ALBINI GROUP

ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL
COTONIFICIO ALBINI S.P.A.

(pursuant to Legislative Decree no. 231 dated 8th June 2001)

SPECIAL SECTION

Approved by Cotonificio Albini S.p.A.'s Board of Directors on 13/10/2025

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Special Section A

Offences against the Public Administration and its assets, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of induction not to submit statements or to make misleading statements to the Judicial Authority;

A.1 Function of Special Section A

This Special Section aims to illustrate the responsibilities, criteria and behavioural norms to which the "Addressees" of the Model – as defined in the General Section – must follow when handling activities at risk in regards to the offences referred to in Articles 24, 25, 25-ter (limited to wrongdoings of corruption between individuals and incitement to corruption between private individuals) and 25-decies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:

- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

A.2 Pertinent offences

For declarative completeness, below are all the offences that form the basis of the administrative responsibility of the institutions pursuant to Articles 24, 25, 25-ter (as specified above) and 25-decies of the Decree.

Offences against the Public Administration and its holdings

Embezzlement (Article 314 of the Italian Criminal Code)
The offence is committed where a public official or a person entrusted with a public service, having, by virtue of their office or service, come into possession of money or other movable property belonging to the public administration, misappropriates it.

This offence may involve administrative liability of the Entity when the crime offends the financial interests of the European Union.

Misappropriation of money or movable property (Article 314-bis of the Italian Criminal Code)
The offence is committed, apart from the cases cited in Article 314, where a public official or a person entrusted with a public service, who, by virtue of their office or service, has in their possession or otherwise has access to money or other movable property belonging to another person, allocates them to a use other than that provided for by specific statutory provisions or by acts having the force of law which leave no scope for discretion, and intentionally procures for themselves or for others an unjust financial advantage or causes unjust damage to others.

Fraudulent misappropriation pursuant to the error of others (Article 316 Italian Italian Code of Criminal Procedure.)
This offence is committed when a public official or the person in charge of a public service who, in carrying out his duties or service, and taking advantage of the error of others, unlawfully receives or retains money or other benefits for him/herself or other third party.

This offence may involve administrative liability of the Entity when the crime offends the financial interests of the European Union.

Embezzlement of public funds (Article 316-bis of the Italian Criminal Code)
The offence is committed where, having lawfully received contributions, grants, funding, subsidised loans or other similar payments from the Italian State, another public body or the European Union, the sums obtained are not used for the purposes for which they were intended (the conduct, in fact, consists of having misappropriated, even partially, the financial incentives obtained, whilst the fact that the planned activity was nevertheless carried out is irrelevant).

Undue receipt of public funding (Article 316-ter of the Italian Criminal Code)
A crime is committed in cases where, by means of the use or presentation of statements or documents that are false or attest untruths, or by means of the omission of due information, any aid, funding, subsidies,

subsidised loans or other disbursements of a similar nature – however they may be named – to be granted or allocated by the State, by other public bodies or by the European Communities, are unjustly obtained for one's self or for others.

The actual use of the disbursements is not taken into consideration, given that the offence arises upon the funding being actually obtained.

This assumption of crime arises compared with the more serious offences of fraud against the State, in the sense that it is only configured when the conduct does not complete the details of the act of fraud that is aggravated due to the perception of public funds (Article 640-bis of the Italian Criminal Code).

Extortion (Article 317 of the Italian Criminal Code)
The offence is committed in the event that a public official or public service officer, in abusing their position, forces someone to procure undue monies or other benefits for themselves or another party.

This offence is subject to merely residual application compared to other offences covered by the Decree. In particular, this form of offence could arise in the event that an employee or agent of the company takes part in the crime committed by the public official or public service officer who, by taking advantage of this attribute, requests undue benefits from a third party (in this case, it would also involve the responsibility of the institution if the unlawful conduct is enacted in the interests – even if not exclusively so – of the Company).

Corruption of persons performing a public service (Article 318 of the Italian Criminal Code)
Corruption in exercising the function — which, as is noted, has replaced the act of corruption with an act of office — is constituted by the conduct of a public official or a public service officer who, in order to carry out their functions or powers, receives or accepts the promise of undue monies or other benefit for themselves or a third party.

For the purpose of consummation, it is not necessary to identify a specific deed as the subject of the illicit agreement, with the nature of the offence resting on the fact that the hand-over of the monies or other benefit is effectuated simply by reason of the functions performed by the public official and in order to pay for their favours.

This offence could arise through the recruitment of staff indicated by the public official, through the issuance to the latter (or third parties thereto) of compensation not in line with the provision/invoice issued or by the fabricated allocation of goods by way gift or donation.

