



CODE OF ETHICS

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(summarized version)

This document contains the most substantive parts of the Code of Ethics with the aim of providing a broad picture of the values subscribed to by the RAI Group and applied to throughout its activities.

Its purpose is purely informative and it is strongly advised to read the full text, which also discusses sanctions in the case of breaches of the Code's provisions. This is published on the intranet and is available at the appropriate personnel offices.

It should be emphasised that the Code of Ethics has force and efficacy in its entirety, as unanimously approved by the RAI Board of Directors.

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INTRODUCTION

RAI mission statement

RAI's mission involves its television, radio, audiovisual and multimedia services, and their editorial content, its production and signal transmission technology, and linked marketing activities.

As licensee to supply the public radio and television service, its priority is to guarantee freedom, pluralism, objectivity, completeness, impartiality and honesty in information; foster civil growth and social progress; promote culture, education and the Italian language; safeguard national and local identities; provide services of social benefit; extend the advantages of new broadcasting technology to the public; provide a balanced, varied range of programmes that will give it the size of audience to fulfil its role; and maintain quality throughout the full range of its programming.

RAI S.p.A. carries out Public Service and collateral and commercial activities, which may or may not be connected with its main business, this directly and through companies it has an interest in, is connected with or controls.

The company's approach to those with whom it has dealings

RAI aspires to maintain and develop a relationship of trust with those with whom it has dealings, i.e. those individuals, groups or bodies whose input is required for RAI to carry out its mission or who have an interest in its pursuance.

These include all those who have an interest in the management of the enterprise, i.e. shareholders, directors, employees, associates, clients, suppliers and business partners. In a wider sense they also include all individuals and groups, and the organisations or bodies that represent them, whose interests are directly or indirectly influenced by RAI's activities: the local and national communities in which RAI operates, associations protecting widespread interests etc.

Ethical principles
and the value
of the company's
reputation

Its ethical orientation is a fundamental element in giving RAI credibility with public bodies, shareholders, clients and users and, more generally, with the entire civil and economic background, both national and international, in which it operates.

In particular, a client is defined as a person or body with which RAI has a legal relationship, be it contractual or not; "users" are the public for whom public service broadcasting is supplied, under State concession, without the requirement for an individual judicial relationship with each.

Ethical values, forming a base for RAI's behaviour and fully disseminated and shared throughout the company, are fundamental in the attainment of the highest results and bringing the maximum efficiency to government rules and control of the enterprise. They are already in existence in RAI and are constantly being developed and improved.

Non ethical behaviour compromises the relationship of trust that RAI has with those with whom it has dealings in carrying out its business and activities, which form an invaluable essential resource.

A good reputation externally facilitates client and user loyalty, attracting the best human resources, serenity among suppliers and trustworthiness towards creditors. Internally, it allows decisions to be taken and enacted without friction and work to be organised without the excessive application of authority. Moreover, adhering to certain specific behavioural principals, for instance in dealings with public authorities and in the rights of creditors and third parties regulated by company law, shows RAI's commitment to the prevention of the offences referred to in Legislative Decree no. 231 of 8 June 2001 and successive modifications and additions (hereafter referred to simply as "D.Lgs. 231/2001").

For the same reasons it is important to clearly define the set of values that RAI recognises, accepts and shares and the full range of responsibility that RAI assumes internally and externally. The Code of Ethics has been drawn up to respond to these require-

ments. It is a behavioural code whose observance by all company members (the Director General, directors, managers, unions and employees) and external associates (consultants, representatives, intermediaries, agents etc., hereafter referred to as “associates”), who together form the Code’s recipients (see section 1), is of fundamental importance to RAI’s functionality, reliability and reputation as well as its commitment to the prevention of offences under D.Lgs 231/2001. All these factors are decisive to the success and development of the enterprises in the RAI Group.

Hence the Code of Ethics forms a set of:

- a) general ethical principles on relationships with those with whom RAI has dealings, laying down the values governing the company’s activities;
- b) behavioural principles towards each category of those with whom the company has dealings, giving specific guidelines and standards which RAI’s company members are obliged to follow to ensure they respect all general principles and avoid any risk of non ethical behaviour;
- c) behavioural principles aimed expressly at the prevention of any offences under D.Lgs. 231/2001;
- d) realisation mechanisms which describe the control system for observance of the Code of Ethics and its ongoing improvement.

In order for RAI’s conduct to remain effectively ethical, all employees, associates and anyone else involved with the running of the company must be aware of the Code of Ethics, contribute actively to its realisation and signal any shortcomings.

Any conduct that is contrary to the spirit and the letter of the Code of Ethics is also contrary to RAI’s principles and will be treated according to the sanctions described within the Code.

RAI is committed to disseminating awareness of the Code among its recipients and ensuring it has maximum distribution, means for this to include training and information on its contents.

The Code shall also be brought to the attention of all those with whom RAI has business relationships and from whom it requires conduct in line with its general principles, possibly involving their undersigning specific, relevant declarations.

RAI will oversee observance of the Code, taking any necessary preventative, control or corrective actions.

The current Code of Ethics has been drawn up by the entire RAI Group and is consequently binding for all the Group's company members and associates without exception. These form the recipients of the Code and the rationale of its contents is directed at them. It follows that the term "RAI", although generally used in relation to RAI S.p.A., is to be taken as also referring – mutatis mutandis – to all other companies in the RAI Group.

The RAI Group is to be taken as including RAI S.p.A. and all other companies directly or indirectly controlled by it as regards its productive, creative, educational, cultural and commercial roles and in its instrumental and/or functional activities in pursuance of its institutional aims.

All laws and equivalent Acts that have a bearing on the principles, criteria and rules of conduct contained in this Code, even if not cited expressly, will amend it with immediate and binding effect.

The Code will be similarly amended following general or specific regulations, statements or other measures coming from public authorities; when individual or collective communications from the company, or when resolutions of the Board or provisions of the Director General take effect, communicated as above.

The Code of Ethics also takes account of the open debate and the 2 July 2002 communiqué of the European Commission on responsibility.

1. FIELD OF APPLICATION OF THE CODE OF ETHICS

1.1 Field of application and recipients of the Code

This Code of Ethics has been drawn up by RAI and is consequently binding for all company members (the Director General, directors, managers, unions and employees) and associates (non-

employed workers such as consultants, representatives, intermediaries and agents), without exception. These constitute the recipients of the Code. The Board of RAI is identified as the organ of control and appraisal of its operation, and of that of the Auditors and the Director General.

RAI's Board and its Director General are bound to take their lead from the Code when setting business objectives, when proposing and carrying out plans and investments, and in all decisions and actions that reflect on the company's financial, managerial and technological values and on the wellbeing of its employees and the general public.

Equally, its directors must take their lead from the same principles when physically carrying out their activities, including those involving third parties that come into contact with RAI, thereby strengthening cohesion and the spirit of reciprocal collaboration

Employees and associates shall, in their turn, not only have due respect for the standards in force but ensure that their actions and behaviour when carrying out their working activities are in line with the principles and objectives of the Code.

