



Code of Ethics and Fraud Prevention Policy

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1. FOREWORD

GVC Gruppo Volontariato Civile, in the sphere of its training activities, has resolved, pursuant to Legal Decree no. 231 of June 8, 2001 (hereinafter: “Legislative Decree 231/2001”), to adopt a “Code of Ethics” . The document is, among other things, one of the essential elements of the organization, management and control model of the association. It consists of a set of measures and preventive and disciplinary procedures intended to reduce the risk of the commission of crimes within the business organization. In the sphere of its organization model, the manager is responsible for monitoring the correct application of the principles established in the Ethics Code, and the procedures foreseen in the “Model of organization, management and control”.

2. RECIPIENTS

The provisions of this Ethics Code apply, without any exceptions to every member of GVC, its associates, its administrators and directors, its employees and cooperators at every level, its suppliers and all those who, directly or indirectly, permanently or temporarily, establish relations with the association and operate in pursuit of its goal (hereinafter collectively identified as “Recipients”).

These persons are therefore required to know the rules and abstain from any behavior contrary to them.

These persons must abstain from engaging in, cooperating with or giving cause for the engagement in behaviors that, though not criminal in themselves, could potentially become criminal.

Members of the organization are also required:

- to contact their superiors or the Monitoring Body if they require clarification on the mode of application of the rules;
- promptly support to their superiors or to the Monitoring Body any news, learned directly or reported by others, regarding possible violations of the rules of the code and any request made to violate them;
- cooperate with the structures assigned to control possible violations.

The Association will publish, verify and monitor this Ethics Code, and apply the relative sanctions in case of failure to comply with the provisions contained therein.

For this purpose, with regard to all the recipients of the code, by virtue of their responsibilities, it will:

- inform them adequately about the commitments and obligations imposed by the Code;
- demand respect of the obligations directly concerning their activities;
- take appropriate initiatives internally and, if authorized, externally, in case of failure to fulfill the obligation to comply with the Code.

3. ETHICAL PRINCIPALS AND BEHAVIOR

3.1 GENERAL PRINCIPLES – RESPECT OF THE LAW

GVC recognizes respect of the laws in force in all the countries in which it operates as an essential principle.

The recipients are required to respect the national and community laws in force, the regulations, internal codes and, where applicable, the rules of professional ethics.

Conduct in violation of those rules is never justified or tolerated.

3.2 Honesty and correctness

Honesty is the fundamental principle for all the activities of the organization, and is another essential element. The behavior of the recipients in the performance of their activities must therefore conform to criteria of correctness, cooperation and loyalty.

3.3 Prevention of corruption

The Association, in the performance of its activities, forbids any action toward or by third parties tending to promote or favor their own interests, take advantage or interfere with impartial and independent judgment.

For this purpose, it is committed to enacting any measures necessary to prevent and avoid cases of corruption and any other type of conduct capable of inducing or facilitating the danger of commission of the crimes foreseen by Leg.Decr.no.231/01.

In this connection, GVC does not allow payment or acceptance of sums of money, gives or favors to/from third parties in order to procure direct or indirect advantages to the association.

In the sphere of these types of conduct it is forbidden, in particular, to:

- make promises or improper payments of money or other benefits of any kinds and nature to public officials or persons responsible for performing a public service or persons employed by them;
- give gifts or other tokens of any kind other than those usual for the organization at particular times of the year;
- accept gifts, tokens, pressure, recommendations or mention of any kind coming from public officials or persons responsible for performing public services.

3.4 Impartiality and Conflict of Interests

GVC, in all the decisions that affect its relations with the recipients, agrees to avoid any discrimination on the basis of age, sex, sexual preference, health, race, nationality, political opinions and religious beliefs.

The recipients must avoid situations and/or activities that could lead to conflicts of interest or that could interfere with their ability to make impartial decisions. The recipients, in case of conflict of interests, must abstain from contributing, directly or indirectly to any decision or resolution relative to the matter to which the conflict refers.

3.5 Principle of loyalty and fidelity

GVC maintains a relationship of reciprocal trust and fidelity with each of the recipients. All the recipients must consider respect of the Ethics Code as an essential part of their obligations towards the association.

The obligation of fidelity means, for every employee, the prohibition:

- 1) to accept occupations involving employment by others, consultation contracts or other responsibilities for the account of third parties that are incompatible with the activities performed for GVC, without its prior written authorization;
- 2) to perform activities that are in any way contrary to the interests of the association or incompatible with the duties of their office.

