

**POLIMODA**

**CODE OF  
ETHICAL  
CONDUCT**

# **CODE OF ETHICAL CONDUCT**

**Adopted by the Board of Directors  
of Polimoda on July 20, 2018**

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# 1. Introduction

The Polimoda Code of Ethics is the corporate deontological instrument which sets forth the principles and standards for behavior adopted by the Association for the purpose of creating the necessary conditions for correct application of the association policies and the association's supervisory system.

Furthermore, the Code of Ethics is an element of the Organization, Management, and Control Model adopted by Polimoda (hereinafter also "the Association") in accordance with Legislative Decree no. 231/Ol. Legislative Decree no. 231 of 8 June 2001 establishes that the Association may be held responsible for the crimes listed in the Decree and committed in the Association interest or for the benefit of, by persons holding representative, administrative, or executive positions at the Association (the so-called "apical" or senior subjects) and/or persons acting on orders from or under the supervision of any of the senior subjects.

Article 6 of the abovementioned Decree establishes that the Association shall not be responsible for any crime committed should it demonstrate that it has adopted and efficaciously implemented organization, management, and control models suitable for preventing crimes of the type committed and to have assigned to an Association body the task of conducting vigilance of the operation and the observance of said models. The term "Organization, Management, and Control Model" mentioned in the Article 6, § 1 a) of the above-cited Decree refers to a set of rules, the Code of Ethics as such, and the control/auditing instruments appropriate for providing the Association with an efficacious system of Organization, Management, and Control, the aim of which is to prevent criminally significant conducts.

## 2. Area of Application

The Code of Ethics constitutes the set of fundamental guidelines which must inform the activities of Polimoda and the conduct of its employees, including its managers and executives, collaborators (consultants, partners, and third parties in general having contractual relationships with the Association), the Directors and the Auditors (hereinafter collectively denominated "recipient subjects"), in order to ensure the good operation, reliability, and integrity of the Association.

The provisions laid down by the Code of Ethics constitute an essential part of the contractual obligations of the personnel in accordance with and to all effects of Articles 2104 and 2105<sup>1</sup> of the Italian Civil Code.

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1. Article 2104 C.C. reads: "Employee Diligence – An employee must use the diligence required by the task to be performed, in the best interest of the company and of the higher interest of national production. He/she must also comply with the instructions and rules laid down by the employer and by and by the collaborators of the latter, his/her superiors for the execution of his/her tasks." Article 2105 instead sets the duty of employee loyalty: "An employee must not conduct business, on his/her own behalf or on behalf of third parties, nor publish information concerning the company's organization and production methods, or make use of same in a manner such as to prejudice the company."

From the disciplinary point of view, Polimoda, in accordance with the law, will assess any conduct contrary to the principles laid down by the Code of Ethics and will apply, in accordance with the law, the Workers' Statute, the national collective contract for the personnel of educational and training institutes managed by institutions and by private subjects, and the integrative company contract, the sanctions provided by the disciplinary system adopted by the Association.

## **3. Vision and Mission**

### **3.1 Vision**

Polimoda is an international institute which organizes highly-qualified specialized courses in the sector of fashion, with the aim of ensuring rapid insertion of its graduates in companies from the fashion sector.

The awareness of dealing with a world such as that of fashion, characterized in the first place by the dynamic nature and changeability of tastes and styles, has led Polimoda to continually update the technical/cultural contents of its training courses and the services offered to students and companies; this stance makes it possible for Polimoda to continually improve its position and to increase the added value transferred to its customers.

### **3.2 Mission**

The Association works to maintain standards of sector excellence and to ensure constant improvement in order to progressively develop its activity and increase its visibility and its presence on the national and international territories.

The Association operates in observance of the principles of ethical conduct and good business practice and, aware of expediting a social function, contributes to the professional growth of its employees and associates, transferring elements of economic and civic progress to the community and the territory in which it operates. The association responds, with transparency, competence, and completeness, to the needs of all the stakeholders (operators, managers, partners, suppliers, shareholders, and the public administration) and produces value for its customers and workers in a manner consistent with its vision and with the principles of responsibility, transparency, loyalty, and respect for the individual.

## **4. Values**

### **4.1 Observance of Laws and Regulations**

One unavoidable Association principle is respect for all laws and applicable regulations in force and the sector to which it belongs in addition to, of course, the formalized internal self-regulating instruments. Every member of the Polimoda organization, including the managers and executives, must therefore act in compliance with this principle.

This duty is extended to consultants, collaborators, suppliers, customers, partners, and any other subject having relations with the Association, even if not expressly mentioned and referred to in the Code of Ethics.

The Association acknowledges the considerable importance and value of the principles of democratic governance and freedom of political determination on which national government is based.

The Association acts to prevent any conduct which may constitute, or be linked to, acts of terrorism or subversion of the democratic order of the State, or which may constitute or be linked to transnational crimes related to, by way of example, criminal conspiracy, Mafia-related or otherwise, or to aiding and abetting.

Polimoda firmly opposes the execution of any usage, substitution, transfer of money, goods, and other utilities deriving from commission of intentional crime, into economic, financial, entrepreneurial or speculative activities, prohibiting employees, including managerial staff, members of governing bodies, and all collaborators to carry out or cooperate with activity linked to money laundering, self-laundering, receiving and/or using money, goods, and other utilities of illicit origin.

Any employee or any other subject who, when carrying out his/her functions, should become aware of commission of any of the acts or the types of conduct listed above is required to immediately notify his/her superiors and the Supervisory Body (Italian: Organismo di Vigilanza).

## **4.2 Respect for the Personality of the Individual**

The Association recognizes safeguarding the physical safety, freedoms, and personality of the individuals as a primary value. Accordingly, in carrying on its activities, the Association eschews any activity which may pose a risk to these fundamental rights.

In detail, the Association forbids:

- distributing or revealing data/information which may be used for solicitation or sexual exploitation of any individual of any sex, origin, class, cultural, religious background etc...;
- exploiting anyone (minor or adult) for the realization of pornographic acts or the production of pornographic material, including for the purposes of sale, distribution – including free of charge – and dissemination by any means, including electronically;
- Procuring knowingly or making available any pornographic material produced through exploitation of any individual;
- organizing or promoting trips and/or events the purpose of which is to exploit prostitution to the detriment of any individual or which include said activities;
- taking into account conduct involving physical acts and/or verbal pronouncements that could be considered to be harassment or sexual harassment, with particular regard to Polimoda students who may have a different sensibility based on their cultural and geographical origins; with reference, in particular, to acts that potentially infringe personal freedom and dignity.



Whomsoever during conduct of his/her activities should become aware of commission of any of the acts or the types of conduct listed above is required to immediately notify his/her superiors and the Supervisory Body.