RAI also requires that its principal clients, suppliers and business partners, and all those who, directly or indirectly, have a relationship with the company, follow the Code's principles.

The Code of Ethics has equal validity in Italy and abroad although takes account of the cultural, social and economic differences in the various countries in which RAI operates.

1.2 RAI's undertakings

RAI, if necessary designating expressly dedicated specific internal roles, will ensure that:

- a) the Code has maximum dissemination among its company members, associates and business partners;
- b) the Code will be strengthened and updated in line with the evolution of civil sensibilities and standards relating to it;
- c) it makes available means to assist clear understanding of the Code's interpretation and realization;
- d) it will investigate any report of a violation of the Code;

- e) if a violation is confirmed it will take appropriate sanctions;
- f) those who notify possible violations of the Code are protected from all possible reprisals, i.e. any act that may give rise to even a suspicion of being a form of discrimination or penalisation, and that the identity of anyone giving such a notification is kept strictly confidential.

1.3 Responsibilities of recipients of the Code

In order for the principles enshrined in the Code to be applied effectively in the real working environment, all its recipients are bound to observe and ensure observance of its principles as part of their functions and responsibilities and, in this respect, to put their full technical, professional and ethical background at the disposition of the company. The conviction of acting for RAI's benefit can never justify adopting behaviour that conflicts with these principles.

In particular, every member of the company has the duty to be aware of the provisions of the Code and to:

- a) refrain from behaviour contrary to them;
- b) refer to his/her superior officers or the Director General (through the Permanent Committee, as set forth at point 1.5, if appropriate) should s/he need clarification on their means of application;
- c) immediately refer to his/her superior officers or the Director General (through the Permanent Committee, as set forth at point 1.5, if appropriate) any notice, whether uncovered directly or reported by others, of possible violations of the Code's provisions or any suggestion that s/he should violate them;
- d) collaborate with the offices deputed to control possible violations.

1.4 Force of the Code in respect to third parties

In relation to third parties, all recipients of the Code shall have authority to ensure that:

- a) they are adequately informed of the undertakings and obligations imposed by the Code;

- b) they respect the obligations that directly regard their activity;
- c) should they infringe their obligations to conform to the Code's standards, opportune internal and, if so authorised, external initiatives are adopted.

1.5 Control, implementation and communication structures

The Director General of RAI is to be the sole point of reference for the Board of Directors on the Code of Ethics. He shall supply the Board with a monthly report regarding its application, and controls on adherence to it and its efficacy. He shall carry out the tasks described below, making use as necessary of the requisite offices (a permanent committee formed from Internal Auditing, Legal Affairs, Human Resources and Programme Schedule Supply and Optimisation, which may call on other appropriate company departments) and having free access to all documentation and information that may be of use.

The Director General, with assistance from the Committee described above, shall:

- a) oversee observance of the Code by its recipients and those outside the company with which RAI has dealings;
- b) oversee the efficacy of the Code, i.e. the degree to which it prevents and represses non-ethical behaviour in the real working environment;
- c) be responsible for regular updating and revision of the Code, proposing modifications for its adaptation to changes in relevant regulatory standards and those resulting from observations on its efficacy and observance.

In particular, in regard to the tasks listed above and with assistance from the Permanent Committee, the Director General shall be responsible for:

- a) scrutinising the application of the Code and adherence to it through ethical auditing, i.e. identifying and fostering ongoing improvements in company ethics by means of analysis and evaluation of the control processes on ethical risk;
- b) examining reports of possible violations of the Code, investigating as considered opportune, communicating the results

and proposing, if necessary, the adoption of sanctions to the appropriate company officers who will assess and determine them, oversee them, and refer back to the Director General as necessary;

- c) advancing the production of guidelines and/or operational procedures for enactment of the Code, and coordinating the appropriate offices and units that will apply them;
- d) giving judgements, which shall be binding, on revisions to the more relevant company procedures and policies to bring them into line with the Code;
- e) controlling the efficacy of the Code and informing the appropriate offices of the results of the controls made;
- f) taking responsibility for and advancing the measures taken by the appropriate offices for information and training programmes for the Code's recipients. These are to be directed towards ensuring that the Code's standards and the ethical values contained in them are fully understood, and differentiated according to the role and responsibilities of those at whom they are aimed;
- g) ensuring awareness of the Code inside and outside RAI and setting out supplementary and/or corrective measures as necessary on information and training;
- h) instituting and disseminating awareness of his/her role and of the communications channels available;
- i) activating and maintaining an adequate reporting and communication flow with the corresponding offices in the companies overseen.

The Director General shall report on his/her activities by the means laid down in the relevant organisational provisions and in particular shall:

- a) present an annual report on the application and efficacy of the Code to the Boards of Directors of RAI S.p.A. and the other companies in the RAI Group, as well as other specific reports as conditions necessitate;
- b) present an annual report to the Board of Directors on proposed updates to the Code and ways of increasing its distri-

bution, and report specifically on any other amendments or updates of particular relevance and/or urgency.

These exclude the additional reporting lines provided for by the organisation, management and control model referred to in D.Lgs. 231/2001.

2. GENERAL ETHICAL PRINCIPLES

All RAI's activities involving its clients, employees, associates, shareholders, commercial partners and financiers, public offices and the general public with whom it has dealings, institutionally or instrumentally, must be carried out with regard for the principles of honesty, legality, pluralism, professionalism, impartiality, fairness, confidentiality, openness, diligence, loyalty, good faith and the other ethical principles proclaimed in this Code.

These principles shape the company's ethical values and are detailed below.

2.1 Honesty and observation of the law

RAI upholds clear, open behaviour and states definitively that pursuit of the company's interests can never justify dishonest conduct. All RAI's company members and associates must respect the laws and regulations in force in the countries in which they operate in their professional dealings and must scrupulously observe internal company procedures and regulations, the Code of Ethics and other company policies.

2.2 Pluralism

For RAI pluralism is not simply part of its duty towards the public but a way of working, an element of its Public Service identity. The principle of pluralism, which also takes in the principles of objectivity, comprehensiveness and impartiality, constitutes the fundamental and deepest value within the constitutional right to the expression of thought.

In this regard RAI assumes as fundamental principles of the broadcasting system the guarantee of freedom and pluralism in access to the means of communication, protection of freedom of expression and opinion for every citizen, protection of freedom of information, openness to different opinions and political, social, cultural and religious leanings and safeguarding linguistic diversity, all in accordance with the freedoms and rights guaranteed by the Constitution.

For RAI, as the public service broadcasting licensee, pluralism, in its broadest sense, constitutes an obligation that it must respect in its entirety and in its every part, and which its individual programmes must clearly reflect. Pluralism must permeate all the conditions and options (social, cultural, political etc.) that citizens address.