3.6 Duty and Responsibility

The relationship among cooperators and/or employees will be carried out in accordance with the criteria of civil cohabitation, transparency, confidence and integrity with reciprocal respect and by pledging the protection of the law and the liberty of the persons

The relationships among the different positions within the association must conform to the criteria of loyalty and correctness and must be inspired by the criterion of the shared responsibility and as mutual goal the interest of the association in order to contribute together to the pursuit of its aims.

The responsible of each activity must exercise the powers related to its proxy, they must also respect and warrant the dignity of their own collaborators and favour their professional growth.

The association does not tolerate any conduct that, directly or indirectly, cause offense or denigration because of race, religion, language, sex, nationality, origin reasons, or depicts discriminatory behaviours.

3.7 Human resources

GVC recognizes the central significance of its human resources and the importance of establishing and maintaining relations with them based on reciprocal trust.

For this reason, the Association, in managing its relationships of employment and cooperation, always respects the workers' rights and fully valorizes their contribution, with a view to promoting their development and professional growth. GVC promotes programs of updating and training designed to valorize specific professional skills and preserve and add to those acquired during their cooperation.

The association also undertakes to consolidate and spread the culture of safety, to raise the awareness of risks and promoting responsible behaviors by all the recipients, in order to preserve their health, safety and physical integrity.

GVC agrees to employ the staff in Italy and abroad with regular employment contract, in line with the professional figure of the different organizational area of the head-office in Italy and abroad in accordance with the criteria of the Civil Code and the workers' statute of rights and for the local staff in accordance with the regulations in force of the countries where it works as well.

The Association does not tolerate any sort of "illegal work" or "illegal wage".

When the employer-employee relationship is established each employee and cooperator receive some pieces of information about: 1) duty and task features ; 2) normative and wage rudiments as regulated by the employment contract that can be applied to the employees and/or cooperators; 3) To insure that the working activity will be carried out in a safe and healthy environment by the adoption of rules and procedures.

On recruitment the contents of the above mentioned Code of Ethics, the Organizational Model and the management and control model, and the memoranda adopted by the Association to prevent the commission of crimes will be make clear and recognizable.

In the personnel management the GVC undertakes also:

- To give equal opportunities of employment without any race, sex, age, physical or psychical handicaps, nationality, religious creed, political or union belonging discriminations;
- To ensure the protection of the right to privacy of the employees and their right to work without being conditioned in any illicit way.
- To inform carefully the personnel about the life and safety condition of the countries where the employee or cooperator are supposed to work, and the sanitary and prophylaxis measures to follow as well.
- GVC equally demands from its head-office personnel and its cooperators in Italy and abroad as well, the observance of the person's fundamental rights and a respectful behaviour towards the customs, culture and local creeds that they always reflect the dignity of the role in line with the ethical criteria of the Association.
- GVC demands that nobody will be subjected by violence, threats, deceit, abuse of power, abuse of a physic or psychic inferiority condition or a state of necessity during in and out house employer-employee relations. GVC does not tolerate any sort of molestation even sexual.
- Any behaviour that could assume a shape of moral violence and/or psychological persecution which aim is to cause offence to the personality, dignity and to the psychophysical wellbeing of the employees and to endanger the employment or to degrade the work atmosphere (mobbing) is especially forbidden.

3.8 Promotion of active voluntary activities

GVC believes that the voluntary activities in Italy have to become an essential and an indispensable element of its action. Volunteers carry out a fundamental role by information and awakening works of public opinion and by spreading the culture of peace (taking part to conferences, meetings in school and workplace ...) and carrying out fund-raising activities (promotional desks, organization of events ad hoc, presentation of specific project to local authorities...).

3.9 Abuse of alcohol or use of drugs

All employees or cooperators of GVC must abstain from performing their activities under the effects of alcohol or drugs or similar substances, and from consuming such substances on the job.

3.10 Smoking

Smoking is not permitted in those places where it could generate hazards for the health and safety of others.

3.11 Transparency and completeness of information

GVC agrees to inform all the recipients in a clear and transparent way relative to their situation and performance with regard to the relationship established with the, without favoring any interest group or single individual.