Corruption for the performance of an act contrary to official duties (Article 319 of the Code)
The offence is committed in the event that a public official receives – for themselves or others – monies or other advantages for performing, omitting or delaying acts of their office.

The difference between corruption in exercising a function, examined above, and corruption in a deed contrary to official duties, is outlined as follows. In the first case, following an agreement with a private subject, a violation of the principle of fairness and the duty of impartiality is carried out by the public official without, however, partiality being applied to any undertaking. In the second case, rather, partiality affects a deed that does not fulfil the public purpose underlying such and which is therefore enacted for eminently private benefit.

In order to determine whether or not a deed is contrary to official duties, it is necessary to assess the act itself (to verify its legitimacy or otherwise) but also its compliance with all duties of office or service that may come into account, resulting in a deed not being illegitimate in and of itself but nonetheless contrary to official duties.

Such verification must be done not in relation to individual deeds but by taking into account the whole service rendered to the private party.

For example, it is unlawful to promise monies or other benefit to a public official to fail to report anomalies to have emerged as a result of an audit set up by the Supervisory Authorities.

Aggravating circumstances (Article 319-bis of the Italian Criminal Code)
The aggravating circumstance in question persist in cases in which corruption due to a deed contrary to official duties consists in the provision of public employment, salaries or pensions or entering into contracts where the administration to which the public official belongs and the payment or reimbursement of taxes is concerned.

Corruption in judicial proceedings (Article 319-ter[2] and 321 of the Italian Criminal Code)
The crime of corruption in legal proceedings constitutes an autonomous criminal act characterised by the fact that the offending conduct is enacted in a judicial setting (civil, criminal or administrative) in order to benefit or disfavour a party in the proceedings.

For this offence to be committed, it is not necessary for the acts to be directly traced to the exercise of a judicial function, with activities relative to subjects other than the court falling within the operative sphere of the indicting regulation (Registrar, Officer, Judicial Police Section).

For example, unlawful conduct would also involve promising money or other benefits to a judge in order to achieve a favourable ruling in tax proceedings.

Undue incitement to give or promise utility (Article 319-quater of the Italian Criminal Code)
The regulation punishes the public official or public service officer who, in abusing their position or powers, induces someone to improperly give or promise monies or other benefit to themselves or a third party, save whereby the deed constitutes a more serious offence.

The criminality is further extended to the private party who is incited to complete payment or their promise to do so (and hence becomes an active participant).
For the criminal offences to be constituted, the following elements must exist:

- Conduct of those engaging in the conduct such as to result in an activity of inducement;
- An event embodied by two conduits of the passive subject (promise or undue assignment of monies or other benefit);
- A causative link between the inducement and the final event;
- The representation and volition of their non-legal action.

Corruption of public service officers (Article 320 of the Italian Criminal Code)
The provision in question extends the applicability of the criminal offences set out under Articles 318 of the Italian Criminal Code (corruption of persons performing a public service) and Article 319 of the Criminal Code (corruption due to an act contrary to the duties of office) also to conduct carried out by a public service appointee. In the suppositions elaborated herein, the penalties are reduced by up to one third compared to those imposed in relation to the cited crimes.

Penalties for the corruptor (Article 321 of the Italian Criminal Code)
The punishments set out in Article 318(1), 319, 319-bis, 319-ter and 320 of the Italian Criminal Code in relation to the hypotheses of Article 318 and 319 of the Italian Criminal Code also apply to those giving or promising monies or other benefit to the public official or public service official.

Incitement to corruption (Article 322 of the Italian Criminal Code)
Any person who offers or promises undue monies or other benefits to a public official or public service officer, for the performance of their duties or powers where the offer or promise is not accepted.

The same provision also punishes anyone offering or promising monies or other benefit not due to a public official or public service officer, if the offer or promise is aimed at causing their official duties to be omitted or delayed or to perform an act contrary to their duties, whereby the offer or promise is not accepted.

Such punishability also extends to the public official or public service officer who solicits a promise or assignment of monies or other benefit for the performance of their duties or powers.