2.2.1 *Pluralism specifications*

It follows that, in its public service activities RAI recognises the principles of:

- a) *pluralism of information* to guarantee representation for all strata of society and their various ideas and, especially, to respect the rights of citizens to be fully informed and to have access to the means of communication. Information must be as accurate and substantiated as possible. When handling topics of current interest or controversy RAI will give consideration to the range and most significant of opinions, with due regard to fair application of pluralism and the traditional tenets of objectivity, comprehensiveness and independence, and with due respect for the recipient of the information, personal rights and dignity. Pluralism is therefore seen as a right of the user over and above those who are represented;
- b) *pluralism in programming*, in consideration of the fact that the complex spread of public service programming must be directed towards the country's social and cultural development, with adequate space given, even in peak listening and viewing times, to the various cultural tendencies that have marked the

development of civilisation. RAI's editorial line must satisfy and have regard for a public that spans diverse orientations, opinions and tastes. Hence programmes must reflect the multiplicity of cultures and interests so that users, whatever their religious creed, political conviction, race, gender, sexual orientation, education, social condition or age, are neither overlooked nor offended. Even though pluralism may not always find mechanical, contextual application, it must still be adhered to throughout a reasonable programming span. It must also be achieved within each network and news programming and, with particularly delicate or controversial topics where principles are concerned, must also be guaranteed within individual programmes. The principles of impartiality, pluralism and the opportunity for counter-debate shall also apply in the selection of those participating in a broadcast and the role of the public present when this is decisive to its structure. Accomplishing pluralism means that every event will embrace the plurality of values and interests that determine it and the judgements and opinions that can be drawn from it;

- c) *pluralism in politics and communication style*: RAI as a public service is bound to represent the positions of the political majority, the opposition, coalitions and the various other political forces with balance and with regard for the principles of comprehensiveness and objectivity. Regard for comprehensiveness and objectivity must also be evident in the communication style used by a public service broadcaster. This must not be conditioned a priori by the opinions or behaviour of those currently in political power, neither must it display partisanship or extreme individual self-promotion. Political information must supply a full and impartial picture of political and social events and the activities of public bodies. During political and administrative elections and referenda, RAI guarantees observance of the provisions of law and those of the Parliamentary Commission. This ensures equality of conditions for the interested parties that may legitimately take part in election/referendum programming

- and make use of the slots for party political broadcasts offered by public service radio and television;
- d) *social pluralism* which must embrace the full wealth of the independence and thought processes that form the social reality of Italy, and which, in broadcasting of all types and throughout the full range of space given to information, translates into explicit reference to and the representation of all types of social situations, from the world of work onwards. Ensuring access, both direct and indirect, to the information system is an explicit duty of a public broadcasting system;
 - e) *cultural pluralism* which means ensuring the country's various cultural choices emerge within each area examined. Additionally, as a public service, it must be seen as able to pose topical, interesting questions in its choice of topics compared with the current modes reflected by other means of information. For example, RAI confirms its commitment to knowledge, science, the environment, technological innovation, evolution, civil rights, consumer rights, new literature and to topics relating to education and training, to the extent of scheduling such topics in peak listening/viewing times. Particular attention is to be given to the promotion and dissemination of quality Italian and European programming, abroad just as much as in Italy;
 - f) *ethnic and religious pluralism*, since the presence in Italy of diverse faiths and ethnic groupings, both indigenous and those of communities from outside Europe, places even greater importance on the public service commitment to counter all forms of racism and further positive attitudes. It is indeed the concern of a public service to give adequate voice to different ethnic groups, and encourage integration and coexistence among cultures. The communicative effort directed towards recognising and giving value to the diverse religious traditions present in Italy, and towards promoting reciprocal knowledge of different cultures, must be reinforced without ignoring the country's Christian roots. Italians must be supplied with information on worlds that up to now

have appeared distant and immigrants must be supplied with the means of understanding the Italian language and culture as well as their rights and duties, this being fundamental to civil coexistence. In this regard the role of voluntary activities must be enhanced and initiatives directed at fostering reciprocal understanding and solidarity must be implemented. Adequate information for and on the Italian communities around the world and their activities must be assured.

- g) *local pluralism* since a public service licensee in Italy is additionally bound to represent and raise the profile of the country's variegated geographical situation with its cultural, economic, productive and environmental diversity, notably the recognised linguistic minorities, and with specific reference to its regional split. Particular attention must be paid to upholding minority languages, this to include full application of the relevant conventions on journalistic information and local programming.
- h) *pluralism of gender and age* in that RAI upholds the policy and culture of equal opportunities for men and women. Programming is required to take on responsibility for the minors in its radio and television audiences: great attention must be paid to protecting them, not just from physical and psychological abuse and the culture of violence, but also in the sense of promoting positive values;
- i) *pluralism regarding associations* in that Italy has a dense network of associations working in the fields of assistance, social marginalisation, the fostering of rights, environmental protection and so forth. RAI undertakes to represent, support and raise the profile of this heritage of voluntary service. In this respect public service broadcasting involves the inclusion of socially-based transmissions with public fund-gathering (and the possibility of offering free airtime for socially-directed promotional messages) based on a specific internal regulation.

2.3 Professionalism

All RAI's activities must be carried out with commitment, professionalism, uprightness and in the full spirit of collaboration and reciprocal respect.

All company members and associates must:

- a) have the requisite professional skills for the responsibilities assigned them;
- b) act in such a way as to maintain the reputation of the company;
- c) not take advantage of their position to obtain economic or any other type of advantage in their social lives to which they are not entitled.

2.4 Impartiality

RAI does not countenance any discrimination in terms of age, gender, sexual orientation, personal or social situation, race, language, nationality, political and union leanings or religious belief in any decisions which have a bearing on those with whom it has dealings. This includes shareholder relations, management of personnel and working arrangements, client relationships, the selection and management of suppliers, and relations with the community and the various institutions that represent it.

RAI has the obligation to keep a constant watch on its programming for impartiality and equitability, be readily available to explain the reasons for its decisions and rectify any lapses or errors without delay.

2.5 Probity in cases of conflict of interest

All situations must be avoided which could bring those involved in any activity as part of company operations into a conflict of interest. This includes both the case in which a company member or associate pursues an interest that goes against RAI's mission or gains personal advantage from business opportunities with it, and the case that those representing clients, suppliers or public bodies act against the duty of trust invested in their position.

Examples, not to be considered exhaustive, of conflict of interest would include:

- a) taking advantage of one's position in order to fulfil interests that conflict with those of the company;
- b) using information on programming and/or scheduling,

including journalistically, acquired by reason of or in the act of one's work, to the advantage of oneself and/or third parties at the expense of the company;

- c) signing a contract or engaging in negotiations with relatives or partners of the Code's recipients without express, justified authorisation by the appropriate bodies.