3.12 Confidential information and safeguarding of personal data

The use that will be made of the data archived in databases and hard copy files will be used by the association exclusively for purposes having to do with the exercise of its activities. The recipients are required to safeguard the confidentiality of such data and take steps to ensure respect of that all the requisites of the law on the subject of privacy (Leg.Decr.no. 196 of 30/06/2003) also outlined in the “Program Document on Security with regard to the protection of personal data” approved by the Board of Directors.

3.13 Environmental safeguards

GVC encourages performance of its activities with correct use of resources and respect for the environment. The recipients, in the performance of their functions, agree to respect the regulations in force on the subject of environmental safeguards and protection.

3.14 Protection of corporate equity

The recipients are directly and personally responsible for the protection and conservation of the property, whether tangible or intangible, and resources, also whether tangible or intangible, entrusted to them to perform their duties. Each employee or cooperator must use carefully and thriftily properties, equipments and tools that have been trusted to them, by avoiding improper use of properties for aims that are not connected to their duties and work.

They are also responsible for their use in ways conforming to the interests of the association.

3.15 Accounting and management information

All transactions and operations performed must be adequately recorded and it must be possible to ascertain the decisional process and authorization of each. For every operation there must be adequate documentary support in order to perform the audits that certify the characteristics and reasons for the operations and make it possible to identify who authorized it, performed it, recorded it and checked it. The information that serves for accounting purposes, whether general or detailed, must comply with principles of clarity, transparency, correctness, completeness and accuracy.

It is strictly forbidden to hinder the progress of inspection or audit activities legally attributed to the administrative body or to the auditing company.

It is strictly forbidden to hinder in any way the progress of public or inspection authorities during the inspections.

3.16 Money-laundering

GVC must not in any way and under any circumstances be implicated in episodes relative to money laundering or recycling of money from illicit or criminal activities.

The Association agrees to respect all the laws and provisions, whether national or international, on the subject of money laundering.

Before establishing relations or stipulating contracts with partners in business dealings, the recipients are required to make sure of the reputation of the other party.

4. ETHICAL RULES TOWARD OTHERS

4.1 Partners

For the performance of its activities, the association can operate with local, public and/or private partners, i.e. non-profit organizations and associations in the beneficiary companies, regularly established and independent, that base their action on the same ethical principles as the association.

4.2 Suppliers

The selection of suppliers and the stipulation of the purchase terms must be made on the basis of an objective and transparent evaluation that takes account, among other things, of the price, the ability to supply and guarantee services of adequate level and possession of the necessary requisites.

4.3 Relations with the Public Administration and Public Institutions

The acceptance of commitments with the Public Administration and Public Institutions is restricted exclusively to the Board of Directors of the Association or its representatives.

The recipients must not promise or offer to Public Officials or employees in general of Public Offices or Institutions, or their relatives, whether Italian or from other countries, payments, goods and/or other advantages to promote or favor the interests of GVC.

When a relationship with the Public Administration is about to get under way or is in progress, the recipients or third parties that represent the association must not attempt to

influence the decisions of the other party inappropriately, or those of the officials that negotiate or make decisions on behalf of the Public Administration or Institutions. In all relations with Public Administration or Institutions, GVC agrees to implement fully and scrupulously all the applicable standards and regulations. When participating in contract bidding for the Public Administration or Public Institutions, the recipients must operate in full respect of the law and correct business practice.

PRECAUTIONS IN RELATIONS WITH THE PUBLIC ADMINISTRATION

The recipients shall abstain from engaging in relations with the Public Administration in representation or on behalf of the Association, for reasons having nothing to do with professional ones and not connected with the areas and functions assigned.

Recipients who, by reason of their position or function or instructions, interact with the Public Administration shall abstain from using any privileged contacts – even if legitimate – or personal acquaintances acquired also outside the professional sphere.

Procedures

Relations with the Public Administration for the areas of activity at risk are managed in a unified manner, proceeding with the appointment of a specific manager for every file or group of files (if they are particularly repetitive) handled in the area of activities at risk.

Where relations with the Public Administration are handled by an employee or cooperator lacking specific powers or proxies, the latter shall:

- a) report promptly and fully to their supervisor on the progress of the procedure;
- b) communicate, without delay to their supervisor, who in turn will report to the Monitoring Body, any behavior by the public counterpart tending to demand favors, illicit payments of money and other benefits even for third parties.

Conflicts of interest

Anyone who discovers or learns of the existence of a situation of conflict of interests between one of the recipients and the association, must report it immediately in writing to the Monitoring Body specifying – if known – the nature, terms, origin and extent.

