

CODE OF ETHICS

What makes family businesses unique is the fact that they are based on the desire of the entrepreneur to construct something that goes beyond work: a life project that contains within itself a true and personal story – that the family. For this reason I feel able to state that companies such as ours have a quality and a lifeblood that gives them something extra. A kind of soul and a strong system of values made up of passion, a sense of duty and responsibility, attention to people and communities, love for the fruits of their work.

Bracco Foundation was created precisely to safeguard this soul and to hand it on to young people. I am thinking not just of the new generations of the family, but also of all the young people to whom we pay particular attention with many of our social, cultural and scientific projects. With the aim of making our Foundation grow and maintain strong roots but also with our eyes firmly fixed on the future.

In line with the principles that have inspired our company for more than 85 years, Bracco Foundation has adopted this Code of Ethics that inspires its every activity and is an integral part of its model of governance. We are in fact convinced that value is created through transparent processes, but also by demonstrating a sense of ethics, moral integrity and respect for those we deal with, beginning with the communities in which we operate.

Thanks to this vision, in just a few years Bracco Foundation has become an important player in Italian and international philanthropy, creating projects through debate and dialogue with partners, collaborators and suppliers.

It is an approach which – this is our hope – will allow us to continue to be a voice in the world philanthropy that is increasingly authoritative and listened to.

Diana Bracco

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1. THE FOUNDATION

General principles

Bracco Foundation was created from the heritage of values built up in more than 85 years of history by the Bracco Family and Group, first and foremost from the social responsibility of the company, with the aim of creating and spreading expressions of culture, art and science as a way of improving the quality of life and social cohesion.

The Foundation promotes the development of the cultural, historical and artistic heritage at national and international level, the creation of environmental awareness, the promotion of scientific research and the safeguarding of health, it supports the instruction and professional training of young people, develops solidarity initiatives as a contribution to the well-being of the community.

The Foundation is an organisation that promotes and implements projects and, respecting its objectives, has adopted an **ethical method** in the creation, choice, execution and finance of projects. In particular, as laid down in its Statute, the Foundation proposes a number of basic macro themes that represent the guidelines along which activities are developed.

These macro themes are:

- **the arts and culture**
- **science and culture**
- **society and the social dimension**

Bracco Foundation aims, where possible, to combine these themes with projects that develop together their various values and make them interact, making this transverse approach, which is strongly linked to the values and competences of the Founder, the distinctive characteristic of its activities.

Within these macro areas certain areas for study and intervention have been identified, in a dialogue with the values that have always characterised in a transverse way Bracco company culture and which differentiate it in the general panorama of Foundations and of company Foundations in particular:

- **a commitment to research and innovation**
- **a commitment in favour of women**
- **attention to the young**
- **tradition in education and training**
- **the ethics of responsibility**
- **relationship with communities and the territory**

2. RESPECT FOR THE LAW

The Foundation has as a binding principle respect for current laws in all the countries in which it operates. All those who, in various ways, operate to attain the objectives the Foundation sets itself are required, in their respective areas of competence and activities, to abide by current legal provisions. In the case of doubt about compliance with laws that are difficult to interpret or not immediately understood, all operators are required to consult their immediate superiors.

3. CODE OF ETHICS AND CRIME PREVENTION SYSTEM

This Code of Ethics is an integral part of the “Model of Governance” of the Foundation.

4. RECIPIENTS

This Code of Ethics is applied: to all Organs and Offices of the Foundation (Statute, article 13). Employees and collaborators of the Foundation, wherever they operate, be it in Italy or abroad. External consultants who act in the interests of the Foundation and Suppliers of goods and/or services.

5. OBLIGATIONS OF THE FOUNDATION

5.1 Communication of the Code of Ethics

The Foundation acts to ensure that all recipients are aware of the Code of Ethics, and of the laws and behaviour to follow. To this end the Foundation will adequately inform recipients and offer them support in interpreting and correctly applying the provisions contained in the Code.

5.2 Respect and application of the Code of Ethics

The Foundation undertakes to create internal control systems to ensure the correct application of the principles contained in this Code of Ethics and to assist employees and collaborators in complying fully with the provisions it contains.

5.3 Our values in the projects

The commitment of the Foundation is based on the principle that civil responsibility is developed also through a greater spreading of culture in the arts, in science, in society and the social dimensions, as a way of achieving harmonious human progress.