In addition:

- d) no recipient of this Code may, directly or through relatives, friends or intermediaries, acquire an interest in one of the company's suppliers, clients or competitors, with the exception of the purchase of shares in such suppliers, clients or competitors on the public stock market, and this only to the extent that the shareholding has no significant influence on the affairs of these parties and does not render the recipient excessively subject to their financial fortunes;
- e) no employee may accept assignments incompatible with company regulations without first having received authorisation from the Director General and must not in any event take on assignments or initiatives that conflict with RAI's moral and material values;
- f) employees who accept electoral candidacy must communicate this immediately to the company and shall from that moment until the close of voting be placed on unpaid leave or holiday; in the case of independent workers the working relationship shall be suspended. Anyone elected to supranational, national or local public office or taking up appointments in political party organisations shall not be permitted to be in charge of or present radio and/or television broadcasts for the entire duration of the mandate. Likewise, anyone elected to a public office as above will not be allowed to appear on any RAI radio or television broadcast unless to satisfy the requirements for comprehensiveness and impartiality;
- g) when presenting books by company members the authors should not be penalised as regards information or presentation, however the Directors of Network and Local Programming must follow criteria of sobriety and modera-

tion, avoiding scheduling them at special times; moreover they must avoid attempts at self-promotion by RAI employees when presenting programmes, such as hosting personalities who are the object of their publications or spotlighting stories about them;

- h) the recipients of this Code undertake not to trade in bonds or company stocks at any time when they are in possession of information on the price of such bonds or stocks which is not in the public arena, nor may they pass such information to other parties.

2.6 Confidentiality

RAI recognises the value of confidentiality (see point 8 below) as a core ethical principle.

2.7 Openness and probity in management, information supply, and the recording and verifiability of operations

All actions, operations, negotiations and general behaviour that form part of working activities must bear the stamp of maximum managerial propriety, comprehensiveness and openness in information, legitimacy both formal and in substance, and clarity and truth in bookkeeping, in line with the internal procedures and standards in force, and must be verifiable.

All recipients of the Code are bound to give full, clear, unambiguous, comprehensible and accurate information to enable those with whom the company has dealings to make independent decisions in full awareness of the interests involved, the alternatives and any relevant consequences.

All actions and operations of the company must be adequately recorded and the process of decision-making, authorisation and development must be verifiable. Every operation must be backed by adequate documentation so that, at any time, controls may be carried out to show the characteristics of and motivation behind the operation, and who has authorised it, carried it out, recorded it and checked it.

2.8 Diligence and probity

When preparing contracts RAI will specify clearly and comprehensibly to the other party the requisite behaviour to be taken in any

foreseeable circumstance.

Contracts with third parties and work commissions must be carried out in accordance with what was knowingly agreed.

2.9 Fair competition

RAI will defend the value of fair competition, refraining from misleading behaviour, collusion and abuse of its dominant position.

2.10 Value of human resources and personal integrity

The supreme value of the human individual is recognised by RAI which undertakes not only to guarantee but to strengthen their inviolable rights.

The image of women must not follow reductive or exploitative stereotyping.

Particular attention is also paid to the protection of children and adolescents by RAI in its activities: it considers the right of minors to confidentiality, honour and reputation to be of primary importance. Employees and associates are an indispensable element in the success of the company. For this reason RAI defends and furthers the value of human resources, and aims to improve and increase the range of skills possessed by each associate. RAI likewise guarantees the physical and moral integrity of its employees and associates, and a working environment that brings regard for individual dignity, personal opinions and convictions, and which is safe and healthy.

2.11 Collaboration, reciprocal respect in working relationships

The relationship between employees and associates at all levels must bear the stamp of propriety, collaboration, loyalty and reciprocal respect.

When subscribing to and managing contractual relations that involve the establishment of hierarchical relationships – most particularly between employees and associates – authority must be exercised equitably and with fairness, and must not be abused in any way.

In particular RAI guarantees that authority shall not be transformed into the exercise of power, which can damage the dignity

and independence of the employee or associate, and that decisions on working arrangements shall take into account the value of all contributions.

2.12 Quality of products and services

RAI's activities are directed towards the satisfaction and protection of its users, and full consideration is given to requests that could lead to improvements in the quality of its products and services.

Moreover, RAI, as a public service, considers that the concept of quality cuts right through its activities: it constantly aspires to the system of values to which it subscribes, which translates into effective, interesting products and services in good taste.

Hence its sales, research and development activities are directed towards achieving high standards of quality in its products and services.

Information given by a public service must stand out for the quality of the message as well as the choice of its contents. Showing acts of violence just for the sake of it can never be considered justifiable; whenever such representation is necessary, in certain contexts, to assist comprehension of a story, it shall be reduced to a minimum and particularly brutal details are never to be shown.

Public service programming must also ensure correct use of language and upright behaviour among those taking part. The Italian language must be defended effectively.

The principles of fairness, social responsibility and good taste, and respect for users' opinions, their age, gender, culture, religious creed and social situation, which inspires the whole of RAI's activities, shall also apply to its entertainment programmes.

RAI shall continuously monitor how its programmes correspond to the informing principles of public service broadcasting.

2.13 Responsibilities towards the public

2.13.1 *In general*

In its role as public service broadcaster RAI takes account of its responsibilities to the general public and will do the utmost to ensure vigilant attention to and true respect for those values of comprehen-

siveness, impartiality and objectivity that form the fundamental guarantee underlying a wide-ranging flow of information and ideas. RAI is aware of the direct and indirect influence its activities can have on the situations, economic and social development and general wellbeing of the general public and the importance for it to have social acceptance by the communities within which it operates.

The company therefore aims to improve its reputation and social acceptance by being seen to conduct its investments and output in a fair, open, environmentally sustainable way, respect current laws on the right to health, and support initiatives of cultural and social value.

2.13.2 In service broadcasting

RAI undertakes to reserve adequate airtime for the interests and rights of particular groups of citizens in its service broadcasting.

In particular, the culture of social insertion and integration for the disabled must find adequate space in its entertainment and informational broadcasts, thereby heightening public awareness of the problems of disability and lack of social adaptation.

2.13.3 Protection of minors

In recognising that minors form a proportion of its users, RAI undertakes scrupulous compliance with the primary and secondary standards in force for their protection.

In particular it undertakes to protect the right of children and adolescents to education and to appropriate human growth, and puts the greater interest of minors before all other interests. In particular, in broadcasts directed at minors it undertakes:

- a) to safeguard the personalities of minors in such a way that they receive specific protection as a person in development, the interest in their growing up normally taking precedence over all else;
- b) not to exploit minors taking part in its broadcasts and to ensure that their persona and rights are treated with the utmost respect;
- c) to improve and heighten the quality of television broadcasts for minors, including their protection from information or

materials damaging to their wellbeing and from all forms of violence, harm, abuse and exploitation which might by suggestion damage their psychic and moral development in any way. "Protected bands" of broadcasting time are to be reserved for them where they can be assured controlled programming and prompt preventative information on sequences and/or situations that could disturb a non-adult person;

- d) taking account of the needs of the child both as regards quality and quantity, to help adults, families and minors make the correct, appropriate use of television broadcasts, leading to a reduced danger of dependence on television and of restricted televisual models and a more discriminating choice of programmes;
- e) to work in collaboration with the educational system, and with the support of sector experts, to achieve sufficient, correct "televisual literacy" in minors;
- f) to assign specially prepared, high quality personnel to broadcasts for minors;
- g) to awaken public opinion to the ways in which psychic distress can develop in the young so that they can help prevent this occurring;
- h) to increase the awareness of all professionals involved in programme scheduling and preparation of the problems of infancy, each television business doing so in the ways it considers opportune.