### **4.3 Correctness and Honesty**

Polimoda operates in respect of professional ethics and its internal codes/ self-regulation instruments. The pursuit of the interests of the Association may never justify conduct contrary to the principles of correctness and honesty; for this reason, the company rejects any form of benefit or gift, whether offered or received, which may be understood as an instrument for influencing the independent judgment and/or conduct of the parties involved.

Commercial courtesies and other entertainment expenses are permitted if the same are within limits such as to not compromise the integrity and ethical/professional correctness of the parties and, in any case, only so long as they may be considered "usual" in terms of frequency and modest value.

### **4.4 Impartiality**

Polimoda operates in full respect of the principle of good faith and with impartiality in the exercise of its activity, and likewise makes use of a company composition and an organizational structure such as to guarantee the principle of free judgment and the absence of any commercial and/or financial interest such as to determine conduct favoring one or another party, preferential treatment, and/or disparity of treatment.

In its relations with all contractual counterparts, the Association eschews any and all discrimination based on age, racial and/or ethnic origin, nationality, political and union affiliations, religious beliefs, gender, sexual orientation, and/or the state of health of its interlocutors.

### **4.5 Confidentiality**

The association guarantees the confidentiality of information in its possession in compliance with the provisions of the law.

The company employees, including managers and executives, the members of the governing bodies, and all the other collaborators, consultants, partners, etc. are required to treat as strictly reserved the information and data acquired and processed within their professional realm of activity or collaboration with Polimoda.

In detail, the information, data, and knowledge which is acquired and processed must remain strictly confidential and be suitably protected and may not be used for purposes not linked to the conduct of their professional/business activity, and may not be communicated or divulged, whether inside or outside of the association, except in accordance with the pertinent laws in force and with company procedures. By way of example and by no way of limitation the categories of information and data to be treated as confidential may be said to include: data relative to personnel, customers, students, suppliers, users, and in general all data defined as "personal"

according to GDPR (General Data Protection Regulation) n. 679/2016, with particular attention to data defined by law as special and/or judicial proceedings (where acquired); company performance and/or productivity parameters; internal agreements, commercial agreements and contracts, and other institutional documents; the know-how relative to course programming and to development and marketing of training and other related services.

## **4.6 Conflicts of Interest**

A conflict of interest is defined as a situation in which the personal interest of an individual interferes or conflicts or even contrasts with or is in opposition to the interests of Polimoda, to which the individual has specific obligations, duties and responsibilities. A conflict may regard interests of all types, both financial and non-financial.

In order to prevent situations of real or even only potential conflict, all employees, consultants, collaborators, suppliers, partners and anyone who has a relationship with the Association is required to avoid taking up positions and carrying out activities that by their nature are likely to create a conflict with the interests of Polimoda or that may interfere with both their ability to make, in an impartial way, the best decisions, and their behaviour in order to achieve results that are in the best interests of Polimoda, in compliance with the principles of and that provided for in this Code of Ethics, and the contractual and legal obligations assumed toward Polimoda. To the same end employees, consultants, collaborators, suppliers, partners and anyone who has a relationship with the Association is obliged to report conflicts of interest that arise between their personal and family financial activities and the position held or tasks undertaken at the Association and conflicts of interest between the tasks covered at the Association and the interests of their spouse, partner, relatives and kin up to second degree, people they frequent habitually, with whom a case is pending or they have serious enmity or significant financial or corporate relations.

In all cases of conflict of interest, real or even only potential, employees, consultants, collaborators, suppliers, partners and anyone who has a relationship with the Association concerned must abstain from the activities connected to their position or tasks.

Any situation that may constitute or determine, or which has in fact already constituted and determined a conflict of interest, must also be promptly communicated to the hierarchical superior or the governing bodies of the Association responsible for safeguarding the transparency and appropriateness of behaviours and decisions in carrying out Polimoda activities, including ensuring that the individual involved ceases to be involved in these activities. The notification must be made in writing to the hierarchical superior or to the competent body. If the conflict of interest concerns an area manager, the decision is taken by the president and/or the vice president; if it concerns the president and/or the vice president, by the chairman of the Association or in his absence, by his deputy.

The following may constitute examples of conflict of interest:

- If the individual, his relatives or similar up to second degree or live-in partners, have financial interests in parties (companies, associations, other entities) Polimoda suppliers, customers, third parties in general, competitors, or hold administrative or management positions with these subjects, or work for them;
- If the individual has to make decisions or carry out activities in the context of the selection and recruitment of staff and assignment of professional positions to Polimoda consultants and collaborators;
- If the individual uses his position at Polimoda or information or business opportunities acquired in the exercise of his functions to undue advantage to himself or third parties;

As a result of a complaint received in any form by the governing bodies of the Association from an employee, collaborator or other party aware of the situation of conflict of interest, Polimoda will initiate an informal procedure to deal with the conflict of interest, assuming the most appropriate actions to check the validity of the complaint and safeguard the transparency and appropriateness of behaviours and decisions in carrying out Polimoda activities. The informal procedure neither replaces nor prevents the initiation of formal complaints to the competent judicial authorities, nor the opening of sanctions procedures and the adoption of disciplinary measures.

Persons who have for whatever reason knowledge of a situation of conflict of interest must maintain the utmost discretion regarding any fact or circumstance but they are required to denounce what happened to the hierarchical superior or to the governing bodies of the Association when the situation of conflict of interests, permanent, repeated over time or even only occasional, appears to be evident and irreconcilable, as well as to testify if they have knowledge of the facts.

## **4.7 Environmental Protection**

The Association is aware of the incidence of its activities on economic/social development and on quality of life in the reference territory. For this reason, when carrying on its activities, Polimoda is committed to strict respect of all the applicable environmental legislation and regulations of this sector, safeguarding the surrounding environment and contributing to sustainable development of the territory.

To this end, when promoting, planning or entrusting to a third party building maintenance and/or service or management of activities which create an environmental impact and/or refuse disposal issues, the Association undertakes to verify the technical and professional qualifications of the suppliers. The Association will include the appropriate contractual clauses obliging the supplier to respect all applicable environmental protection regulations and procedures in keeping with the ethical principles defined by Polimoda

The Association guarantees in all cases the recognition and creation of specific roles and functions which assure the technical competence and necessary authority to verify, evaluate, manage and control the risks to the environment.

## **4.8 Diligence and Good Faith**

Every employee and collaborator of the Association must act loyally and in good faith, conducting his/her activities in accordance with the principles of correctness and integrity and respecting the duties he/she has accepted by contract. Each of said subjects must also be informed of and observe the contents of this Code of Ethics and ensure that his/her conduct is aligned with the principles of respect, cooperation, and reciprocal collaboration.