Embezzlement, misappropriation of money or movable property, extortion, undue incitement to give or promise benefits, corruption and instigation to corruption of members of international criminal

courts or bodies of European Communities or officials of the European Communities and Foreign States (Article 322-bis of the Italian Criminal Code)

The provisions of Articles 314, 314-bis, 316, 317 to 320 and 322(3) and (4) of the Italian Criminal Code also apply to:

1. Members of the European Commission, Parliament, Court of Justice and Court of Auditors;
2. Officials and agents contracted under the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities;
3. Persons commanded by the Member States or by any public or private entity within the European Communities, who perform functions corresponding to those of officials or agents of the European Communities;
4. Members and employees of institutions constituted on the basis of the Treaties establishing the European Communities;
5. Those who, within other Member States of the European Union, perform functions or activities corresponding to those of public officials and public service officers;
   5-bis) judges, the public prosecutor, additional prosecutors, officials, and servants of the International Criminal Court, persons employed by the States adhering to the Treaty endorsed by the International Criminal Court who exercise functions corresponding to those of the officials and servants of the same Court, the members and officers of entities established in relation to the Treaty endorsed by the International Criminal Court;
   5-ter) individuals who carry out duties or activities that correspond to those of public officials and public service employees of other foreign countries or international public organisations;
   5-quater) members of international parliamentary assemblies or of an international or supranational organisation and judges and officials of international courts;
   5-quinquies) persons who perform functions or carry out activities corresponding to those of public officials and public service employees in non-European Union Member States, where the act is detrimental to the financial interests of the Union.

The provisions of Articles 319-quater(2), 321 and 322(1) and (2), apply even if monies or other benefit is given, offered or promised to:

1. The persons referred to in the first paragraph of this Article;
2. Individuals who carry out duties or activities that correspond to those of public officials and public service employees of other foreign countries or international public organisations.

The persons referred to in the first paragraph of this provision shall be treated as public officials where they perform corresponding duties, and as persons entrusted with a public service in other cases.

Trafficking of illicit influences (Article 346-bis of the Italian Criminal Code)
This offence punishes anyone who, by intentionally exploiting existing relationships with a public official, a public service employee or one of the persons referred to in Article 322-bis of the Italian Criminal Code, improperly causes or induces, for themselves or for others, money or other economic benefit to be given or promised, in order to remunerate a public official, a person entrusted with a public service, or one of the other persons referred to in Article 322-bis of the Italian Criminal Code, in connection with the performance of their duties, or to carry out another unlawful act of mediation.

'Other unlawful mediation' means mediation undertaken with the aim of inducing a public official, a person entrusted with a public service, or any of the other persons referred to in Article 322-bis of the Italian Criminal Code, to perform an act contrary to their official duties, constituting an offence from which an undue advantage may be derived.

Interference with the freedom of auctions (Article 353 of the Italian Criminal Code)
This offence applies to anyone who, through violence or threats, or by means of gifts, promises, collusion or other fraudulent means, prevents or disrupts a tender process in public auctions or private tenders organised on behalf of public authorities, or drives away bidders.

Interference with the freedom of the contractor selection process (Article 353-bis of the Italian

Criminal Code)
This offence applies to anyone who, through violence or threats, or through gifts, promises, collusion or other fraudulent means, interferes with the administrative procedure designed to determine the content of a call for tenders or other equivalent document, with the aim of influencing the public administration's selection of a contractor.

Fraud in procurement to public entities (Article 356 of the Italian Criminal Code)
The provision penalises anyone who commits fraud in the performance of supply contracts or in the fulfilment of other contractual obligations to the detriment of the State, another public body, or an undertaking providing public services or services of public necessity, as well as to the detriment of the European Union.

Fraud against the State, another Public Entity or the European Union (Article 640[2][1] of the Italian Criminal Code)
The offence is committed with deeds or actions aimed at achieving an unfair profit such as to mislead and cause damage to the State (or to another Public Authority or the European Union).

The crime may be committed, for example, in the event that untruthful information is provided to the Public Administration (for example, supported by false information) when preparing documents or data for participation in tender procedures, in order to obtain the award of the tender.

Aggravated cheating resulting in the receipt of public monies (Article 640-bis of the Italian Criminal Code)
The offence occurs in the event that the fraud is committed in order to unduly receive public disbursements.

This offence can be determined in the event of artifice or deception, for example by communicating untrue data or arranging for false documentation, in order to obtain public funding.

Computer fraud (Article 640-ter of the Italian Criminal Code)
The offence is configured in the event that, by altering the functioning of a computer or telematic system in any way or by manipulating the data, information or programs contained therein, an unfair profit is gained through causing harm to third parties.

A company may be held liable, in particular, where an offence committed by its senior management or employees is committed to the detriment of the State or another public body.

Fraud in Agriculture (Article 2 laws no. 898/1986)
Where the act does not constitute the most serious offence defined in Article 640-bis of the Italian Criminal Code, the offence is committed where, by providing false data or information, aid, premiums, allowances, refunds, contributions or other payments, borne in whole or in part by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development, are unduly obtained, either for oneself or for others.