2.13.4 Italians abroad

RAI recognises among its primary duties that of fostering knowledge of the Italian language and culture throughout the world, and maintaining live, open relations with Italians abroad through broadcasts that bring news and images of their country into their homes.

2.14 Environmental protection

The environment is a primary asset that RAI is committed to safeguarding. It plans its activities to that end, seeking balance between its economic aspirations and the imperative needs of the

environment. In this it takes into consideration the rights of future generations, not only by compliance with legislation in force but by following developments in scientific research and those with greatest experience in the subject

3. RELATIONS WITH THIRD PARTIES

3.1 Criteria for business conduct

The business relationships established by RAI take their lead from the principles of loyalty, probity, clarity, accountability, efficiency and openness to the market. When company members and associates engage in actions that can in some way be ascribable to RAI they are required to behave correctly and in line with RAI's interests irrespective of market competitiveness and the importance of the business conducted. Corruption, illegitimate favours, collusion and solicitations, directly and/or via third parties, for personal or career advantages for themselves or others are prohibited.

In particular, recipients of the Code are expressly prohibited from:

- a) granting or receiving any form of consideration or any other sort of benefit for carrying out an official act or one contrary to their official duties;
- b) giving or receiving, in any form, direct or indirect, gifts, handouts or hospitality unless the value is such as not to compromise the company's image;
- c) letting themselves be subjected to or exerting any form of conditioning on decision-making and/or acts relating to their working activities.

Any company member or associate who receives gifts or other forms of benefits which are not directly ascribable to normal courteous relations must take every possible opportunity to refuse such gifts or benefits and immediately inform his immediate superior and/or the Ethical Committee.

No company member or associate shall undertake any activity that is not in RAI's interests as part of the duties and/or services comprising their work.

In particular, company employees and associates must avoid all situations and activities where a conflict with its interests could manifest or which could interfere with their ability to take impartial decisions in its best interest and in complete accordance with legal provisions and those in this Code. They should especially take account of the examples illustrating situations which constitute a conflict of interest detailed in paragraph 2.5 above.

3.2 Relationships with clients and users

RAI shall pursue success as a business on the marketplace by offering high quality products and services at competitive terms while observing all standards to safeguard fair competition. While recognising that gaining appreciation for its products and services is of primary importance for its success as a business, RAI considers regard for its role as public service broadcaster to be pre-eminent. It therefore takes the following to be priority tasks in the supply of its services: guaranteeing freedom, pluralism, objectivity, comprehensiveness, impartiality and correctness of information; fostering civil growth and social progress; promoting culture, education and the Italian language; safeguarding the national, regional and local identities; guaranteeing services of social benefit; extending the advantages of new broadcasting technology to the public; ensuring a balanced, varied range of programmes that will give it the size of audience to fulfil its role; and maintaining quality throughout the full range of its programming. Recipients of this Code of Ethics are obliged to:

- a) respect the standards enshrined in the *Service Contract and in the Charter of Duties and Obligations of Public Service Workers*;
- b) respect the principles laid down in the *Self-regulation Code: TV and Minors*;
- c) observe internal procedures for managing client relationships;
- d) supply, to the extent of contractual provisions, high quality products and services that satisfy or exceed the reasonable expectations of users and clients in general;

- e) supply accurate, truthful and comprehensive information on the products and services offered so that users and clients in general can make informed decisions.

3.3 Relationships with suppliers

With tenders, regular supplies and the supply of goods and/or services in general the recipients of the Code are obliged to:

- a) observe internal regulations on the selection and management of relations with suppliers and not preclude any company with the necessary requisites to tender for the supply of goods and/or services;
- b) adopt objective evaluation criteria when choosing suppliers, following clear, openly disclosed methods;
- c) work with suppliers to ensure that RAI's client needs are consistently satisfied in terms of quality, cost and timing of the services provided, to the extent that their expectations are at least matched;
- d) insist on respect for the obligations that directly relate to their activity;
- e) take their lead from the principles of propriety and good faith in correspondence and dialogue with suppliers, and abide by the most rigorous commercial practices.

3.4 Relationships with associates

Associates (consultants, intermediaries, agents, television and radio hosts, actors, guests etc.) will be asked to abide by the principles contained in the Code.

Agreements with associates must be in writing, drawn up as prescribed by internal regulations, stipulated prior to the start of any activity and shall include an undertaking by them not to make improper payments

To this end, all company members, in connection with their official duties, shall:

- a) observe internal standards, principles and procedures for selecting associates and managing the relationship with them;
- b) observe relevant regulatory stipulations and, apart from spe-

- cial programming needs, select only properly qualified people and enterprises of good reputation;
- c) take sufficient account of any negative report from any source regarding potential associates;
 - d) include an obligation to abide by this Code in external associate contracts and set out adequate sanctions should it be violated (for example, the termination of the contract).

In all cases, the fee paid shall be based solely on the services described in the contract, the associate's professional abilities and the service effectively received; it shall moreover be supported by suitable documentation (invoice etc.), properly channelled and duly recorded. Payments must never be made to any parties apart from those indicated in the contract, neither can payment be made to a country that is neither that of either party nor that stipulated in the contract.

3.5 Relationships with public bodies

In its dealings with State, supranational or international bodies, RAI undertakes to describe the company's position and interests with openness, rigour and coherence, and avoid all forms of collusive behaviour.

In order to ensure the utmost clarity and openness, dealings with institutional bodies are to take place solely by the officials and company departments deputed to do so. In regard to gifts and acts of courtesy towards public bodies the stipulations of paragraph 4.2 shall apply.

3.6 Relationships with social organisations

RAI considers the development and maintenance of dialogue with associations representing the interests of those with whom it has dealings to be of strategic importance so that it can present the company position, achieve cooperation, with regard for the interests of both sides, and avoid possible areas of conflict. RAI is also orientated, where possible, to the major trade associations, those which best represent the interests of the different classes of those with whom the company has dealings, and therefore takes its lead from information and involvement.

3.7 Advertising

Advertising must never violate or conflict with the law in any way and must be disseminated responsibly, observing the Advertising Self-Regulatory Code and the RAI Code of Conduct (which may be found in the guide to producing advertisements distributed by RAI). In particular, advertising must be truthful, honest and fair, and recognisable as such. It must not be misleading, nor contain elements likely to offend the public's moral, civil, religious or political convictions, nor their sense of belonging to certain ethnic groups, races, nationalities or social or professional categories. It must avoid all sexual discrimination and respect human dignity. There shall be no advertising during cartoon programmes for children and religious broadcasts.

Clandestine, indirect and subliminal advertising are strictly forbidden.

