implementing actions related to its work.

In particular, it is prohibited to send members of the Foundation's organisations and employees of all categories and levels, including to their private addresses and for any reason whatsoever, gifts, gratuities and presents on any occasion, including all festivities, except in cases where the acts concerned are acts of courtesy of modest value in keeping with common practice, and are such as do not compromise the integrity and reputation of those involved.

The Foundation favours a respectful approach towards its suppliers and assesses all the consequences that its actions can have upon the whole supply chain. The Foundation's basic principle is to guarantee fair and constructive relationships throughout the whole supply chain.

In choosing its suppliers, the Foundation shall, notwithstanding its assessment of the advantages of the offer, its ability to meet corporate needs and the general reliability of the suppliers, take the following into account:

- the commitment of the supplying company to respect the provisions stipulated in this Code;
- its ability to respect the obligations stipulated by the law (safety in the workplace, privacy, respect for the environment, respect for intellectual property rights).

In its relationships with suppliers, the Foundation's managers must adhere to principles of fairness, professionalism, efficiency, responsibility and reliability. They must be willing to find amicable solutions to any problems that should arise, with an end to overcoming divergent positions and reaching an agreement.

The Foundation makes its suppliers aware of the contents of this Code. Any contractual parties involved must sign declarations that they are aware of the principles of this Code, and that they are committed to avoiding any conduct which might lead the Foundation or its managers, employees or service providers to violate its principles as detailed in the Code itself in any way whatsoever.

## **6.2 Principles of conduct in the course of tenders called by Teatro alla Scala Foundation**

### **6.2.1 Duty of fairness**

Any competing, contracting or subcontracting businesses shall act in accordance with the principles of good faith, loyalty and professional fairness, both with regard to the Teatro alla Scala Foundation and to other competing, contracting or subcontracting businesses.

### **6.2.2 Competition**

Businesses taking part in calls for tenders are obliged to respect the "Regulations for protecting competition and the market" as detailed in law no. 287, 1990, and shall abstain from any anti-competitive conduct.

For the purposes of this code, "anti-competitive conduct" shall refer to any conduct – or business practice – which is misleading, fraudulent or unfair, contrary to free competition, by virtue of which the business implements acts involved in the examination proceedings. In particular, where it does not constitute an offence in its own right, any unlawful agreements which aim to distort competition are forbidden. These include:

- promising, offering or granting to a person, to oneself or to a third party, directly or indirectly, an advantage within proceedings for awarding a contract;

- failing to reveal the existence of an unlawful agreement, or of a plan arranged by businesses;
- An agreement for planning prices or other conditions of the tender;
- Offering or granting advantages to other competitors so that these do not compete in the tender, or so that they withdraw their offer, or so that in any case they affect the free participation in the call for tenders.

### **6.2.3 Principles of conduct in relationships with the contracting entity**

The business involved in proceedings for awarding public contracts promoted by the Teatro alla Scala Foundation shall refrain from any attempt to influence the employees of the contracting party which hold positions of representation, administration or management, or which exercise, even on a *de facto* basis, managerial and controlling powers, or the persons subject to the management and supervision of the aforementioned individuals.

It is not permitted to offer employment and/or commercial opportunities which involve personal advantages for the employee; it is forbidden to offer cash or gifts to employees and their relatives. By the same token, it is not permitted to attempt to carry out such conduct.

The competing business may not, during the tender, access the offices of the contracting organisation for the purposes of requesting confidential information; access to documentation shall be consented in compliance with the regulations in force. Any clarifications supplied will be forwarded to the Operational Associations as well as the requesting company itself.

### **6.2.4 Duty of notification**

The business is obliged to notify the Foundation of:

- any attempt made by another competitor or party involved which might affect the proper implementation of the call for tenders and/or execution of the contract;
- any requested or expected anomaly made by employees of the contracting party, or anyone who can have an influence on decisions inherent to the competition, or the stipulation of the contract and its execution.

## **7. PRINCIPLES OF CONDUCT IN RELATIONSHIPS WITH SERVICE PROVIDERS AND CONSULTANTS**

Service providers of any type and consultants for the Foundation are obliged, in performing the contractual relationship established with the Foundation or the appointment awarded by the latter, to behave in a professional manner with good faith and loyalty. In doing so they must respect the provisions of this Code, in as far as they are applicable, as well as the corporate regulations, instructions and guidelines provided by the Foundation's staff. In every individual agreement made with service providers and consultants, the Foundation requests that all the relevant parts of the Code are observed, and that it is distributed amongst the former.

Conduct which goes against the principles expressed in the Code may be considered by the Foundation as a serious non-fulfilment of the duties of professionalism and good faith in executing the contract as this damages the relationship of trust and provides just cause for terminating the contractual relationships/partnerships agreements entered into.