Its commitment in the Arts and Culture is structured in the conviction that:

- culture expresses, by definition, the identity of a community with respect to others, but is also the tool that allows different communities to debate, communicate and share;
- culture is the premise for encounter and exchange and the basis of living together in equilibrium;
- art allows us to grasp the meaning of things, to establish comparisons, to put into perspective, into context, and is also a tool for facing up to difficult moments in a better way, looking forward but without ever forgetting the history and traditions that lie behind us.

In this sense, the Foundation:

- promotes the development and safeguarding of the Italian cultural heritage, taken to mean a widespread heritage of cultural resources, music and theatre, also in partnership with national and international institutions;
- favours the development of innovative ideas, favouring the propensity for integration between science and art or between art and social commitment;
- has as its objective the social community, made up of work, determination, tenacity but above all of transparency, innovation and responsibility.

Attention to Science is the result of an approach that looks on scientific knowledge as one of the most important tools for progress and improving the quality of life, linked to an awareness of the laws of Nature and the most compatible ways of interacting with it, also regarding the application of new technologies.

The commitment to science and culture is thus aimed at facing the scientific challenges most characteristic of our age and at transverse integration of technologies. The main aspects are:

- safeguarding health with a focus on prevention;
- new methods of generating communicating knowledge;
- promoting science among the young.

Social responsibility is a value intrinsic to the actions of the Foundation.

The Foundation accepts and renews the principles of closeness to people and communities, also focusing its action on **young people**, who form an indispensable resource for the community, accompanying them in training, promoting innovative ways of consolidating the link between the academic and working worlds.

Getting to know, understanding and satisfying the needs of the new generations and sharing their hopes are for Bracco Foundation a commitment and a project.

5.4 Values in partnerships

Integrity and transparency are the values the Foundation brings to every professional relationship, and even more so with its Partners. The ethical quality of collaboration is an important keystone in its activities.

The Foundation encourages excellence among its Partners through a selection process that sustains and develops the quality and success of projects.

5.5 Relationships with the Bracco Group

For the development of its activities, the Foundation makes use of finance from companies in the Bracco Group (below referred to as Donors or, in the singular, Donor).

The Foundation is **scrupulous** in carrying out **proposals made to Donors** in **using economic resources** for **clear objectives** that can be monitored by public opinion, in **communicating** through its own communication channels the state of advancement of projects and in managing the relationship with individual Donors according to consolidated standards.

When a Donor does not specifically indicate the target of his generosity this is taken as institutional support for the Foundation.

Prudent management of financial resources: the Foundation makes scrupulous and careful use of the funds allotted in its budget and administers its resources in a conservative way, using structures and professionals able to administer the funds with professionalism and with an awareness that these resources constitute the “means” for implementing the mission of the Foundation.

The verification of results is a cornerstone in the Foundation’s way of operating. The verification of activities to international standards permits learning from past experience and constant improvement of the quality of the work.

5.6 Privacy protection and Confidential Information

The body of knowledge of the Foundation is a fundamental resource that all recipients of the Code must safeguard. For this reason recipients must not reveal to third parties (including their families) information acquired during collaboration with the Foundation except for information that is in the public domain. It is also forbidden to record, process or make known information relating to other employees or third parties.

5.7 Relationships with and among Employees

The relationships between the Foundation and its employees and those among the employees themselves must be inspired by the principles of civil cohabitation and reciprocal respect and safeguarding of the professionalism and rights of the individual. Discrimination for reasons of race, religion, language, sex, political or trade union membership will neither be admitted nor tolerated.

5.8 Accounts

The Foundation supplies in its balance sheet and other accounting documents¹ a faithful representation of the economic management of activities and resources, so as to ensure transparency and immediate verification. To this end, all collaborators involved in accounting must ensure the maximum collaboration, completeness and clarity of the information supplied, and the accuracy of data and calculations.

It is expressly forbidden to prevent or hinder, by the withholding of documentation or in any other way, the control activities exercised by the internal and external structures responsible for these.

¹ Accounts/accounting documents mean all documentation representing numerically management of the activities and resources of the Foundation.

6. LIMITATIONS

To avoid even giving the impression of competing or conflicting interests, the Foundation does not enter into contracts that could lead to favouritism, unfair advantages or excessive financial remuneration for the parties involved.