3.8 Subsidies and sponsorship

RAI pledges to support no profit activities in the communities in which it operates to satisfy widespread interests of ethical, judicial or social merit. Sponsorship activities may cover social matters, sport, shows and the arts but are directed solely towards events of determined quality or where RAI can be involved in planning to ensure originality and effectiveness. In selecting the proposals to support, particular attention must always be paid to any possible conflict of interest, either personal or corporate. The management of subsidies and sponsorship shall be regulated by a set procedure in order to ensure consistent behaviour.

3.9 Relationships with other media

The supply of information to those outside the company must bear the stamp of clarity, openness and timeliness.

To ensure its consistency and comprehensiveness, relations with other media are to be held solely by the company officers and departments so deputed and in compliance with the company communications policy.

Other company members or associates may not therefore supply information to other media, nor undertake to supply it, unless they

seek and obtain authorisation from the appropriate offices. In particular, employees and associates must refrain from any public declaration that could damage the company's image. In any event, any declaration must first be submitted to the press office, the department deputed to safeguard and represent RAI's activities, which will decide upon and coordinate distribution.

The Code's recipients must not in any way offer payments, gifts or any other advantage or benefit in kind in order to influence the activities of other media.

4. RELATIONS WITH THE PUBLIC AUTHORITIES

4.1 General criteria for behaviour when dealing with public authorities 27

The recipients of this Code must behave legally and ethically in their dealings with the public authorities, whether these be commercial or administrative, and must refrain from behaving or attempting to behave in a way that could be considered an offence, with particular regard to the provisions of D.Lgs. 231/2001 in this regard.

For the purposes of this Code, the public authorities are defined as any public body, independent administrative agency, person or entity that acts as a public official or as an appointee of a public service, whether in Italy or abroad.

Personnel charged to undertake any business negotiation, request or relationship with the a public authority must not seek to influence its decisions inappropriately, neither those of the officials who handle or take decisions on its behalf.

4.2 Gifts and bene- fits in kind

In particular, it is strictly forbidden to offer, promise or furnish, in any form, directly or via intermediaries, gifts and benefits in kind to a public authority, to persons or entities acting on its behalf or in its service, or to their families. Illicit pressures on the same elements to induce, facilitate or remunerate a decision, or to commit

any act counter to the public authority's official duties are similarly strictly forbidden as is conduct aimed at supporting or damaging any party in a civil, penal or administrative trial or bringing the company direct or indirect advantage.

Should company members or associates receive explicit or implicit requests for benefits of any kind from a public authority, i.e. from persons or entities acting on its behalf or in its service, they must immediately suspend all dealings with it and inform their immediate superior and/or the Director General (through the Permanent Committee, as set forth at point 1.5, if appropriate) or the surveillance body set up pursuant to D.Lgs. 231/2001 and, if necessary, the appropriate authorities.

The recipients of this Code must not evade these precepts by resorting to other forms of assistance or offerings (sponsorship, commissions, consultancies, publicity etc.) which have the same ends as those prohibited under these standards.

These provisions do not apply to reasonable, normal reasonable entertainment expenses nor to gifts of modest value that are customary in ordinary working relationships.

The dispensation of any allowed gift or benefit must always be justified in writing, accompanied by a declaration of the identity of the beneficiary and duly recorded.

In countries in which it is customary to offer gifts to clients or others, it is permitted to follow such practices as long as the gifts are appropriate and of modest value, they remain within the limits details above and never infringe the law. This however must not and cannot be taken to sanction requesting favours. When gifts are made in such circumstances their nature and the identity of the recipient must be kept readily available for subjection to specific examination by the surveillance body.

The appropriate company offices must inform the surveillance body of all new significant operational contacts with a public authority, or persons or entities acting on its behalf or in its service. They must also keep it advised of progress on any activity and its conclusion.

4.3 Subsidies and financing

It is strictly forbidden to use artifice or deception to mislead a public body, the State or the European Union, in order to benefit the company unjustly and at the expense of others. Such unjust profit could include aid, financing and other disbursements, however termed, that come from a public body, the State or the European Union and could be direct or indirect. It is moreover strictly forbidden to:

- a) make use of or present false declarations or documents or any containing untrue statements, or omit due information, in order to gain aid, financing or other disbursements, however termed, from a public body, the State or the European Union;
- b) allocate aid, financing or other disbursement, however termed, from a public body, the State or the European Union to ends other than those for which it was obtained, meaning the accomplishment of a project or the development of activities in the public interest.

It is strictly forbidden to cause damage to a public body, the State or the European Union by altering the operation of any information or telematic system in any way or by intervening illegally by any means on any data, information or programs which such a system contains or which are pertinent to it. "Information system" here means a partially or completely computerised array of equipment destined to carry out any function of use to human beings.

5. OPENNESS IN ACCOUNTING AND INTERNAL CONTROL PROCEDURES

5.1 Openness towards the market

In pursuing its mission RAI is committed to complete openness in its policies.

All information supplied to those outside the company does not only comply fully with regulatory requirements but is marked by clarity of language, completeness, timeliness and neutrality towards all those with whom the company has dealings.

5.2 Accounting procedures

Openness in accounting is founded on the principles of truth, fairness and comprehensiveness of the basic information in accounting registers.

All RAI employees have a duty to work in such a way as to ensure correct, timely registration of administrative events in the accounts. Every operation must be recorded and accompanied by supporting documentation, thus facilitating:

- a) the disclosure of accounts;
- b) the determination of different responsibility levels;
- c) accurate reconstruction of each operation, this also reducing the chance of interpretational errors.

Each entry must correspond precisely to the supporting documentation. Employees are bound to ensure that documentation can be produced easily and is logically ordered.

Should any company member become aware during the exercise of his/her duties of any omissions, falsifications or oversights in the accounts or the documents on which they are based he/she must immediately inform his/her superior officers (so that the report reaches the administrative area head without delay) or the Director General directly (through the Permanent Committee, as set forth at point 1.5, if appropriate).

5.3 Internal controls

RAI is strongly orientated towards developing and disseminating a culture of "control awareness", and a mentality directed towards the exercise of control, at every level of the organisation. It appears that attitudes towards control can have a vital effect on the contribution this makes to improving efficiency.

The internal control system is made up of the various processes that monitor the efficiency of company operations, the reliability of its financial information, its legal and regulatory compliance, the safeguarding of its property and its pursuit of stated strategic objectives.

All levels of RAI's organisational structure are involved in some way or another with the effective running of the internal control system; consequently all RAI employees are responsible for its deter-

mination and correct functioning as part of their company duties. The RAI internal control system spans two distinct kinds of activity in particular:

(a) “line control”, the various control activities that single operative units and companies in the RAI group carry out on their processes. These are primarily the responsibility of operations management and are considered an integral part of every company procedure. Company management is bound not just to implement, update and maintain the internal control system but to disseminate a “culture of control”, which embraces its associates too.

(b) internal auditing. This is assigned to a specifically qualified departmental head. The aim is to provide systematic surveillance of operations and the adequacy of line controls, leading to the formulation of proposals and recommendations for improvements to their effectiveness and efficiency.