Anyone in a situation of conflict, moreover, shall abstain from participating in decisions regarding matters in which such conflict exists or could arise.

Stipulation of contracts

The procedure for the stipulation of contracts is carried out in compliance with the principles and procedures of the organization.

No departures are allowed from the standard economic and juridical contract terms that are based exclusively on the nature of the Public Administration, the public officer or the person in charge of the public service with which the contract is stipulated.

The participation in public contract bidding for insurance coverage is exclusively assigned to the supervision of the appropriate organization unit

Contract conditions

The standard contract terms, the general contract terms, the standardized contract terms and the standard economic terms, including rates, are decided exclusively by the appropriate offices in accordance with the organization's procedure.

Any departures from these terms are proposed and motivated in writing by the person in charge of the file, and approved, in writing, by the manager of the organization unit responsible or a representative. This procedure is not required if the possibility of departure and the limits thereof have already been contemplated and defined by the appropriate office at the time of preparing the draft contract.

The text of contracts differing from the standard texts are subject to prior approval by the appropriate office.

Fulfillment: technical and economic evaluations

Correct fulfillment of contracts is always verified by the appropriate organization unit in accordance with the organization's procedures.

In particular, evaluation of the technical conditions and economic aspects is made by the appropriate organization unit with accurate inspections and audits of the effective situation, respecting the criteria and principles used.

Payment

Operations involving the use or employment of economic or financial resources have an express motivation and are documented and recorded in compliance with the principles of professional and accounting correctness, with a verifiable decisional process.

The use of financial resources is motivated by the person requiring them, who responds also for their congruity. Those persons who are authorized to make expenditures on behalf of the association have the obligation to account for them.

Selection of contract counterparts

Contract counterparts, including employees and consultants, must be chosen by the appropriate organization unit using transparent methods in accordance with the specific organization procedure.

As regards consultants, where possible, in consideration of the nature and characteristics of the services required, the choice will be made from the list of consultants accredited by the association, prepared by the appropriate organization unit depending on the procedure involved.

If consultant services are contracted with persons or organizations not on this list, the relative selection must be accompanied by an explanation of the reason.

Payment of fees

Payment of fees to lawyers and external consultants is subject to an offer/estimate in view of the congruity issued by the appropriate organization unit to evaluate the quality of the service and consequent congruity of the fee requested. In any case, it is not admissible to assign favorable compensation to external consultants that are not

adequately justified in relation to the type of service to be performed and the local custom.

If required, payment of fees can also be made in other countries from that of resident of the consultant, but only if the Italian and foreign fiscal and currency regulations are respected.

Control of information

Any data and information furnished to outside consultants must be weighed and authorized by the organization unit that produces or processes the data.

Where possible, it is preferable to use information contained in communications that have already been published.

In particular, declarations made to public, national or Community organizations, for the purpose of obtaining funding, contributions or financing, shall contain only absolutely true information. Copies shall be kept of all the relative documentation.

Concession of public funds

Issuance of insurance coverage or bank guarantees necessary to obtain public funding by the insured or guaranteed parties shall be made by the organization unit appointed for this task, in respect of the specific procedures developed by the association.

Inspections

In case of judicial, fiscal and administrative inspections, the persons assigned to this function by the manager of the appropriate organization unit shall participate. The start of any inspection is reported to the Monitoring Body. The appointed persons shall request a copy of the report drafted by the authority, where available.

4.4 Contributions

GVC does not, on principle, make contributions to parties, committees and political or labor organizations.

Any contributions may be made in a manner strictly in accordance with the laws in force to non-profit associations with regular by-laws and articles of association, of elevated cultural or charitable value at the national level.

4.5 Press and media

Relations between GVC and the mass-media are the province of offices expressly appointed by the Board of Directors and must be handled coherently with the press policies defined by the organization. In providing information to representatives of the mass-media, the recipients shall therefore respect the standards established by main office.

Participation, in the name of the organization or on its behalf, in committees and associations of any kind, whether scientific, cultural or related to interest groups, must be duly authorized and made official in writing by the appropriate office. Any information and communications provided must be truthful, complete, accurate and uniform throughout.

5. PROHIBITION OF CRIMINAL CONDUCT THAT CAN INVOLVE THE ORGANIZATION IN ANY CRIMINAL PROCEEDINGS PURSUANT TO LEGISLATIVE DECREE 231/2001

5.1 Introduction

This Ethics Code, while respecting the specific function of orientation of the conduct of business by the recipients toward high ethical standards, is at the same time a primary and fundamental element of the “Model of organization, management and control” adopted by GVC pursuant to art. 6 and 7 of Legislative Decree 231/2001.