No demonstration or collaboration contrary to the ethical and moral principles of the Foundation and of interested parties or partners in projects sustained and developed by Bracco Foundation is permitted.

The participation of third parties in events will be decided using broad security criteria that also guarantee the respect and application of the Code of Ethics of the Foundation and respect for the moral, religious, cultural etc. sensitivities of the various parties involved.

Funds of any kind raised must come from subjects whose moral and business integrity is guaranteed.

7. CONFLICT OF INTEREST

Those collaborating with the Foundation must avoid situations that could create conflicts of interest between personal activities and those of the Foundation. In cases where situations of potential conflict may arise, it is obligatory for an employee to communicate this to his superior and for a consultant or external collaborator to communicate this to the Foundation, and to abstain from taking any action.

8. OBLIGATIONS IN EXTERNAL RELATIONSHIPS

8.1 Relationships with the Public Administration

Only those specially and explicitly authorised to do so may handle relations with the Public Administration in the name of the Foundation. In handling these activities those authorised must avoid any action that may impinge upon the autonomy of the Public Administration or its impartiality of judgement.

8.2 Relationships with Suppliers

In the purchasing of goods and services for project initiatives, the Foundation intends to create and maintain commercial relationships exclusively with suppliers who offer the maximum guarantees of correctness and ethical conduct. The choice of suppliers and the purchase of goods and services are effected on the basis of objective evaluation of competitiveness, quality, value, price and of the other principles laid down in this Code of Ethics.

8.3 Relationships with the Media

the Foundation undertakes to maintain an open dialogue with all media in a communication plan designed to aid the strategic development of the Foundation.

In particular, in the case of contact with the media, the Foundation will:

- reply promptly to questions or requests from representatives of the media;
- protect confidential information and content. The content of contracts with partners, donors, foundations, institutions, suppliers and others will not be disclosed to the outside except in ways agreed with them;
- ensure that all collaborators and partners involved reply, also in written communication, only to questions relating to their area of competence and supply unambiguous and personal contributions concerning the activities of the Foundation and its projects at national and international level
- maintain absolute discretion concerning the financial resources of the Foundation unless there are precise instructions in this regard from the President and organs of Government of the Foundation.

9. HEALTH AND SAFETY IN THE WORKPLACE

Safety in the workplace and environmental safeguarding are among the principal commitments that the Foundation has always made and it undertakes to respect the legal and contractual provisions of the country in which it operates and to adopt the highest quality standards, so as to ensure the health and safety of employees in the workplace.

10. ENVIRONMENT PROTECTION

Activities are carried out in accordance with current environmental legislation. In all the different phases: creation, planning, monitoring and development of individual activities, the principles of, in particular, environmental sustainability aimed at reducing the impact of such activities, are applied.

To this end, the Foundation carries out its activities making use of the best technologies available for the protection of the environment and natural resources, in accordance with current Italian law and that of the country in which it operates.

11. APPLICATION OF THE CODE OF ETHICS AND SANCTIONS

11.1 Notifications

It is the duty of all Recipients of the Code to notify, without delay, any action that does not conform with the principles of this document.

All notifications may be sent to the attention of Mariacristina Cedrini, Secretary of the Management Committee of the Bracco Foundation. All notifications will be handled with total discretion, guaranteeing the confidentiality of the identity of those notifying, unless otherwise required by law, and protecting them from any possible form of retaliation or prejudicial effect the notification may provoke.

Notifications may be sent by ordinary mail to the following address: Bracco Foundation – Via Cino del Duca 8, 20122 Milan, to the attention of the person mentioned above, and also by email to the following address: segreteria@fondazionebracco.com

11.2 Disciplinary system

Failure to observe the rules of conduct contained in this Code of Ethics may lead to the application of disciplinary sanctions. No conduct that is illicit or in violation of the provisions of this Code, even though it be only illegitimate or incorrect, may be justified or considered less serious even if carried out in the interests of or to the advantage of the Foundation. Sanctions according to law will be proportional to the seriousness of the infractions committed. Partners will be subject to sanctions as expressly laid down in the relevant contract clauses, including the termination of the contract.

12. VALIDITY OF THE CODE

This Code is valid from the date of approval by the Management Committee and on receipt of approval from the Steering Board of the Foundation in a deliberation on June 25, 2013.

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