Each company in the RAI Group adopts internal auditing to ensure the functionality and adequacy of its internal control system.

6. TUTELAGE OF SHARE CAPITAL, CREDITORS AND THE MARKET

One of the central elements of RAI’s ethical policy, and one helping build and improve its reputation and trustworthiness, is its attitude towards the integrity of its share capital, the protection of its creditors and third parties who establish relations with the company, market stability and the openness and propriety of its economic and financial activities in general.

These elements are also covered by penal law, pursuant to D.Lgs. 231/2001, which holds the company responsible for offences in this sphere carried out in its interests.

RAI is consequently resolved to observe and disseminate its behavioural principles on safeguarding the values described above, which naturally include prevention of the offences referred to in D.Lgs. 231/2001.

To this end, company members and associates are expressly forbidden from:

- a) setting in being, taking part in or giving cause for behaviour that could be considered an offence as set forth in D.Lgs. 231/2001;
- b) setting in being, taking part in or giving cause for behaviour which might lead to such an offence being committed.

Effective prevention of such offences and protection of the ethical values described above depends on observance of the behavioural principles which follow and which inform company procedures in this area.

6.1 Corporate financial communications, prospects and relationships

All company members and associates are bound to behave fairly, openly and collaboratively, and with due regard for all legislative standards and internal company procedures, in all activities concerning the formation of the balance sheet and all other corporate communications with its shareholders or the public prescribed by law. Shareholders and third parties are to receive correct, truthful information on the company's economic and financial situation and its assets. In particular, it is forbidden to:

- a) show on the balance sheet or other corporate communications prescribed by law, or transmit for producing or showing on such documents, untruthful data on the company's economic or financial situation or its assets, such as to mislead the recipients of such communications;
- b) omit any legally required data or information on the economic or financial situation of the company or its assets, such as to mislead the recipients of the corporate communications required by law.

Corporate communications in this context are those required by law for shareholders and the public.

6.2 Integrity of share capital

So as not to prejudice creditor and third-party guarantees, all company members and associates are strictly bound to observe legal

requirements for protection of the integrity and effectiveness of its share capital and must furthermore adhere to internal company procedures based on these requirements.

6.3 Correct company operations

RAI shall ensure that the company and its corporate offices are properly run, guaranteeing and facilitating all forms of corporate management control provided for by the law, and freedom and fairness in decision-making by the General Meeting.

In this regard recipients of this Code are forbidden to:

- a) behave in such a way as to obstruct or materially impede the control or review activities of the Board of Statutory Auditors or an audit company, by concealing documents or other fraudulent means;
- b) determine or influence General Meeting resolutions by means of simulated or fraudulent acts to affect members' normal decision-making procedures.

6.4 Safeguarding control functions

RAI does not condone any action or omission that could obstruct the activities of the public surveillance authorities overseeing the sectors in which it operates.

To this end all company members and associates are required to produce all communications for the public surveillance authorities required by law and by regulation opportunely, correctly and in good faith, and not pose any obstacle to these authorities in carrying out their functions. In particular it is forbidden to:

- a) omit to produce any periodic report with due quality and timeliness for the public surveillance authorities to which company activity is subject, as required by laws and regulation covering this sector, or omit to transmit any data or document required by regulation and/or specifically requested by the aforementioned authorities;
- b) make declarations in such communications and transmissions which are untrue or conceal relevant facts regarding the company's economic or financial situation or its assets;

- c) behave in such a way as to obstruct inspections by the public surveillance authorities and other surveillance activities (explicit opposition, refusals on pretexts, obstructive behaviour or lack of collaboration, such as tardiness in communications or in the supply of documents).

7. PERSONNEL POLICIES

7.1 Human resources

Human resources are an indispensable element for the continued existence, development and success of an enterprise.

RAI is pledged to develop the abilities and skills of its employees so that the professionalism and commitment with which they abound will become determining values in attaining its objectives and so that their energy and creative potential can find full expression in their working environment.

RAI's employees are bound to respect the behavioural principles contained in this Code, in internal company regulations and in the trade regulations governing different types of employed workers.

In particular all employees are bound to comply with the laws on propriety, good faith and diligence in carrying out their working activities.

Moreover it is to be stressed that the peculiar nature of journalism obliges those whose field of operations is information – and especially those in a public service – to pay great attention to ethical self-discipline, and this includes the individual assessments made when setting up working relationships with external associates. In this regard it is to be noted that, in line with company regulations, all workers are bound to refrain from assignments or activities that are incompatible with their role in RAI or in conflict with the company's moral and material interests.

RAI advocates the culture and policy of equal opportunities in the workplace, acting such that all may enjoy equal treatment, based on their skills and abilities, without any discrimination. Personnel management heads must:

- a) determine and implement strictly professional criteria, based on merit and skill, for any decision regarding the activities of their employees. There must therefore be no “share-outs”, no predominance of the political majority, no special demands by the political minority;
- b) develop recourse to competitive examination and use objective criteria for the selection, acceptance, training, retribution and management of employees, such as to prevent any discrimination and ensure pluralism throughout;
- c) create a working environment in which personal characteristics do not lead to discrimination, be they in terms of age, gender, sexual orientation, personal or social situation, race, language, nationality, political and union leanings or religious belief.

RAI undertakes to safeguard the moral integrity of its employees and ensure them the right to working conditions which respect individual dignity. It consequently guarantees to protect its workers from psychological violence or bullying and opposes any attitude or behaviour counter to the principle of pluralism or which is harmful to the individual, his convictions or his inclinations.

RAI employees, at all levels, are bound to collaborate in maintaining a climate of reciprocal respect for the dignity, honour and reputation of everyone in the company, and to be proactive in preventing injurious or defamatory interpersonal behaviour.

7.2 Harassment in the workplace

RAI requires that working relationships, both internal and external, are free of harassment, examples of this being:

- a) the creation of an intimidatory, hostile or isolating working environment for any workers, singly or in groups;
- b) unjustified interference with others’ working assignments;
- c) obstructing others’ individual work prospects for no other reason than personal competition.

Sexual harassment is not permitted and all behaviour and conversation that could upset personal sensibilities must be avoided.

7.3 Drug and alcohol abuse

RAI requires its employees to remain respectful of others' sensibilities in the working environment.

Hence, during working activities and in places of work, the following actions, even if they take place only occasionally, shall be deemed to constitute conscious assumption of risk of prejudice to this environment:

- a) working under the effect of alcohol, drugs or mind-altering substances;
- b) taking or accepting drugs for any reason while working.

Chronic dependence on such substances shall be considered equivalent in contractual terms to the conditions above where it has an effect on the working environment.

RAI undertakes to support the corporate actions provided for regarding collective contracts.

7.4 Dissemination of personnel policies

RAI undertakes to disseminate its personnel management policies to all its employees, through its various means of communication (intranet, company web tv, organisational documents and communiqués by department heads).