## **4.9 Documentation of Activities**

All the activities, actions, transactions, and operations relative to the Association must be:

- carried on in respect of the laws in force, of maximum managerial correctness, of completeness and transparency of information, of formal and substantial legitimacy, and in such a manner as to ensure the same can be adequately tracked and documented.
- carried on in respect of the instructions, the procedures, and the communications imparted and within the limits of any proxies received, related responsibilities and of the budgets approved by management, and must, moreover, be legitimate, coherent, and congruous.

It is the duty of subjects who should learn of any omissions, alterations, or falsifications of documents, communications, promotion, accounting entries and/or relative supporting documentation to inform their direct superior or the responsible party for the Association department and Supervisory Body with all due haste.

## **4.10 Competition**

The Association believes in free and fair competition and directs its actions toward obtaining competitive and respectful results that reward capability, experience, and efficiency.

Polimoda and its collaborators must adopt correct behavior in business dealings of interest to the Association and in relations with the public administration.

Employees (including managers and executives) and collaborators are prohibited from entertaining relations with or supplying information to other companies if said relations/information could cause damage and/or prejudice to Polimoda.

Any and all actions which could alter the conditions for correct competition is contrary to the Association policy and all subjects acting on behalf of/with the Association are prohibited from taking such actions.

Association interests may in no case justify conduct in violation of the laws in force and/or not conformant with the rules set forth in this Code of Ethics.

In all communications with foreign countries (including with the mass media, social networks, promotional campaigns, etc...) any information provided regarding the Association and its activities must be truthful, clearly stated, and verifiable.

## **4.11 Copyright and industrial property protection**

In carrying out its activities Polimoda avoids any situation in contrast or violation of copyrights or industrial property rights of third parties, condemning any form of counterfeit or usurpation of authentication instruments or signs of authentication, certification or recognition, brands, distinguishing labels, patents, designs or models and calling on all those operating in the interest of the Association to respect the relevant legislation.

Polimoda also condemns reproduction of software, photographs, images, soundtracks or audiovisual compositions as well as any type of copyright works outside of those previously authorized by licensed agreements.

## **4.12 Harassment and abuse**

Reference is made to all acts that potentially infringe on personal freedom and dignity.

Reference is made in particular to sexual harassment or any physical conduct and/or verbal pronouncement with a sexual connotation, which infringes the freedom of the individual or his personality. Harassment is defined as such depending on the sensitivity of the individual victim and whether they perceive the behaviour as infringing their dignity, morality and personal freedom, and is, in any case, undesirable and improper. Sexual harassment is considered to be more serious when made possible or endorsed by the relationship between the individuals involved, such that the person who suffers the harassment is in a situation of inferiority and psychological subjection, as for example between an employee and a superior or between a student and a teacher.

Sexual harassment is also considered to be more serious if the motive is related to staff recruitment, keeping a job, the granting of benefits, promotions and favours of all kinds, judgement of merit and the passing of examinations, access to Polimoda services and curricular and extra-curricular activities.

The following may constitute examples of sexual harassment:

- Sexist or discriminatory behaviours and verbal observations on a person's sexual orientation, characterized by an offensive, hostile attitude, blame, impudence;
- Behaviour that is inappropriate to the time and place, aimed at provoking or obtaining undesired physical contact;
- The proposal of or request for sexual acts is compounded if accompanied by a threat of sanctions or prejudicial consequences or the granting of favours or benefits in the context of study, work or career;
- The exhibition of pornographic material or material with sexual content inappropriate to the context of time and place;
- The adoption of evaluation of merit criteria and behaviour based on a distinction between the sexes or the adoption of sexist criteria in interpersonal relations with other individuals operating within the Polimoda context.

Upon receipt of a complaint in any form by the management from a student or by the governing bodies of the Association from an employee, collaborator or another party complaining of harassment or sexual harassment, Polimoda will initiate an informal procedure to deal with the case, assuming the most appropriate ways to check the validity of the complaint and to put an end to the harassment. The informal procedure neither replaces nor prevents the initiation of a formal complaint to the competent judicial authorities, nor the opening of sanctions procedures and the adoption of disciplinary measures.

The parties involved in cases of sexual harassment or parties who have for whatever reason come to know of these cases must maintain the utmost discretion regarding any fact or circumstance but they will be required to denounce what happened to the management or to the governing bodies of the Association, as well as testify to the facts they have knowledge of.

### **4.13 Drug Use**

It is understood that anyone who has dealings with the Association and carries out their activities on the premises of the same knows and understands the legislation on drug use and in particular the limits within which the use of narcotic drugs is allowed by law. Polimoda considers the use of narcotic substances or any substance capable of altering the psychophysical state of persons to be detrimental to the working environment, to the health of persons and to the image of Polimoda and, therefore, all employees, consultants, collaborators, suppliers, partners and anyone who has a relationship with the Association are prohibited from using drugs.

The following may constitute examples of prohibited use of narcotic substances:

- The consumption of drugs on the premises of the Association and/or during working hours or while carrying out Polimoda activities. Such behaviour will be aggravated if someone else is forced to suffer passive smoking.
- The carrying out of activities for Polimoda under the influence of narcotic substances even if consumed off the premises of the Association and/or outside of working hours or when not carrying out Polimoda activities;
- The sale or purchase of narcotic substances, both on and off Polimoda premises, both during and outside of working hours or when carrying out or not carrying out Polimoda activities. The sale of narcotic substances will be aggravated if perpetrated by a teacher or an employee against a student.

As a result of a complaint received in any form by the management or the governing bodies of the Association from a student or employee, collaborator or other parties lamenting having suffered passive smoking or the trafficking of narcotic substances on the premises of the Association and/or during working hours or the carrying out of Polimoda activities, the Association will initiate an informal procedure to deal with the case of drug use, assuming the most appropriate methods to check the validity of the complaint and put an end to the behaviour. The informal procedure neither replaces nor prevents the initiation of formal complaints to the competent judicial authorities, nor the opening of sanctions procedures and the adoption of disciplinary measures.

The parties involved in cases of drug use or parties who have for whatever reason come to know of these cases must maintain the utmost discretion regarding any fact or circumstance, but they will be required to denounce what happened to management or the governing bodies of the Association, as well as testify to the facts they have knowledge of.

## **4.14 Whistleblowing**

### **Introduction**

Polimoda is firmly committed to fostering transparency, legality and the enhancement of the skills and capabilities of the people who work there. The following objectives regard the reporting of illicit behaviour:

- to promote a healthy work environment characterized by a sense of belonging and legality by protecting the employee or person treated as such of the Association who reports illicit behaviour which has come to their knowledge by reason of the employment relationship;
- to implement Law no. 179 of 30 November 2017, (provisions for the protection of persons who report offences or irregularities that have come to their knowledge in the context of a public or private employment relationship) which invites private bodies to adopt regulations that allow employees or persons treated as such to report events, actions, irregularities and violations of internal regulations in the application of Article 6 paragraph 2 bis of Legislative Decree no. 231/2001;
- to allow the subjects of the administration model to submit, in order to protect the integrity of the Association, detailed reports of illicit behaviour, relevant for the purposes of Legislative Decree no. 231/2001 and based on precise and consistent facts or violations of the Polimoda administration and management model, which have come to their knowledge by reason of functions performed; said channels will ensure the confidentiality of the identity of the whistleblower in the management of the notification.