The organization therefore deems that it must expressly prohibit any criminal conduct that could cause involvement it in criminal charges pursuant to Legislative Decree 231/2001.

Two specifications, however, must be made.

First of all, the following cases are cited in full: art. 24 (*Improper receipt of payments, fraud of the government or public office or for the receipt of public payments and information fraud against the government or a public office*), 25 (*Extortion and corruption*) and 25b (*Corporate crimes*) of Legislative Decree 231/2001, as these are crimes that, realistically could occur in relation to the activity of GVC.

Of the other cases cited in art. 25a (*Counterfeiting money, public credit papers and tax stamps*), 25c and 25d (*Crimes for purposes of terrorism and overthrowing the democratic order*) in Legislative Decree 231/2001, in any case, the prohibition against their commission remains.

In the second place, in the subsequent paragraphs, we will not refer to those cases of crimes that require, as their active subject, the position of “public official” or “person in charge of a public service”, that cannot exist in any case, in view of the juridical nature of the organization. In particular they concern cases of extortion and corruption – also in judicial acts and instigation pursuant to art. 322 of the criminal code – so-called passive extortion and corruption.

Under a related profile, finally, it should also be clarified that the corporate crimes foreseen by art. 25c of Legislative Decree 231/2001 are “proper” crimes as they postulate a particular position of the subject acting (administrator, auditor, general director, employee, cooperator, etc.).

Therefore, while referring generically to the recipients, the prohibitions of conduct are intended mainly as referring to those persons.

Any violation of the above specified prohibitions is absolutely contrary to the interests of GVC.

5.2 Prohibition to commit crimes against the equity of the Public Administration

Art. 24 of Legislative Decree 231/2001 cites the following crimes: undue receipt of funds (art. 316b of the criminal code), defrauding the government or a public office (art. 640 of

the criminal code) or receipt of public funds (art. 640a of the criminal code) and information fraud of the government or a public office (art. 640b of the criminal code).

Therefore recipients:

- may not unduly receive, for themselves or others, by the use or presentation of false declaration or documents, or certification of falsehoods, or through the omission of required information, contributions, funding, facilitated loans or other funds of the same kind, however they may be defined, granted or awarded by the government, other public offices or the European Community;
- may not procure for themselves or others any undue profit with the damage of others, falsehoods or frauds, inducing anyone into error, if the fact is committed against the government or another public office;
- may not procure for themselves or others any undue profit with the damage of others, falsehoods or frauds, inducing anyone into error, if the fact concerns financing, facilitated loans or other funds of the same type, however they may be defined, granted or awarded by the government or other public offices, or by the European Community;
- may not procure for themselves or others any undue profit with the damage of others by altering in any way the operation of an information system or intervening without the right in any way on data, information or programs contained in an information or computer system, if the fact is committed against the government or another public office;

5.3 Prohibition to commit crimes against the impartiality of the Public Administration

Art. 25 of Legislative Decree 231/2001 cites the following crimes: extortion (art. 317 of the criminal code), corruption (art. 318 and 319 of the criminal code), corruption in judicial actions (art. 319b of the criminal code.), instigation to corruption (art. 322 of the criminal code.).

Therefore recipients:

- must not give or promise to the public officers or persons in charge of a public service any money or other benefits to induce them to perform an official action or for an official action already performed;
- must not give or promise to the public officers or persons in charge of a public service any money or other benefits to induce them to omit or delay, or for having omitted or delayed, an action contrary to the duties of their office;
- must not give or promise to the public officers or persons in charge of a public service any money or other benefits to induce them to perform or omit an official action or an action contrary to the duties of their office, in order to favor or damage a party in a civil, criminal or administrative lawsuit;

5.4 Prohibition to commit numerary falsifications

Art. 25a of Legislative Decree 231/2001 cites the following crimes: art. 453 of the criminal code (Counterfeiting coins, spending and introducing into the country, by agreement, counterfeit coins), 454 of the criminal code (Alteration of coins), 455 of the criminal code (Spending and introducing into the country, without agreement, counterfeit coins), 457 of the criminal code (Spending of counterfeit coins received in good faith), 459 of the criminal code (Counterfeiting tax stamps, introduction into the country, purchase, possession or circulation of counterfeit tax stamps), 460 of the criminal code

(Counterfeiting the filigreed paper in use for the fabrication of bank notes or tax stamps), 461 of the criminal code (Production or possession of filigrees or instruments for use in counterfeiting coins, tax stamps or bills) and 464 of the criminal code (Use of counterfeit or altered tax stamps).