Disbursements by the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development shall be treated in the same way as the national quotas foreseen by EC regulations to complete the amounts disbursed by such Funds, in addition to the disbursements charged to the national finance on the basis of community legislation.

The offence of bribery between private individuals (Article 25-ter of Legislative Decree 231/2001)

Corruption between individuals (Article 2635 of the Italian Civil Code)
The regulation punishes directors, general managers and executives in charge of drafting corporate accounting documents, or any auditor, liquidator or other entities exercising directive functions within the framework of private entities or companies who, even through third parties, solicit or receive for themselves or others, undue monies or other benefit or accept the promise thereof, in order to perform or omit actions in breach of their obligations or duties of loyalty (Article 2635, paragraph 1 of the Italian Criminal Code).

The provision also punishes the conduct of solicitation or receipt of monies or other benefit undertaken

by individuals who hold managerial or supervisory positions of the subjects referred to above (thus, for example, employees of the company) and also sanctions those who offer, promise or grant – even through third parties – corruptive monies or other benefit (Article 2635[2] and [3] of the Italian Civil Code).

The penalties are increases if the company has securities listed or disseminated amongst the public to a significant extent pursuant to Article 116 of the Consolidation Act on Financial Intermediation.

Incitement of corruption between private individuals (Article 2635-bis of the Italian Civil Code)
The provision sanctions anyone who offers or promises undue monies or other benefit to the persons referred to in the first sub-paragraph of Article 2635 of the Italian Criminal Code and the offer or promise is not accepted.

This punishment is further applicable to directors, general managers, executives, auditors or supervisors who, in soliciting money or other benefits for themselves or others, promise or omit actions in breach of duties even when such requests are not accepted.

Crime of incitement to refrain from making statements or to make false statements to the Judicial Authority

Incitement to not make statements or to make mendacious declarations to the judicial authority (Article 377-bis of the Italian Criminal Code)

The crime occurs when any person who uses violence or threats or else offers or promises money or other benefit to induce not to make statements or to make false statements by any person called before the judicial authorities to make statements in connection with criminal proceedings, when the same has the option to provide no comment([1]), unless the deed constitutes a more serious offence.

A.3 Areas of Major Risk

The main areas of jeopardy for the Company, with reference to crimes against the Public Administration and its holdings, to the offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements before the Judicial Authority, are attributable to:

- Management of commercial activities;
- Management of relations with the PA;
- Management of public funding and contributions;
- Handling disputes and dealings with the Judicial Authority;
- Management of certifications and accreditations;
- Management of the procurement of goods and services and rapports with third-parties;
- Selection and management of personnel;
- Management of relations with agents;
- Management of expense reports;
- Management of cash flows;
- Management of intercompany relationships;
- Handling of freebies, donations and sponsorships;
- Management of customs and excise duties.

Addressees are required to adapt their behaviour to that set out in this document.

A.4 Principles of Behaviour and Examples of Committing Offences

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **obligatory** to ensure that the carrying out of such activities takes place in absolute com-

[1] Being subjects who are qualified as being a suspect (or defendant), their next of kin to whom the law awards the right not to make any comment, Pursuant to Article 199 of the Italian Code of Criminal Procedure, and persons who are qualified as suspect (or accused) of relative or related crimes, provided that they have already taken on the role of witness.

pliance with:

- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- Business procedures.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 24, 25, 25-ter (as specified above) and 25-decies of Legislative Decree no. 231/2001 cited prior.

The following principals of conduct should also be respected if the sensitive activities referred to in this Organisation, Management and Control Model are carried out by third party subjects under specific service contracts.

Below is a list exemplifying the means of committing offences with reference to the following activities:

- Management of commercial activities.

The **management of commercial activities** could present a risk in relation to the **crime of corruption between private individuals** in the event that a person in a senior position or subordinate of the Company offers or promises monies or other benefit to the purchasing manager of a client company in order to have a contract entered into for the provision of products.