In this perspective and with the intention of implementing the provisions of the regulations, precise types of operational behaviour aimed at protecting the Polimoda employee or person treated as such who reports any illicit behaviour have been identified.

### **Subject of the notification**

Given that there is not a list of illicit behaviour serving as an example it should be noted that the notification may relate to actions or omissions committed or attempted or, alternatively, are:

- a) subject to prosecution;
- b) carried out in violation of the code of conduct or other provisions of the Association and subject to disciplinary action;
- c) likely to cause financial detriment to Polimoda;
- d) likely to cause damage to the image of Polimoda;

e) likely to cause damage to the health or safety of employees or persons treated as such, collaborators, students, visitors etc..., and/or cause damage to the environment.

### **Mode of notification**

Notification may be carried out in the following ways:

- by uploading the notification to the appropriate platform, which will be accessible from the Polimoda website and will be accessed exclusively by the management and/or the authorized party or parties.

### **Prohibition of discrimination**

No form of retaliation or discriminatory measure against the employee or person treated as such who makes the notification will be tolerated. Discriminatory measures include disciplinary measures, harassment or retaliation that determine unacceptable working conditions, dismissal etc.

The employee or person treated as such who considers himself to be the subject of discriminatory measures following a notification may inform the management who will, if confirmed, restore normal working/collaboration conditions.

## **5. Company Governance**

### **5.1 Premise**

The governance system targets guaranteeing responsible conduct of activity and transparency toward third parties, employees (including managers and executives), collaborators, shareholders, and the market in general, in pursuing the aims of the Association.

The members of the Association bodies must carry on their activity in light of the principles of correctness and integrity, and must refrain from acting in situations of conflict of interest when conducting their activities related to the tasks expedited by them at Polimoda.

The members of the Association bodies are also required to observe the guidelines supplied by the association when pursuing their relations, on behalf of the association, with the public institutions and with any and all private subjects.

Of said members, the Association requests assiduous and informed participation in the company activities; the members must make only confidential use of the information to which they may become party in their official capacities and may not take advantage of their positions for personal gain or advantage, either direct or indirect. The members of the Association bodies are required to observe the laws in force and the principles set forth in this Code of Ethics.



## **5.2 Internal Audit**

Given its activities and organizational complexity, Polimoda adopts a system of delegation of powers and functions, which in explicit and specific terms calls for attribution of various tasks to persons of appropriate capabilities, competence, and organizational position and for this reason maintains an organizational chart constantly updated with positions and responsibilities.

In accordance with the laws in force and in the perspective of planning and management of activities in the pursuit of efficiency, correctness, and transparency, the Association adopts organizational and management-related measures appropriate for forestalling illicit conduct or in any case conduct contrary to the rules laid down in this Code.

The Association has implemented an Organization, Management, and Control Model in accordance with Legislative Decree no. 231/2001, which sets forth suitable measures for guaranteeing that activities will be conducted in observance of the law and the rules of conduct set forth in this Code.

## **5.3 Organizational Principles**

The services deriving from Polimoda activities possess the requirements set by the company management system, as prescribed by the relative standards.

Besides the internal audit system applicable to the phases involving planning and delivery of the training courses and of all services, a focal element is the guarantee that the controls themselves and the relative decisions are implemented “in a regime of insurance and adequacy.”

### **5.3.1 Conduct of Company Operations and Commercial Transactions**

Every operation and/or transaction, understood in the broadest sense of the term, must be legitimate, authorized, coherent, congruous, documented, registered, and verifiable at all times.

Collaborators/associates are required to observe Association operating procedures and the protocols laid down for overseeing formation and implementation of company decisions.

The procedures which regulate the operations must be such as to permit auditing/checking the characteristics of each transaction, the motivations which permitted its execution, the authorizations for conducting the operation, and the execution of the operation itself.

Each subject who conducts operations and/or transactions the object of which is sums of money, goods, and/or any other economically quantifiable utility belonging to the Association must act upon specific authorization and, whenever so requested, provide evidence valid for verification at any time.

Each manager/employee/collaborator and similar shall be responsible for the truthfulness, authenticity, and originality of the documentation and of the information provided during execution of the activities of his/her competence.

In order to guarantee respect of the principles set forth above, in the broadest

sense of prevention of the crimes listed in Legislative Decree no. 231/2001, as subsequently amended and supplemented, all the operations and transactions brought into being by the employees (including managers and executives), the members of the Association governing bodies, and the collaborators, during conduct of their activities, must be aligned with the following general principles:

- traceability: it must be possible to reconstruct the formation of the documents and of the information and documentary sources used in support of the activity carried out, for the purpose of guaranteeing the transparency of the decisions taken. The Association must ensure that every operation and transaction is verifiable and suitably documented, as well as its coherency and congruity. To this end, the reconstruction of the activity and the related deliberative process must be guaranteed via adequate documental support on which controls may be conducted at any moment. It is therefore advisable that the following be easily verifiable for each operation: the person who authorized the operation, the person who materially conducted it and the person who conducted control on the same.
- division of responsibilities: there must not exist subjective identity between those on the one hand, who make and implement decisions, and those, on the other hand who must provide accounting evidence of the operations decided upon, and whose task it is to conduct the controls provided by law and contemplated by the internal audit system.
- powers of signature and authorization: there must exist formal rules governing the exercise of the powers of signature and authorization internal to the company. It is also necessary that:
  - no one be attributed unlimited powers;
  - the powers and the responsibilities be clearly defined and known within the organization;
  - the powers of authorization and signature be coherent with the organizational responsibilities assigned.
- filing/conservation of documents: the documents regarding the activity must be filed and kept by the competent office/department in such a manner as to not permit any later modification without appropriate evidence thereof.
- confidentiality: access to the filed documents mentioned above must be motivated and is permitted only to subjects defined as competent by the law and internal regulations;
- reporting system: the subjects who carry out the various activities must be answerable for their work to their managers as well as to the management;
- monitoring: the activity carried out must be monitored; said monitoring must in turn be appropriately documented and tracked.

### **5.3.2 Administrative and Document Control**

Polimoda has the precise duty to record information of an administrative, economic, and financial character in its files and to preserve same therein.

Those entrusted with keeping the accounting records are required to make each entry accurately, completely, truthfully, and transparently and in such a manner

as to permit verification by any other subjects, internal and external, charged with said task.