The recipients shall not commit any of the above crimes.

5.5 Prohibition to commit corporate crimes

Art. 25b of Legislative Decree 231/2001 cites the following crimes: false corporate communications (art. 2621 of the Italian civil code), false corporate communications to the damage of the shareholders or creditors (art. 2622 c.c.), false tables (art. 2623 c.c.), hindrance of audits (art. 2625 c.c.), undue return of conferrals (art. 2626 c.c.), illegal division of profits and reserves (art. 2627 c.c.), operations prejudicial to creditors (art. 2629 c.c.), fictitious formation of capital (art. 2632 c.c.), improper division of corporate property by the liquidators (art. 2633 c.c.); illicit influence over the shareholders' meeting (art. 2636 c.c.).

Therefore the recipients, where endowed with the qualifications required by law:

- must not, with the intention of deceiving the members of the administration or the public in order to obtain an unjust profit for themselves or others, report in financial statements, press releases or other corporate communications foreseen by the law, untrue material facts even when subject to evaluation, or omit information required by law on the economic, equity and financial situation of the association (even if the information concerns property owned or managed on behalf of others), in such a way as to induce the recipients into error on those situations, causing financial damage to the association or its creditors;
- must not, in order to obtain an unjust profit for themselves or others, report in press releases or other communications, false information or conceal information concerning the economic, equity or financial situation of the association or entity subject to auditing, with the awareness of the falsehood or intent to deceive the recipients of the information, so as to induce the recipients into error about the situation;
- must not, by concealing documents or in other ways, prevent or hinder the performance of the activities of control or auditing legally attributed to the organization's offices;
- must not divide profits or advances on profits not effectively earned or assigned by law to reserves, or divide reserves, even when not established with profits, that are not distributable by law;
- must not, in violation of the provisions of the law safeguarding creditors, perform reductions of the share capital, causing damage to the creditors;
- must not, even in part, form or increase the GVC fund fictitiously;
- must not, dividing the property of the organization before paying the creditors or allocating the amounts necessary to pay them, cause damage to creditors;
- must not, with simulated or fraudulent actions, determine a majority in the members' meeting in order to obtain an unjust profit for themselves or others;
- must comply scrupulously with all the provisions of the law to safeguard the integrity and effective value of the corporate capital and always behave in respect of the internal procedures based on those laws, so as not to damage the creditors' guarantees or those of others in general;

- must ensure the regular operation of the company and its corporate functions, guaranteeing and facilitating every form of management control foreseen by law, and the free and correct expression of the will of the corporate functions;
- must comply with the rules for correct formation of the price of financial instrument without engaging in actions that could cause a noticeable alteration with respect to the correct market situation;
- must abstain from performing simulated or otherwise fraudulent actions, or spreading false or imprecise information, capable of causing a noticeable alteration in the price of the financial instruments;
- must make, promptly, correctly and in good faith, all the communications foreseen by the law and regulations to the authorities assigned to vigilance, without creating obstacles to the exercise of their monitoring functions;
- must act in a correct and truthful way toward the press and media and toward financial analysts.

The recipients shall enable auditing companies to exercise the powers entrusted to them by law. In particular, they shall guarantee the right to proceed at any time with inspections and audits.

5.6 Prohibition to commit crimes for purposes of terrorism

Art. 25c of Legislative Decree 231/2001 prohibits crimes for purposes of terrorism and overthrowing the democratic order as foreseen by the criminal code and special laws, and in any case committed in violation of art. 2 of the Convention of New York. Therefore, the recipients shall not commit any of the above crimes.

5.7 Prohibition to commit crimes against individual freedom

Art. 25d of Legislative Decree 231/2001 refers to crimes of enslavement (art. 600 of the criminal code), underage prostitution (600a of the criminal code), child pornography (600b of the criminal code.), possession of pornographic material (600c of the criminal code), tourist initiatives for exploitation of prostitution (600d of the criminal code), white slavery (601 of the criminal code) and the purchase and sale of slaves (602 of the criminal code).

The recipients shall not commit any of the above crimes.