With reference to the above activities, following are the specific principles of conduct.
Addressees who, for reason of their assignment or function, are involved in the management of the aforementioned activities **shall be obliged** to ensure:

- Relations with commercial counterparties take place in absolute compliance with the laws in force and with the regulations and principles of diligence, loyalty, fairness, clarity and transparency;
- Compliance with all the provisions of the Company's policies and procedures;
- The proper qualification of clients, in accordance with corporate operating practices;
- Traceability of all phases of the sales process, including the definition of sales prices and any discounts applied;
- Commercial offers are subject to the control of all functions performed and approved by entities with appropriate powers and in accordance with the approval process established by internal corporate regulations;
- Commercial offers/proposals (in terms of both prices and discounts) are defined on the basis of that established in a specific price list and/or pre-prepared cost sheet;
- The products offered for sale are accompanied by the necessary documentation both in Italy and abroad (such as technical data sheets, customs documents, certificates of origin for the product, and so on);
- The completeness, clarity, truthfulness and correctness of the documentation to be sent to customers and that such documentation has been subject to approval by persons with appropriate powers;
- In the event that commercial activities are carried out – in whole or in part – with the support of third parties (agents), the selection of the same is always done in compliance with that governed by the "Management of Relationships with Agents" section of this Special Section;
- Intervening relations with counterparties are formalised in written contracts signed by persons with appropriate powers;
- All documentation relating to the management of commercial activities is filed by the company functions involved in the process, including through the use of suitable computer systems;
- Their hierarchical manager or corporate management, along with the Supervisory Body, is informed without delay regarding any conduct carried out by those operating with the private counterparty aimed at obtaining favours, illicit money or other benefits, including before third parties, as well as any critical matter or conflict of interest to arise in the context of the relationship with the clientele.

In the context of the aforementioned conduct, the following is **prohibited**:

- To make promises or undue contributions of monies or other benefit (by way of non-exhaustive example,

hiring or conferring professional, commercial or technical assignments) to counterparties or persons close to the same;
- To enter into contracts with counterparties under conditions established according to non-objective parameters;
- To receive payments from persons who have no contractional/commercial relationship with the Company;
- To carry out any commercial operation, either directly or through a third party, with entities (natural or legal persons) named in international blacklists, or with entities controlled by the latter, where such control relationships are known;
- To adopt any deceptive behaviour towards the clientele.

Below is a list exemplifying the means of committing offences with reference to the following activities:

- Management of relations with the Public Administration;
- Management of public funding and contributions;
- Management of certifications and accreditations;
- Management of customs and excise duties.

The **management of relations with the Public Administration** could present risks in regards to the crime of **fraud against the State** in the event that, for example, a person in a senior position or subordinate of the Company misleads the Public Administration does not simply submit false statements or documents nor attesting to untrue circumstances but enacts further acts of deceit such as, for example, enclosing invoices for non-existent transactions in order to unduly obtain – for themselves or others – authorisation or permission granted by the Public Administration.

The **management of relations with the Public Administration upon audits and inspections** (Guardia di Finanza, the Local Health Unit, the Regional Environmental Protection Agency, and so on) could result in risks in relation to the **crime of corruption in carrying out a deed contrary to the duties of office** in the event that, for example, a person in a senior position or subordinate of the Company gives or promises monies or other benefit to a public entity in order to induce them to determine the successful outcome of the inspection.

The **management of relations with the Public Administration** could also present risks in relation to the **crime of trafficking illicit influences** in the hypothesis in which a person in a senior position or subordinate of the Company offers or promises monies or other benefit to a third party who, by having relations with a public official or public service officer, may operate as an intermediary in relations with the Public Administration to obtain favourable treatment or undue benefits for the Company, such as the issuance of permits or authorisations, or the successful outcome of an inspection.

The **management of public funding** could present risks in relation to the configuration of **offences against the Public Administration** in the event of which, for example, the Company misleads a Public Official through artifice or deception in order to obtain undue financing or use such resources for purposes other than those for which the same were requested and obtained.

Certification and accreditation management could present risks in relation to the **crime of corruption against the Public Administration** in the event that a person in a senior position or subordinate of the Company offers or promises monies or other benefit to a public service appointee or persons indicated by them, in order to carry out an act of corruption or in any case obtain favourable treatment within the scope of the responsibilities of the same.

The **management of certifications and accreditations** could also present risks in relation to the crime of **corruption between private individuals** in the event that, for example, a person in a senior position or subordinate of the Company offers monies or other benefit to an official of a certification entity in order to obtain favourable treatment as part of a verification when obtaining/renewing specific certification.

The **management of customs and excise matters** could present risks in relation to offences of **corruption** in the event that, for example, a senior manager or subordinate of the Company were to give or promise money or other benefits to a public official in order to induce them to ensure the favourable outcome of a

customs procedure.

With reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment or function, are involved in the management of the aforementioned activities **shall be obliged** to:

- Ensure that relations with Public Administration officials are managed exclusively by persons with suitable and specific powers of representation or by persons specially and formally delegated;
- Maintain high standards of integrity in all interactions with public entities, adopting transparent and responsible conduct;
- in the event of inspections, ensure that at least two resources appointed by the Company take part in the meetings, wherever possible;
- Ensure full cooperation with the Public Officials during any possible inspections;
- Ensure that compliance with the Public Administration is carried out with the utmost diligence and professionalism in order to provide information that is current, accurate complete and truthful whilst preventing and, in any case, avoiding situations of conflict of interest in the appropriate forms and ways;
- Ensure traceability of relationships with the Public Administration, through archiving all communications, both inbound and outbound and/or reporting activities;
- Ensure that the documentation to be sent to the Public Administration is prepared by the relevant persons;
- Before forwarding to the Public Administration, submit the documentation to be transmitted to persons with suitable powers in order to verify the validity, completeness and truthfulness;
- Promptly communicate to the Public Administration any significant variation that could impact the obtaining/maintenance of authorisations, licenses and so on;
- Fulfil the obligations regarding transmission to the competent Authorities of the data and documents set out in the regulations in force or specifically requested by such Authorities;
- In the case of requests for funding and public contributions, verify that the declarations and documentation submitted for the purpose of obtaining such financing are complete and truthful;
- Following participation in a tender for obtaining financing/contributions, ensure that the financing activities are conducted with the support of the competent functions, in the manner and within the time limits established in all banking/financing contracts, and that the information communicated is true and correct;
- Ensure that financial resources obtained via public financing, contributions or grants are intended solely for the achievement of the purposes for which they have been requested and obtained;
- In the event that activities are carried out – in whole or in part – with the support of third parties (consultants, legal experts, and so on), ensure that the selection of the same is always done in compliance with that governed by the “Management of Purchasing Goods and Services and Rapports with Third-Parties” section of this Special Section;
- Communicate without delay to their hierarchical manager or the management of the Company together with the Supervisory Body, regarding any conduct carried out by those operating with the public counterparty aimed at obtaining favours, illicit funds or other benefits, including before third parties, as well as any critical matter or conflict of interest to arise in the context of the relationship with the Public Administration;
- Communicate to the Administrative Body regarding the initiation of inspection activities;
- Ensure that all process documentation is filed by the functions involved in the process.

In the context of the aforementioned conduct, it is **forbidden** to:

- Have dealings with Civil Service Officers or public officials without the presence of at least one other person, where possible, and without ensuring the decree of traceability specified above;
- Make promises or issue undue monies or other benefit (but not limited to: giveaways of significant value, hiring, conferring of professional, commercial or technical appointments) to public officials or public service officers or persons close to them or to private entities, with the aim of promoting or favouring the interests of the Company;
- in any event, behave with the intention to improperly influence the decisions of officials dealing with or making decisions on behalf of the Public Administration;
- Follow recommendations or give in to pressure from public officials or public service officers;

- Submit untruthful statements by presenting documents that do not correspond with reality in whole or in part or by omitting the presentation of true documentation;
- Behave deceptively before the Public Administration in such a way as to lead the latter erring in its assessment throughout the analysis of requests for authorisations and the like;
- Obstruct civil servants in carrying out inspection activities.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Handling disputes and dealings with the Judicial Authority.

Handling disputes could present a risk in relation to the **crime of corruption in court records** (either directly or through legal consultants) throughout dealings with the Administrative and Judicial Authorities, in the event that the Company proceeds to pay illicit compensation to counterparties in order to obtain a successful outcome in the dispute even in the absence of the preconditions for such.

Handling disputes could result in the risk of committing the **crime of corruption in carrying out a deed contrary to the duties of office** if, for example, a person in a senior position or subordinate of the Company transfers money to a judge in order to compensate them for a favourable outcome in court.

The **management of rapports with the Judicial Authority** could present risks in relation to the **crime of incitement to refrain from making statements or to make false statements to the Judicial Authority** in the event that, for example, a person in a senior position or subordinate of the Company accused of wrongdoings or being investigated in criminal proceedings is incited to make false statements (or to refrain from making them) to prevent the Company being found liable.

With reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment or function, are involved in the management of the aforementioned disputes shall be **obliged** to:

- Operate in full compliance with laws, regulations, standards of conduct and principles of loyalty, fairness, clarity and transparency;
- Ensure that all documentation and deeds submitted in the context of handling disputes and relations with the Judicial Authority are signed by entities with appropriate powers;
- Ensure that the documentation for each individual activity is archived so as to ensure complete traceability of the information and decisions made, to enable the reconstruction of responsibilities, the reasons behind the choices made and sources of information used;
- Ensure that the selection process regarding any external consultants and legal counsel is carried out by assessing the professionalism and reputation of the counterparty, whilst always being in compliance with that governed under the “Management of Purchases of Goods and Services and Rapports with Third-Parties” part of this Special Section;
- Ensure that relations with legal counsel are defined within formalised contracts/letters of assignment containing clauses specifying:
  - That the third party declares compliance with the principles pursuant to Legislative Decree no. 231/2001 and adheres to the principles of the Code of Ethics adopted by the Company;
  - That the third party declares having completed all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced — where possible — its corporate structure with internal procedures and systems that are entirely suited to such prevention;
  - That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code;
- Ensure that, in relations with the Judicial Authority, the Addressees effectively cooperate and make statements that are truthful, transparent and exhaustively represent the facts.

In the context of the aforementioned conduct, it is **prohibited** to:

- Issue provisions or payments to external legal agents, consultants, appraisers or other third parties operating on behalf of the Company that are not adequately justified in the context of the contractual

relationship entered into with the same;
- Engage in conduct contrary to the laws and the Code of Ethics in formal and informal meetings, including through external legal experts and consultants, to induce Judges or members of Arbitration Boards (including official auxiliaries and appraisers) to unduly favour the interests of the Company;
- Engage in conduct contrary to the laws and the Code of Ethics during inspections/controls/audits by public entities or official surveyors, to influence the Judge/outcome in the interest of the Company, also by means of external legal experts and consultants.

In carrying out all operations related to handling relations with the Judicial Authority, in addition to the set of regulations outlined in this Model, the Addressees are obliged to know and respect the following:

- In relations with the Judicial Authority, the Addressees are obliged to provide effective cooperation and to make statements that are truthful, transparent and exhaustively representative of the facts;
- In relations with the Judicial Authority, the Addressees and, in particular, those being investigated or defendants in criminal proceedings (along with those related thereto) in regards to the professional undertakings provided to the Company, are required to freely express their representation of the facts or exercise the right not to respond accorded by law;
- All Addressees must promptly inform – via the communication tools existing within the Company (or using any other communication instrument, provided it be in compliance with the principle of traceability) – the Supervisory Body regarding any deed, summons to testify or judicial proceedings (civil, criminal or administrative) in which they are involved, in any respect, in relationship to or in any case connected to their work activity;
- The Supervisory Body must be able to obtain full knowledge of any ongoing proceedings, including through participation in meetings concerning the processes that are pertinent or in any case preparatory to the defensive activities of the Addressee themselves, even in cases where the aforementioned meetings foresee the involvement of external consultants.

In the context of the aforementioned conduct, **it is also prohibited** to:

- Coerce or induce – in any form and in any manner, in the misaligned interests of the Company – the will of the Addressees to respond to the Supervisory Authority or to avail of the right not to respond;
- Accept, in relations with the Judicial Authority, monies or other benefit, including through consultants of the Company itself;
- Induce the Addressee to make untruthful statements in relations with the Supervisory Authority.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of the procurement of goods and services and rapports with third-parties.

The Management of Purchasing Goods and Services and and Rapports with Third-Parties could present risks in relation to committing **crimes against the Public Administration** in the case in which, for example, a person in a senior position or subordinate of the Company enters into contracts that have been fabricated or with deliberately incongruous values in order to generate provisions to be used for corruptive purposes.

The **management of the procurement of goods and services and the management of contractors** may present risks in relation to the offence of **corruption between private individuals in the event** that, for example, a senior or junior member of the Company provides money or other benefits (such as gifts, donations, job offers, etc.) to the head of the procurement department of a supplier or contractor with the aim of securing the supply of goods or services at a price below market value or on terms that are particularly favourable compared to standard market conditions, to the detriment of the other party.

With reference to the above activities, following are the **specific principles of conduct**.

In the management of relations with suppliers of goods and services and third-parties, the Company must introduce into the contracts clauses specifying:

- That the company concerned declares compliance with Form 231 and the Company's Code of Ethics;

- In regards any procurement, work or administration contracts, that the company concerned declares employing only personnel hired under legal employment contracts, in full compliance with existing legislation on social security, taxation, insurance and regulations on immigration;
- That the company concerned declares having the authorisations required by law to carry out its business;
- That the company concerned declares having enacted all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced – where possible – its corporate structure with internal procedures and systems that are entirely suited to such prevention;
- That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code.

If such clauses are not accepted by the counterparty, the Company shall inform the Supervisory Body in a timely manner.