The recording and reporting criteria must be coherent the ones with the others in such a manner as to provide a uniform basis for assessment, management, and communication of the operations conducted by the company.

Polimoda has laid down specific duties as points of reference for the above-mentioned principles:

- When carrying out the assigned tasks, observe the provisions of the law, the Code of Ethics, and the accounting, reporting, and control procedures established by Management;
- Draft and file all documents precisely, in good time, and in full. Fill in documents with all the data and/or information which may in any manner influence the decisions taken by Polimoda;
- Before signing any document, check that the information contained therein is truthful, correct, complete, and compliant with the provisions of applicable current law;
- Before committing Polimoda to any business operation or referring information of and administrative of financial nature, be certain to obtain all the necessary authorizations;
- Keep all documents, including the information kept by the Association on electronic supports, in a safe place;
- Aid the internal auditing bodies and any other person/s authorized to access the documentation of their competence and provide said subjects with accurate and complete information.

### **5.3.3 Purchase of Goods and Services**

Subjects who conduct any purchase of goods and/or services, including external consultancy and collaborations, must always act in observance of the principles of correctness, economy, quality, and lawfulness, operating with all due diligence as well as avoiding any conflict of interests.

When carrying on its activities, the Association and the entire organisation shall apply normal professional diligence, refraining from accepting, concealing, and/or substituting money, goods, or other utilities of illicit origin.

Furthermore, the Association must be involved and/or become involved in circumstances and situations affected by any offence.

### **5.3.4 Manners of Collection and Payment**

Collections and payments must always be made by bank transfer and/or bank check. Collections and payments made in cash must always be documented and respect the limit cash payment anti-fraud law in force at the time.

## **6. Relations with Personnel**

### **6.1 Premise**

The Association acknowledges the value of human resources, respect for their independence, and the importance of their participation in Polimoda's activities.

Management of the working relationship is oriented toward promoting professional growth and development of the competencies/skills of each employee/collaborator/person treated as such, even in relation to application of incentives.

Any discrimination on the basis of race, union or political affiliation, gender, social/familiar condition, nationality, religion, and/or language in hiring, remuneration, promotion, and/or layoff is expressly prohibited, as is any form of favoritism.

### **6.2 Safeguarding Individuals**

The Association is committed to guaranteeing respect of the conditions necessary for the existence of a collaborative and non-hostile working environment and to preventing discriminatory conduct of any type.

All subjects are required to collaborate in order to maintain a climate of reciprocal respect for the dignity, honor, and reputation of each individual.

### **6.3 Selection and Hiring of Personnel**

Without prejudice to the duties deriving from the laws in force, selection of personnel is subordinate to verification of that the candidates fully meet the requirements of the professional profiles requested by Polimoda, in respect of equal opportunities for the interested subjects.

Within the limits imposed by the information available to it, the Association will adopt appropriate measures to avoid favoritism, nepotism, and any form of client-ship or patronage during selection and hiring of personnel.

The hiring of staff is conducted in conformity with standard labor/collaboration/similar contracts; any and all forms of working/collaboration relationships which are non-conformant or in any way elusive of the applicable laws in force are inadmissible.

### **6.4 Employment of workers without regular permit of stay**

Polimoda adheres to the unbreakable principal of employing only those in compliance with the regulations regarding immigration. In consideration of this, all recipients of this Code of Ethics document must proceed as follows:

- Do not employ human resources in breach of the regulations in force pertaining to permit of stay and/or are not able to present a valid permit of stay document
- Request (even in adhering to this Code) all suppliers called upon to provide services or work, according to the disposition and regulations adopted by the Association, to employ only persons in good standing with regards to the regulations

in force pertaining to permit of stay and/or are able to present a valid permit of stay document

## **6.5 Duties of Personnel**

The personnel is committed to observing the duties set forth in the Code of Ethics and must, when carrying out their tasks, observe the law and conduct themselves in accordance with the ethical principles of diligence, good faith, integrity, correctness, and loyalty and all the principles set forth in this Code.

## **6.6 Competition and Negative Publicity**

Employees (including managers and executives), the components of the Association governing bodies, and all collaborators are prohibited from conducting relations with or providing information to other companies which might cause damage or prejudice to Polimoda.

Association employees (including managers and executives) may not provide consultancy, studies, and/or collaboration to sector operators, for or without remuneration, unless expressly authorized by the Association, which in any case reserves the right to evaluate any proposed work in terms of possible incompatibility, as prescribed by applicable law and regulations.

## **6.7 Gifts, Commercial Courtesies, and Other Utilities**

Employees may not request, for themselves or others, any gifts or other utilities, nor accept same, unless said items are of modest value and/or conformant with normal business practice and courtesy, from any subject who has or who could potentially derive benefits from the Association activity.

Likewise, employees may not offer gifts or other utilities to any subject from whom they may receive favorable treatment in conduct of any activity which may be linked to that of the Association.

## **6.8 Privacy Protection**

The Association protects the privacy of its employees, collaborators, students, users, etc... (that is stakeholders) in accordance with the applicable laws in force and is committed to not communicating or publishing, except as required by law or permissions specially obtained by the parties themselves, any personal data without the prior consent of the interested party.

Acquisition, processing, and storage of said information is conducted in accordance with specific procedures designed to guarantee full observance of the personal privacy protection laws and to guarantee that unauthorized persons may not access said information.

## **6.9 Privacy and marketing activities**

Polimoda undertakes to perform any commercial action and/or initiative in absolute

respect of the requirements relating to the protection of personal data. For this purpose practices and adequate procedures are foreseen to ensure the carrying out of promotional activities in respect of the freedom of choice of individuals and related laws and/or regulations.

## **6.10 Duty to Provide Information**

All employees (including managers and executives) have the duty to report, also with reference to the whistleblowing normative, in a timely manner and confidentially, to their department head and/or to the Supervisory Body, any information of which they may have become aware during conduct of their working activities concerning violations of laws, of the Code of Ethics, and/or of other company rules and regulations which may in any manner affect the Association.

The office heads are responsible for conducting vigilance over the work of their employees and must constantly report on the aforesaid violations in a timely manner to the Direction of the Association and the Supervisory Body.

## **6.11 Use of Computer and Telematics Systems**

Maintaining a good level of computer safety is essential for protecting the information used daily by the Association and is vital for efficacious development of institutional business policies and strategies.

Use of the computerized IT and telematics tools and services assigned by the Association must come about in full respect of the pertinent laws in force (and in particular as regards computer-related crime, computer security, privacy, and author's rights) and of the in-house procedures/practice (for example, the Activity Log of the data processed pursuant to GDPR no. 679/2016 and attached annexes concerning privacy, and the Polimoda Regulations for the utilization of technological equipment not belonging to Polimoda) which are understood to constitute integral parts of this document.