The contractual parties must sign declarations that they are aware of the principles of this Code. They must commit to avoiding any conduct which can lead the Foundation or its managers, employees or service providers to violate the principles stipulated in the Code itself in any way.

## **8. PRINCIPLES OF CONDUCT WITH OTHER INTERLOCUTORS**

### **8.1 Responsibility towards the community**

In conducting its activities, the Foundation assumes its own responsibilities towards the Community, inspired by the values of solidarity and dialogue with the parties involved. The Foundation maintains and develops a relationship of trust and ongoing dialogue with the stakeholders. Where possible it seeks to inform and involve them in issues which might concern them.

Within the framework of its activities, the Foundation is also inspired by the principle of safeguarding the environment and public health. Lastly, the Foundation promotes social, economic and employment development, in compliance with internationally acknowledged standards and rights governing the protection of fundamental rights, non-discrimination, protection of children, the prohibition of forced labour, protection of trade union rights, and health and safety in the workplace, as well as rights regarding working hours and salary.

### **8.2 Economic relationships with political parties, trade unions and associations**

The Foundation does not make contributions of any kind, whether directly or indirectly, to political parties, movements, committees and political and trade union organisations, nor to their representatives or candidates, be it in Italy or abroad, with the exception of contributions which are owed as per specific laws.

The Foundation refrains from making any direct or indirect pressure on members of political bodies or trade unions through its own employees or service providers.

The administrators and employees may not, in turn, conduct any political activities during working hours, or use the assets or equipment of the Foundation for said purposes; they must also clarify that any political opinions they express to third parties are of a strictly personal nature and do not, accordingly, represent the opinion and orientation of the Foundation.

In its relations with other stake-holding associations (e.g. trade associations, environmental organisations, etc), no director, employee or collaborator may promise or pay sums, promise or grant goods in kind or provide other benefits on a personal basis to promote or favour the interests of the Foundation.

### **8.3 Relations with sponsors**

The Foundation ensures its relationships with sponsors are geared towards safeguarding the highest standards of transparency and professionalism. The Foundation is dedicated to respecting the privacy of sponsors, and to managing funds in keeping with the indications agreed upon with the sponsor. The Foundation undertakes to provide each potential sponsor with a list of detailed information regarding the Foundation itself and its work. The Foundation is committed to respecting the rights of the sponsors, as follows:

- by providing detailed information regarding the mission of the Foundation, how the funds will be used, and certifying its ability to use the funds for the agreed purposes;
- by supplying information on the identity of the members of the Foundation's organisations;
- by offering sponsors the right recognition;
- by ensuring that all the information regarding the donations is handled with the due respect and confidentiality, in compliance with the laws in force.

In the case of sponsors who do not specifically indicate the area to which their donation is to be allocated, it will be considered as institutional support for the Foundation.

It is forbidden to destine sums received by way of disbursements, contributions or donations for purposes other than those for which they have been made.

### **8.4 External relations**

Relations with the press, television and mass media in general, both Italian and foreign, shall be maintained exclusively by the members of the company who are authorised to do so, or by the persons appointed by them. In order to safeguard its image and to ensure that any information released is correct, the Foundation expects that:

- no employees or Service providers shall give interviews or any type of declaration or information regarding the Foundation to external parties who are not qualified, or accredited journalists, where said release can damage the Foundation itself;
- all employees and service providers who are asked by external parties who are not qualified, or accredited journalists, to release declarations or information concerning the Foundation, the release of which can potentially cause damage, should refer the requesting parties to the responsible organisations.

## **9. ACCOUNTING CONTROL AND TRANSPARENCY**

Any documents which stipulate the accounting activities carried out, must make it possible to reconstruct the accounting operation promptly, as well as enabling the identification of any errors and the degree of responsibility within the individual operative process.

The Recipients must, within the sphere of their respective positions and responsibilities, check to ensure that the accounting entries are correct and truthful, and to inform those responsible of any errors, omissions and/or falsifications of the same.

The Teatro alla Scala Foundation trains its managers, employees and service providers to ensure that truthfulness, completeness, clarity and promptness of information are guaranteed at all times, both inside and outside the Foundation. It also ensures that the data and information drafted are as accurate as possible.

To this end, each operation or transaction must be correctly and promptly recorded in the company accounting system, in keeping with the criteria indicated by the law and in accordance with the applicable accounting principles; each operation or transaction must be authorised, verifiable, legitimate, coherent and congruent.

In order to ensure that the accountancy meets with the truthfulness, completeness and transparency required by law based on the applicable accounting principles, each operation or transaction must be recorded in a correct and prompt manner. Each operation must be authorised, verifiable, legitimate, coherent and congruent.