6. ACTIVITIES OF CONTROL AND REPRESSION OF VIOLATIONS

6.1 Internal controls

The organization units assigned to the function of control and supervision on performance connected with the activities mentioned in the preceding articles place particular attention on the implementation of those actions and report immediately to the Monitoring Body in case of any irregularity.

While the Monitoring Body retains discretionary power to undertake specific controls, even in case of reports received, it performs periodical controls at random on the activities of the association in order to verify the correct performance of those actions in relation to the standards established in the Model.

To perform this activity, the Monitoring Organization has guaranteed access to all the significant documentation.

6.2 Reimbursement of damages

If any of the recipients has engaged in criminal conduct under the terms of Leg.Decr. 231/01, the legal office, if it deems there is sufficient evidence to prove the damage incurred and the responsibility of the recipient, it will promote, without delay, a suit for reimbursement of damages.

6.3 Disciplinary action

If any an employee has engaged in conduct that

a) could be considered criminal according to the terms of Leg. Decr. 231/01, or even only attempted it, or

b) violates the standards of the Model,

the personnel office, if it deems there is sufficient evidence to prove the responsibility of the employee, shall promote on its own initiative or at the request of the Monitoring Body, a disciplinary action.

7. IMPLEMENTATION OF THE CODE OF ETHICS

7.1 The Ethics Manager

The Ethics Manager is the person appointed to verify implementation and application of the Ethics Code and responds directly for this activity to the management of GVC. The manager also performs the functions of the Monitoring Body pursuant to art. 6 of Legislative Decree 231/2001 (*Persons in important positions and models of organization in the association*).

The Ethics Manager, when deemed advisable, may report on activities undertaken to the Board of Directors and/or Board of Auditors.

The Ethics Manager has the following duties:

- to take steps to spread the Ethics Code;
- to verify application and respect of the Ethics Code regularly;
- to make suggestions to the management for changes and addition to the Ethics Code;
- to receive reports of violations of the Ethics Code and investigate them;
- to consult with the management relative to the application of punitive measures.

In the sphere of this function's activity, the Ethics Manager will be assisted by the necessary resources, appointed as needed.

All employees and cooperators of GVC are required to cooperate with the Ethics Manager, providing corporate documentation when necessary for the performance of the required activities.

In case of doubt about the legitimacy of certain behavior, its questionable ethical value or contrast with the Ethics Code, recipients can contact the Ethics Manager.

Reports of possible illicit actions by the recipients must be made in writing and can be forwarded either by the hierarchical line to the Ethics Manager or directly by mail to the offices of GVC Gruppo Volontariato Civile, Via Dell'Osservanza no. 35/2, 40100 Bologna (BO) or by email to: responsabiletico@gvc-italia.org

Reports relative to possible violations of the Ethics Manager can be addressed to the Board of Directors so that it can appoint one of its members to perform any investigation deemed necessary or advisable.

Absolute confidentiality will be maintained with regard to reports received.

7.2 Publication of the Ethics Code

The Ethics Manager will send the Ethics Code to the Recipients, using the following methods:

- transmission – via tramite e-mail and/or fax and/or mail and/or hand delivery and/or via internet – to the employees and cooperators of the Association wherever they operate, in Italy and abroad, with instructions relative to the circumstance that the Ethics Code is binding on all recipients;
- posting, on a bulletin board accessible to all the employees and cooperators, pursuant to and by the effects of art. 7, clause 1 of law no. 300/1970;
- organization, whenever necessary, of an informative meeting to which all the employees and cooperators of the association will be invited, as well as the members of the Boards of Directors and Auditors, and, if necessary, even third parties who cooperate in any way with GVC, for the purpose of illustrating any new ethically relevant elements. Minutes will be taken of the meeting, with the indication of the persons attending and the topics discussed;
- information to outside cooperators and suppliers of the existence of the Ethics Code;

- control of inclusion in contracts stipulated by the Organization of a clause informing others of the existence of the Ethics Code, having the following tenor: *“Ethics Code: GVC, in the performance of its activities and management of its relations refers to the contents of its Code of Ethics and Conduct. Violations of the provisions contained in the Code of Ethics and Conduct by the other party to the contract may make it necessary, depending on the gravity of the violation, to terminate this contract and demand payment of damages”*.

8. VIOLATION OF THE ETHICS CODE – SANCTIONS

8.1 Introduction

Any behavior contrary to the provisions of the Ethics Code will be prosecuted and sanctioned, as contrary to the GVC’s principles.