With respect to use of computerized (IT) systems, each employee/collaborators/person treated as such is held responsible for the security of the system/s he/she uses and is subject to the pertinent laws in force and to the conditions of the license contract/s and to the aforesaid Regulations.

Without prejudice the provisions of the pertinent civil and criminal laws, use of on-line connections for reasons not inherent to company business and/or for sending offensive messages or messages which may cause damage to the Association image constitutes improper use of company assets and resources.

Employees (including managers and executives) and collaborators accordingly agree not to use such IT systems and equipment such as software and passwords and likewise any other information/equipment which may come to their knowledge for work-related purposes, for private interests or ends.

The provisions set forth in the points below are applicable to all Polimoda collaborators and teaching personnel.

### **6.II.1 Use of Personal Computers, Mobile Communications Systems, and Other Devices**

In order to avoid the risk of altering the stability of the computer applications, every employee (including managers and executives) of the Association:

- shall not be permitted to install programs of any type unless expressly authorized by the IT Manager;
- shall not be permitted to use programs not officially distributed by the IT Manager;
- shall not be permitted to use software e/o hardware devices which aims to intercept, falsify, alter or destroy the contents of communications or electronic documents;
- shall not be permitted to modify the preset configurations of their PCs nor to install their own communications devices (e.g., modems) on any company IT device;
- shall not be permitted to download files having no pertinence to their working activities from magnetic/optical supports.

### **6.II.2 Use of the Company IT/Communications Network**

The network units are areas for sharing strictly professional information and may never be used for different purposes.

The Association reserves the faculty to proceed with removal of any file and/or application which is deemed dangerous for the security of the system and/or acquired or installed in violation of this Code.

### **6.II.3 Use of Internet and the Relative Internet Navigation Services**

The following applies to all employees (including managers and executives)

- Navigating to sites not pertinent to expediting the assigned tasks is not allowed.
- Downloading freeware or shareware software is not allowed unless previously authorized by the IT Manager.
- Registering to website not pertinent to expediting the assigned tasks is not allowed.
- Participating for non-professional reasons in forums, use of chat lines, electronic bulletin boards, or guest book registrations, even under nicknames, is prohibited.
- Saving electronic documents of a nature considered scandalous and/or discriminatory on the basis of gender, language, religion, race, ethnic origin, opinion, and/or political and/or union affiliation is prohibited.
- In any case, linking to or otherwise accessing websites the contents of which may relate to crimes against individuals is in all cases strictly prohibited.

### **6.II.4 Electronic Mail**

Electronic mail is also a working tool. All employees (including managers and executives) who make use of the company IT systems should be aware of the fact that:

- sending or saving messages (in-house and external) the nature of which violates commonly-held moral principles and/or is discriminatory in terms of gender, language, religion, ethnic origin, and union and/or political affiliation or opinion is prohibited;
- use of the company electronic mail address for participating in debates or forums is prohibited.
- Use of the company electronic mail not pertinent to work activity and in particular to have private conversations not related to the contest of Polimoda activities is prohibited.

#### **6.11.5 Land lines/Mobile phones – Tablet/Smart Phones**

The Association communication devices, whether landline or mobile, maybe used only for working/professional purposes in a manner similar to that foreseen for the other instruments of communication and sharing.

## **7. Fundamental Principals applying to managing relationships with private entities**

As well as relations with persons belonging to Public Administration, the Association undertakes to oppose corruption also when dealing with private sector companies and other private legal entities. With this in consideration, Polimoda has established relative rules of conduct in order to prevent this “predicate offence”, also identifying, within the framework of management processes, specific activities at risk which could be instrumental to the commissions of such offence, by managerial staff and/or employees. For further information regarding these rules of conduct refer to Polimoda Organisational Model 23I and its relative control protocols, approved by the Association board of directors.

Polimoda reiterates the resolute prohibition of the following behaviors, herewith mentioned for illustrative, yet incomplete purposes:

- a. declare false expenses, or expenses superior to those actually sustained in order to create concealed funds for the purpose of paying off, or promising funds to administrators, directors and managers assigned to the drafting of accounting documents, auditors or liquidators of private companies or to persons subjected to the management or the supervision of any of the persons previously mentioned, with the purpose of enabling the commission or omission by the aforesaid individuals of actions in violation of obligations inherent to their office or obligations of allegiance, causing harm to the company to which they belong.
- b. purchase goods or services destined to be bestowed upon persons of senior positions of private companies/organisations or upon persons subjected to their management or supervision, with the intent to obtain from these persons disloyal and conducts and economically disadvantageous for the companies they belong to.
- c. Give or promise funds or other benefits to persons of senior positions or to persons subjected to their management or supervision, with the intent to obtain by the-



man advantage for the Association, by omitting actions, in violation of obligations inherent to their office or obligations of allegiance, causing harm to the company to which they belong.

In conclusion, as a further measure, Polimoda requests all suppliers and partners to commit to respecting the above listed regulations and principals, when involved in computing of activities at risk, destined to have a potential impact in relation to the commission of this predicate offence.

## **7.1 Relations with Suppliers**

Polimoda's relations with its suppliers are inspired by the principles of legality, loyalty, and efficiency. The association therefore acts in such a manner as to:

- ensure observance of the laws and administrative regulations in force concerning relations with suppliers;
- not preclude the possibility of providing supplies to Polimoda to any company/professional studio/other body possessing the requirements for providing such supplies;
- evaluate suppliers' offers on the basis of technical competence, quality, professionalism, reliability, service, and economic factors, customer loyalty;
- urge its suppliers collaboration in order to ensure that Polimoda's needs, in terms of quality and delivery schedules, are met on a continuative basis in respect of freely agreed-upon rules;
- respect the license agreements and laws and regulations governing industrial property, including the provisions applicable to software;
- maintain a frank and open dialogue with suppliers, as dictated by good business practice;
- not personally participate in contests, competitions, or promotional initiatives launched by suppliers;
- require all employees and/or persons treated as such to inform his/her direct superiors in case they are offered gifts, the value of which is in excess of that dictated by simple commercial courtesy;
- not reveal any information which by decision of the association or by agreement with the supplier is considered confidential.

### **7.1.1 Professional Qualification and Collaboration**

The relationships established by the association with its suppliers are characterized by a high degree of professionalism and are based on timeliness and availability, mutual respect, courtesy, maximum collaboration, and observance of the pertinent laws and regulations.

### **7.1.2 Criteria for Supplier Selection and Management**

The criteria for selection of suppliers are based on correct business conduct and impartiality. Selection proceeds by evaluation of the quality and economic convenience of the services, of technical-professional suitability, of respect for the en-

vironment, and of social commitment, in accordance with the rules laid down by appropriate regulations and procedures.