7.5 Duties of personnel

Employees must comply with the obligations in their work contract, this Code and other company provisions, carrying out the duties required of them and acting with propriety and decency.

Employees and associates must assess their situation and behaviour very carefully when carrying out their activities in different environments so as to avoid exposing the interests and/or image of RAI to possible damage.

7.6 Information management

Employees must be aware of and abide by company policy on the protection of privacy and guaranteeing the integrity, confidentiality and availability of information.

They must use clear, objective and thorough language when preparing documents and allow them to be checked by colleagues, depart-

ment heads and external parties so authorised.

7.7 Conflict of interest

RAI employees must avoid situations that could generate a conflict of interests, as discussed in paragraph 2.5.

Should an employee have even a suspicion of a conflict of interest, he/she is bound to communicate this to his/her immediate superior and/or the Director General (through the Permanent Committee, as set forth at point 1.5, if appropriate) who will evaluate each situation individually.

7.8 Use of company property

Every employee using company property must:

- a) behave with diligence;
- b) adopt responsible behaviour in its use and that in line with procedures;
- c) where its use must be documented, do so with precision;
- d) avoid improper use which could damage or reduce the efficiency of the items or which in any event conflicts with the interests of the business.

Every employee is responsible for looking after the property with which he/she is entrusted and must promptly inform the appropriate offices of any threat to or events harmful to property owned by RAI. Without prejudice to the provisions of legislation currently in force RAI reserves the right to prevent misuse of its assets and infrastructure through accounting and reporting systems, financial control and risk prevention analysis.

As regards computer applications in particular, every employee is bound to adhere to internal regulations on the use of the internet and the company e-mail system.

7.9 Gifts and benefits in kind

In general, gifts are not permitted in any form beyond what is considered to be courtesy or normal commercial practice. RAI refrains from practices not permitted by law and observes the commercial usages or ethical codes – where known – of the companies and bod-

ies with which it has dealings.

Any gift or benefit in kind which is permitted by internal procedures must always be supported by written justification, accompanied by a declaration of the identify of the beneficiary and duly recorded.

RAI employees who receive gifts or benefits that go beyond what is generally considered acceptable are bound to communicate this to the relevant official who will take a view on their appropriateness and inform the sender of RAI policy in this area.

Company gifts to employees are not permitted.

8. CONFIDENTIALITY AND PROTECTION OF INFORMATION

8.1 Protection of privacy

Personal data relating to persons or entities must be handled with full regard for their rights, fundamental freedoms and human dignity, with particular reference to confidentiality and personal identity, in accordance with current legislation on this subject matter.

In addition to the provisions of the *Charter of the Duties and Obligations of Public Service Broadcasters and the Charter of the Rights and Duties of Broadcasting Journalists in the Public Service*, RAI undertakes not to communicate outside of the company information regarding its employees or third parties generated or acquired during its activities without the authorisation of those involved, except as required by the law, and not to make improper use of such information.

The right to privacy of company members and associates is protected by standards that lay down what information the company may request and how it may handle and store it.

No investigation may take place into their ideas, preferences, personal tastes or private life in general.

Moreover, apart from the situations prescribed by law, it is prohibited to communicate or disseminate personal data without the prior consent of those involved. There are additional regulations covering the means available to any interested subject to control that the

standards on the protection of privacy are being met.

8.2 Duty of confidentiality

RAI assures the confidentiality of the information in its possession and refrains from soliciting confidential data from third parties, except when this is expressly, knowingly authorised and is in conformity with judicial standards in force.

All information, knowledge and data acquired or handled by its employees during their work is the property of RAI and may not be used, communicated or divulged without higher authorisation.

The recipients of the Code are bound to maintain complete secrecy on the interests of RAI and/or the other companies in the RAI Group and are not to use confidential information regarding the company for ends other than those connected with the exercise of their job.

All recipients of the Code are prohibited from divulging information pertinent to the organisation or its methods of working, or using such information in any way that could be prejudicial to the enterprise.

Although the right to information is guaranteed so is the right to privacy of individuals and news of their private life may not be published unless it is in the public interest, and no reference is made to their relatives or other parties extraneous to the facts.

There is no conflict with respect for privacy in reporting events of public or social interest when the information given, even if detailed, is crucial due to its originality, the particular ways in which the event occurred or the status of the people involved.

The private lives of noted persons or those in public positions must be respected if the news item or detail is of no relevance to their official capacity or activities.

The anonymity of minors shall be protected, even when reporting events that are not offences (e.g. adoption), to avoid any negative effect on the development of their personality. Particulars that could lead to their identification shall not be revealed. The exception – subject to agreement by the minor's parents and the appropriate judge – is that the dissemination of his/her personal details and image is in his/her interest (e.g. cases of running away from home, kidnapping).

9. HEALTH, SAFETY AND THE ENVIRONMENT

RAI carries out its activities in accord with the legislation in force on workplace conditions.

As part of its activities RAI undertakes to disseminate and consolidate a culture of safety, develop risk awareness and use all necessary resources to ensure the health and safety of its employees, external associates, clients and the general public with which it works. For these reasons RAI's activities are managed in compliance with current legislation on environmental prevention, protection and impact, and with the use of technical and organisational devices to ensure health and safety.

There remains a general ban on smoking in the working environment, especially where it might cause danger and where there are signs to this effect, in line with the prescriptions of law and regulatory requirements.

To this end, operations management is based on advanced standards of environmental protection and is motivated by improving health and safety in the workplace. Research and technological innovation engaged in or supported by the company must be based on encouraging products and processes that are ever more environmentally compatible while paying ever greater attention to the health and safety of workers.

In their working lives RAI personnel must play their part in preventing risk, safeguarding the environment, and protecting the health and safety of themselves, their colleagues and third parties.

10. EFFICACY OF THE CODE AND CONSEQUENCES UPON ITS VIOLATION

Observance of the standards of this Code are to be considered an essential part of the contractual obligations of employees pursuant to and in accordance with Art. 2104 of the Civil Code. Any viola-

tion of the standards in this Code by them may be considered to breach the primary obligations of the working relationship or constitute a breach of discipline, in accordance with the procedures laid down in Art. 7 of the Workers' Statute, and may entail the legal consequences, including termination of the work contract and reimbursement of the damages caused by such violation.

Observation of the Code is to be considered an essential part of the contractual obligations of associates, other company members and all those having business dealings with RAI. Any violation of the standards in this code by them may be considered to breach their contractual obligations and may entail the legal consequences, including termination of the contract and/or commission and reimbursement of the damages caused by such violation.

MAIN SOURCES (APART FROM RELEVANT LEGISLATION)

- Service contract
- Charter of the Rights and Obligations of Workers in Public Service Broadcasting
- Charter of the Rights and Duties of Broadcasting Journalists in the Public Service
- Self-Regulation Code: TV and Minors
- Advertising Self-Regulation Code and RAI Code of Conduct
- Standards for regulation of the airtime dedicated by RAI to public fund-gathering, the "RAI for the social sector" campaigns and public awareness campaigns