Violations of the provisions of the Ethics Code damage the fiduciary relationship of the violator with the organization and is grounds for disciplinary action: the application of disciplinary sanctions is separate from any possible criminal charges and suit.

Sanctions for violations of the Code will be commensurate with the type of violation and its consequences for GVC and will be applied in respect of the applicable regulations and the National Collective Labor Agreements in force.

With reference to the sanctions applicable to administrators, directors, employees and cooperators of the association, we specify that the commission or attempted commission of crimes against art. 24, 25, 25a, 25b, 25c and 25d of Legislative Decree 231/2001, are grave violations of discipline. As regards independent workers and third parties, violations of the provisions of this Ethics Code may necessitate termination of the contract pursuant to art. 1453 of the Italian civil code.

8.2 Sanctions applicable to employees

Any behavior on the part of employees that violates the behavioral or procedural rules contained in this Ethics Code, must be handled as a disciplinary violation and sanctioned in accordance with the applicable standards.

In particular, the employee may receive a written or verbal reprimand, a fine, suspension from work and salary, dismissal with indemnity in lieu of notice, dismissal without notice.

The sanction will be applied by the Board of Directors, based on the non-binding opinion of the Ethics Manager.

See the disciplinary regulations.

8.3 Sanctions applicable to members of the Board of Directors

If violations of this Ethics Code are committed by one or more members of the Board of Directors, the Ethics Manager must inform the entire management, expressing an opinion on the subject of the gravity of the violation.

The management will provide to apply the proper measures. The member or members of the Board of Directors guilty of the violation will be required to abstain from voting on the relative resolutions.

If the violations are committed by a number of members of the Board of Directors that makes it impossible for that organism to resolve on the matter, the Ethics Manager shall take action as required by the law and by-laws.

8.4 Sanctions applicable to others

Actions by others in contrast with the provisions of this Ethics Code can be sanctioned with termination of the contract, pursuant to art. 1453 of the Italian civil code and request of repayment of any damages caused.

9. RELATIONSHIP BETWEEN THE ETHICS CODE AND THE “MODEL OF ORGANIZATION, MANAGEMENT AND CONTROL” PURSUANT TO LEGISLATIVE DECREE 231/2001

The adoption of ethical principles in the conduct of its business is an essential element of the internal auditing system of GVC and, in particular, of the system of preventive crime control adopted by the Association (“Model of organization, management and control” pursuant to Legislative Decree 231/2001).

A strategy based on the principle of moral integrity serves to establish a solid standard of conduct. While adoption only of the principle compliance with the law has its foundation in the need to avoid legal sanctions, the principle of more integrity is based on the idea of self-government and responsible behavior by the management in compliance with guiding principles and ethical values.

The Ethics Code, though it can exist independently regardless of the adoption of a model of organization established pursuant to Legislative Decree 231/2001, is commonly considered an element relevant to it and in any case the starting point for its drafting.

GVC reacts, in any case, to violations of the rules of conduct, even if the conduct of the person is not a crime, that is, the behavior itself is not criminal or does not involve any responsibility of the association, according to the principles of Legislative Decree 231.

REFERENCE DOCUMENTATION

In drafting the Ethics Code, the association has taken account, though within the specificity of the activity performed, of a number of fundamental reference documents.

In particular:

- *Position Paper* of the European Confederation of Institutions of *Internal Auditors*: The role of the Internal auditor in the prevention of fraud (November 1999);
- Code of behavior of employees of public administrations (December 1, 2000);
- Recommendation (2000) 10 of the Council of Ministers of the European Council on the conduct of public officers;
- Business Principles for Countering Bribery, published by *Transparency International and Social Accountability International*;
- Rules of conduct of the International Chamber of Commerce for the battle against corruption (ed. 1999);
- Guidelines of O.C.S.E. for Multinational Companies (October 31, 2001);
- Confindustria guidelines pursuant to art 6 Legislative Decree 231 (March 7, 2002);
- ABI guidelines pursuant to art 6 Legislative Decree 231 (May, 2002);
- ANCE Code of Behavior pursuant to art 6 Legislative Decree 231 (July, 2002);
- Code of Behavior and guidelines for ASSTRA certification (2003).
- Frignani A., Grosso P., Rossi G., "The organization models foreseen by Leg.Decr.no. 231/2001 on responsibility of organizations", in *Le Società*, no. 2, 2002.