When carrying on existing commercial relations or when establishing relations with new suppliers, on the basis of publicly-available information and/or available under the law, the association pledges:

- not to entertain relations with subjects implicated in illicit activities or with subjects not possessing the necessary requisites of commercial seriousness and reliability;
  - not to maintain financial and commercial relations with subjects who, even indirectly, hinder human development and contribute to violating basic human rights.
- The personnel adopts all the appropriate tools and precautions for guaranteeing transparency and correctness in business transactions. In particular, the following (non-exclusive) conduct is compulsory:
- The minimum established requirements required for selection of subjects offering goods and/or services which the association intends to purchase must be evaluated and respected.
  - Criteria for assessment of offers must be set.
  - All necessary information regarding the commercial/professional reliability/standing of the suppliers and their partners must be requested and obtained.

## **7.2 Students (Customers) Relations**

Polimoda considers it essential to observe established ethical standards and applicable laws. The association ensures that business is carried on in observance of standards of ethical and socially responsible conduct in relation to its dealings with its students.

When carrying on its activities, the association establishes a relationship characterized by a high degree of professionalism and targeting availability, courtesy, research, and the offer of maximum collaboration with its students.

### **7.2.1 Contracts, Communications, and Business Relations**

All contracts and communications with customers (students) must be:

- clear, simple, and formulated in a style/language as similar as possible to that used by the recipients;
- compliant with applicable current laws and regulations.

The association pledges to communicate, with all due haste and in the appropriate manner, all information relative to any modifications and/or variations to supply of the service.

The association personnel adopts all the necessary tools and cautionary measures to guarantee transparency and correctness in its commercial transactions. The competent offices/departments must ensure control of regular payment of all amounts due to counterparties with reference to any transaction.

## **7.2.2 Quality and Customer Satisfaction**

The association pledges to work to guarantee that it achieves the requisite quality and safety standards and to periodically monitor the quality of the services delivered to the customer.

The association assures its customers that it observes and acts in accordance with the applicable laws and the established contractual conditions.

Polimoda also ensures that its correspondence and dialogue with its students are inspired by the principles of correctness and good faith, in the perspective of establishing a collaborative and highly professional relationship.

# **8. Rules for Conduct in Relations with the Public Administration**

## **8.1 Integrity and Independence in Relations**

In order to guarantee the maximum clarity in its relations with the public administration (hereinafter also P.A.) and to safeguard the overall association interest, relations with the P.A. are conducted exclusively through persons not involved in conflict of interest situations with respect to representatives of the public institutions and whose duties and relative activities require interaction with members of the public administration.

Gifts and commercial courtesies and hospitality toward government representatives, public officials, and public employees are permitted insofar as they are of modest value such as to not compromise the integrity, independence, and/or reputation of any one of the parties. In all cases, this type of expense must be adequately motivated, documented and authorised.

## **8.2 Legality, Correctness, and Transparency**

The association's conduct is inspired and informed by respect for the principles of legality, correctness, and transparency, to the end of not inducing the public administration into violation of the principles of impartiality and good procedure which it must respect.

## **8.3 Benefits and Gifts**

The association condemns any conduct, by whomsoever, consisting of promising or offering, directly or indirectly, gifts and/or benefits (sums of money, objects, services, favors, or other utilities) to public officials and/or public service personnel, whether Italian or foreign, from which an undue or illicit interest and/or advantage for the association may accrue.

## **8.4 Institutional Relations**

Polimoda's relations with the local, national, and international institutions are conducted with maximum transparency and correctness.

Relations with political bodies of the public institutions are limited to duly-charged offices/officers and are conducted in strict observance of the provisions of the law and applicable regulations and in manners which may in no way jeopardize the integrity and the reputation of Polimoda.

To this end, the association pledges not to offer, either directly or through intermediaries, sums in cash or sums by other means of payment, or other utilities, to public officials or public service personnel for the purpose of influencing their activities when carrying out their duties.

These prescriptions may not be eluded by recourse to other forms of contribution which, in the guise of sponsorships, postings and consulting positions, advertising, etc., may have the same ends which are prohibited as set forth above.

## **8.5 Business Dealings**

Any conduct targeting exerting an illegitimate influence on the decisions of public officials or public service personnel for the purpose of procuring an undue or illicit profit or advantage for the association is prohibited during any business negotiations or in connection with any requests or relations with Italian and/or foreign public administrations.

For example, during business dealings and in relation to requests or commercial relations with public officials and/or public service personnel, Italian or foreign, the actions listed below may not be undertaken either directly or indirectly:

- taking under consideration or proposing – in any manner – job and/or business opportunities which may benefit the public official and/or public service personnel or their relatives or acquaintances.
- offering commercial courtesies, unless of modest entity.
- allowing an Italian or foreign public functionary with whom a business transaction is in process, also by abusing his /her position or powers, to induce employees or managerial staff to give or promise funds or other utilities to him/her or a third party in violation of the provisional article 319 quarter c.p.
- requesting or obtaining confidential information which may compromise the integrity or the reputation of either of the parties.
- conducting any action designed to induce Italian or foreign public officials to do or omit doing anything in violation of the laws of their countries.
- abusing one's position or powers to induce or force any person to promise sums of money or other utilities to him/herself and/or to other parties, where not legally due.

## **8.6 Public Administration IT Systems**

During the conduct of their activities, employees, managers and executives, consultants, and collaborators of the Association are prohibited from altering the oper-

ation of any IT or telematics system of pertinence of the public administration and likewise from manipulating any data contained therein.

## **8.7 Financing, Contributions, and Subsidies**

Contributions, subsidies, or financing received from the state or from any other public institution or from the European Community may not be destined for any purpose other than that for which they are granted.

The Association condemns conduct aimed at obtaining accreditation of the Association and/or any type of contribution, financing, or other grant (by the state, the European Community, or other national or foreign public body) by means of altered or falsified statements and/or documents, by means of omission of information, or, more in general, by means of any stratagem or false pretence, including operations conducted using an IT or telematics system, which may induce the granting body into error.

The subjects in charge of the various company departments are responsible for flagging all information of a confidential nature to which they may become privy and for registering and reporting all documents created, completed by them and/or transmitted to the public administration and to public bodies in general, in respect of the law and company procedures.

## **8.8 Participation in Legal Proceedings**

In case of participation in legal proceedings, Polimoda pledges to proceed correctly, in observance of the law, of the provisions of this Code of Ethics, and of Association procedures.