To ensure that the recorded accountancy entries meet with the requisite standards of truthfulness, completeness and transparency, the Foundation must keep sufficient and complete supporting documentation in its records to prove the activities conducted. These must make it possible to:

- make accurate accounting entries for each operation;

- determine the characteristics and motivations for the operation immediately;
- reconstruct the operation in formal and chronological terms with ease;
- verify the decision-making, authorisation and implementation process, as well as identifying the various levels of responsibility and control;
- identify the means used to manage the financial resources in such a way as to prevent offences from being committed.

Each accounting entry must reflect exactly what is shown in the supporting documentation. Accordingly it is the task of each employee or appointed collaborator to ensure that the supporting documentation is easy to locate and ordered according to logical criteria, in compliance with provisions and the procedures of the company.

No person may make any type of payment in the interests of the Foundation where this is not supported by suitable documentation. It is particularly forbidden for any person to use the Foundation's funds where the authorisation has not been given, as is the case with creating and holding funds, whether in Italy or abroad, where these are not shown in the official accounts.

Employees of the Teatro alla Scala Foundation who should become aware of omissions, falsifications or oversights in the accounts or in the supporting documentation are obliged to report this to their superior promptly. If the notification should not have any outcome, or if the employee should not be at ease making the notification to his or her direct superior, the employee must advise the Supervisory Body.

Employees of the Foundation are obliged to guarantee the utmost cooperation and transparency in any relations they are called upon to maintain with the Board of Auditors, the Auditing company and the Court of Auditors regarding the inspection activities which they conduct.

## **10. METHODS AND IMPLEMENTATION OF THE CODE OF ETHICS**

### **10.1 The Supervisory Body in compliance with Article 6, Legislative Decree no.231/2001**

All recipients of the Foundation's Code may notify the Foundation's Supervisory Body, in writing and in anonymous form or using the appropriate confidential information channels, of any violation or suspected violation of the Code of Ethics. The Body will undertake to analyse the notification and, if applicable, it will discuss it with both the author and the person responsible for the alleged violation.

The Supervisory Body is in fact responsible for the following tasks, amongst others:

- conducting periodic checks to ensure the Code is applied and respected;
- verifying the content of the Code, in order to indicate any needs that arise to bring it into line with changes in the law;
- undertaking to distribute the Code;
- submitting amendments and additions for the Code to the administrative body;
- receiving notifications of violations of the Code, and conducting the relevant investigations;
- guaranteeing and assisting those that report any conduct which does not comply with the Code, protecting them against pressure, interference, intimidation and retaliation;
- drafting an annual report on the work done, to be submitted to the administrative body.

Revisions of the Code are approved by the Board of Directors by proposal of the Chairperson after he or she has heard the opinion of the Supervisory Body. Proposals are drafted taking into account the evaluation made by the stakeholders regarding the principles and contents of the Code, and may also promote its active contribution and raise any areas in which it is lacking.

All of the Foundation's employees and service providers are obliged to cooperate with the Supervisory Body. If required they must supply the company documentation necessary for carrying out its work.

In the event that doubt should be cast on the lawfulness of a given conduct, on its unethical values or its violation of the Code, the recipient may refer to his or her superior, and/or the Supervisory Body.

Notification of any unlawful acts by the recipients must be made in written form. In addition to being forwarded through the hierarchy, it may also be sent to the Supervisory Body by sending the communication via email or internal mail. For all practical purposes, the Supervisory Body will be obliged to assess any anonymous notifications as well. Notifications regarding any violations of the Supervisory Body may be addressed to the Board of Directors so that the latter can appoint one of its members to carry out the enquiries deemed necessary and/or suitable. The strictest confidentiality will be maintained regarding any notifications received.

## **10.2 Distribution of the Code of Ethics**

The Supervisory Body shall undertake to distribute this Code to the recipients using the following methods:

- transmission via email and/or fax and/or post and/or hand delivery to the members of the Foundation's organisations, and on an ongoing basis to employees and service providers (indicating that the Code is to be considered as binding for all employees) who shall sign the relevant declaration;
- publication on the website and availability on the company network;
- being displayed in a place that is accessible to all employees and service providers, in accordance with and for the purposes of Article 7, paragraph 1 of law 300/1970;
- information sheet supplied to occasional service providers and suppliers informing them of the Code's existence;
- verifying that any contracts stipulated contain a clause that informs third parties of the existence of the Code.

## **10.3 Efficacy of the Code of Ethics and consequences of its violation**

It is obligatory for all to observe this Code and to ensure it is observed by others. Observance of the rules contained in this Code shall be considered an essential part of the contractual obligations of employees of the Foundation, in accordance with Article 2104 of the Civil Code, as well as the service providers of the above.

The violation of the above rules shall constitute non-compliance with the obligations resulting from the working relationship and/or a violation of primary obligations, and shall bear all legal consequences, not least with regard to the conservation of the working relationship.

The Foundation undertakes to stipulate and impose penalties with coherence, impartiality and uniformity. It shall apply penalties in proportion with the respective violations of the Code, and in compliance with the provisions in force governing labour relations.