In particular, during the course of legal proceedings in which the Association is involved as a party, the employees (including managers and executives), the members of the governing bodies, and the collaborators are prohibited from:

- promising/giving to a public official (e.g., magistrate, clerk of the court, or other official), for him/herself or for a third party, any sums of money or other utility in exchange for a document/action by the office of the official, for the purpose of obtaining an advantage for the Association in the legal proceedings.
- promising/giving to a public official (e.g., magistrate, clerk of the court, or other official), for him/herself or for a third party, any sums of money or other utility in exchange for omission/delay of a document/action by the office of the official or to induce him/her to perform an action contrary to his/her official duties, for the purpose of obtaining an advantage for the Association in the legal proceedings.
- inducing the state or any other public body in error, by means of any stratagem or false pretence, for the purpose of obtaining an advantage for the Association in the legal proceedings.
- altering (in any manner) the operation of any IT/telematics system or manipulating, without the right to do so and in any manner, any data/information/programs contained in an IT/telematics system or pertinent devices, for the purpose of obtaining an advantage for the Association in the legal proceedings.

## 9. Rules of Conduct in Financial Reporting

In full observance of the laws in force, the Association recognizes as fundamental values the principles of truthfulness and correctness in regard of all documents reporting data concerning the Association's economic data, assets, and financial data. To this end:

- the Association condemns any conduct the aim of which is to alter the correctness and the truthfulness of the data and information contained in the financial statements, in the reports, and/or in the other company communications required by law and addressed to stakeholders, the public, and the company that conducts the external audit.
- all the subjects who participate in preparing the above-mentioned documents have the duty to verify, with due diligence, the correctness of the data and the information which will be used for drafting the documents themselves.
- it is necessary to adopt accounting/administrative procedures suitable for ensuring easy and immediate checks/audits concerning observance of the "Accounting Principles" set forth by the commissions of the National Council of Certified Accountants.
- the bodies charged with drawing up the financial statements and the communications of the Association must conduct their activity in respect of internal procedures and apply the principles of correctness and good faith to their work; that is, acting with the ordinary due diligence. They must also avoid situations of conflict of interest, potential or real, when carrying on their assigned activities.
- the Association demands that the administrative body, the managers and executives, the collaborators, and the employees all adopt correct and transparent conduct when carrying on their duties, above all in relation to any request put forward by the shareholders, the Board of Auditors, the other governing bodies, and the external accounting firm in relation to conduct of their respective institutional functions.
- any conduct which may occasion damage to the integrity of the company assets is prohibited.
- it is prohibited to conduct any simulated or fraudulent act the aim of which is to influence the will of the members of the general shareholders meeting for obtaining formation of an irregular majority and/or for altering a resolution.
- all phases concerning the general shareholders meeting, such as call to meeting and filing of all documents deemed pertinent to passage of a resolution by the shareholders, shall be subject to scrupulous control.
- any subject who may become aware of violations of the aforementioned provisions, even if referred to outside third parties, has the duty to advise his/her superiors, the Supervisory Body, and the competent company bodies having the power to conduct investigations for obtaining information in this regard.
- the Directors, management, the collaborators, and the employees have the duty to keep all the information and documents acquired during the course of their work in the strictest confidentiality and to not use said information/documents to their own advantage.

- on occasion of audits and inspections by the competent public authorities, the conduct of subjects charged with transmission of documents and information must be informed by good faith and correctness, since they are required to carry out their duties with the diligence of the agent. Said subjects must also adopt a stance of maximum cooperation and collaboration toward the inspection and auditing bodies.
- posing any obstacle to the work of the public vigilance authorities that come into contact with the Association during the course of their institutional functions is strictly prohibited.

## **10. Standards of Conduct in Matters of Safety, Hygiene and Health in the Workplace**

When carrying on its activities, the Association pledges to safeguard the moral and physical integrity of its employees, consultants, collaborators, and all its interlocutors.

To this end, Polimoda ensures its employees (including managers and executives), members of the governing bodies, and collaborators, that it will conduct its activities in working environments suitable for safeguarding their health, safety, and physical and moral integrity, in compliance with all relevant laws and regulations in force. To this end, the Association promotes responsible, safe behavior and adopts all necessary safety measures, in step with technological evolution, to guarantee a healthy, safe workplace with the specific aim of preventing and above all impeding commission of the crimes of culpable homicide and serious culpable injury committed in violation of the laws governing accident prevention and ensuring hygiene and health in the workplace.

The Association therefore complies with all the legal duties set forth in Legislative Decree no. 81/2008 (Consolidation Act on Safety).

In this perspective, the Association guarantees identification and creation of company offices/bodies endowed with technical competence and powers required for verifying, evaluating, managing, and limiting risks.

## **11. Implementation/Enforcement of the Code, Controls, and Sanctions**

### **11.1 Supervisory Body (Organismo di Vigilanza)**

The activities and the functions of the Supervisory Body are governed by an appropriate set of regulations. The Supervisory Body is the company body charged with operation, control, maintenance, and updating of the Organization, Management and Control Model, and therefore also of its constituent elements, in accordance with Legislative Decree no. 231/2001, as subsequently amended and supplemented.

The Code of Ethics is a constituent element of this Model.

When carrying on its functions, the Supervisory Body shall have free access to the data and information held by the Association and deemed useful for carrying on said activities.

The governing bodies and their members, the employees (including managers and executives), the collaborators, and third parties acting in the name of and on behalf of the Association have the duty to provide the maximum degree of collaboration to support the Supervisory Body in carrying out its functions.

## **11.2 Publication and Application**

This Code of Ethical Conduct is made known to all the recipient subjects.

Any doubts concerning application of this Code must be discussed with all due haste with the Association's top management in collaboration with the Supervisory Body. In no way may acting to the Association's advantage justify adoption of behavior in conflict with the Code.

All the recipient subjects have the duty to act to ensure that the regulations contained herein are adequately applied and observed.

## **11.3 Duty of Providing Information to the Supervisory Body**

It shall be the duty of anyone learning of violations of the principles of this Code or of the procedures and the protocols making up the Organization, Management, and Control Model or, more in general, the internal governance system, to inform top management and the Supervisory Body. Notifications may be made in writing, orally, or by telematic means and shall be collected and filed by the Supervisory Body.

## **11.4 Modifications and Updates to the Code**

Any modification and/or integration to this Code must be made in the same manner adopted relative to its initial approval.

## **11.5 Sanctions**

Observance of the regulations set forth in the Code should be considered an integral part of contractual duties toward the Association; all managers and executives and employees of the Association are therefore duty-bound to observe the Code.

Failure to observe the regulations contained in this Code of Ethical Conduct will result in application of the sanctions provided by the law, by the national labor contract of reference, by the integrative contract of Polimoda, and by the disciplinary system adopted by the Association in accordance with Legislative Decree no. 231/2001, where applicable. Any conduct by collaborators in contrast with the rules making up this Code may also be cause, as provided by the specific clauses of their contracts, for immediate resolution of the contractual relationship without prejudice to requests for damages.