Addressees who, for reason of their assignment, function or specific mandate, are involved in the aforementioned activity shall be **obliged** to:

- Ensure compliance with all the provisions of the Company's policies and procedures;
- Ensure adequate segregation of duties within the process of
- selection, qualification and management of suppliers and contractors;
- Ensure that the procurement process is approved by staff with the appropriate authority, in accordance with the Company's system of delegated powers and proxies;
- Uphold high standards of integrity in all dealings with public and private entities, by behaving in a transparent and responsible manner, to ensure that relations with suppliers, consultants and contractors are conducted in full compliance with the law, applicable regulations and the principles of loyalty, fairness and transparency;
- Be equipped with a specific supplier record in order to gather and sort all critical and significant information of these;
- Ensure that the selection of suppliers, contractors, consultants and subcontractors is carried out by assessing, in advance, predefined subjective and objective criteria – including the party's reputation and reliability in the market – which are updated by the Company where necessary;
- Use only qualified third parties who guarantee that their operations comply with the relevant regulatory requirements relating to labour law, occupational health and safety and the employment of non-EU staff, subject suppliers, consultants/contractors and subcontractors deemed to be 'at risk' to a qualification process that enables the verification of their integrity, professionalism, commercial and technical reliability, compliance with social security contributions and financial soundness through the collection and analysis of relevant documentation (for example: Chamber of Commerce registration, certifications – particularly relating to health, safety and the environment – Model 231/Code of Ethics, self-declaration of outstanding liabilities, annual accounts, health and safety documentation, Tax Compliance Certificate, Consolidated Employment Register, staff list, Certificate of Social Security and Welfare Contributions Compliance, Mandatory Employment Notification, etc.), or through research using open-source information;
- Ensure that the documentation required from the supplier/contractor is kept up to date at all times;
- Verify and assess potential conflicts of interest with the supplier/consultant or third-party and, in the event of assignments to individuals, check there are no relative incompatibilities, such as having formerly been a public servant, in order to ensure compliance with the provisions of Legislative Decree no. 165/2001, Article 53, paragraph 16-ter (introduced by Law 190/2012 on "Anti-corruption");
- Ensure that the commissioning of a consultancy assignment or a request for supplies is carried out following the identification of a legitimate internal need, to select suppliers and subcontractors by comparing multiple quotations for expenditure exceeding a predefined threshold, using a 'tender' process where appropriate, except in specific cases which must be duly justified (such as low-value contracts, contracts with specific companies, etc.);
- Ensure that the reasons underlying the selection of suppliers, consultants and contractors are always justified and properly documented, including in the case of a single supplier, consultant or contractor;
- Verify that suppliers and third-parties hold the specific authorisations required to carry out certain activities;
- When awarding contracts, verify the technical and professional suitability of the contracting parties by fulfilling the necessary requirements set out in Legislative Decree 81/2008 and aimed at both the identification and management of risks; Ensure that all relationships with suppliers or consultants/

professionals are formalised on the basis of contractual standards approved according to the system of proxies in force, including clear indications of the price of the goods or the payment of the service;
- Ensure that the remuneration is determined in accordance with the principles of cost-effectiveness (at 'market value') and appropriateness in relation to the subject matter of the service or purchase, and that it is proportionate to the actual benefit of the supply or service to the development of the Company's activities, to ensure the traceability of the procurement process (purchase request, purchase authorisation and supplier selection procedure) by archiving the documentation supporting the decision-making process;
- Ensure that the contract/appointment with the supplier or consultant or third-party is signed before the execution of the planned activities and after the issuance of internal authorisations;
- In the case of procurement services involving the use of non-EU personnel, verify the validity of the relevant residence permits;
- Verify the conformity of the products/services received with respect to that effectively ordered;
- Make payments only if properly supported by valid documentation (contract or purchase order) and only as a result of validation according to the default internal authorisation process;
- Check the legality of payments, with reference to the entire coincidence between the payer/payee and the counterparties actually involved;
- Monitor the congruence between that ordered and that received as well as the compliance of the services carried out by consultants and suppliers with respect to that envisaged at a contractual level;
- Identify appropriate and transparent remuneration criteria for any consultants;
- Monitor and periodically assess the performance of external consultants/legal advisors and suppliers;
- Communicate, without delay, to their hierarchical manager and to the management of the Company together with the pertinent Supervisory Body regarding any critical factor to have emerged in handling the goods and services purchasing activities.

In the context of the aforementioned conduct, the following is **prohibited**:

- Make payments in cash, to bank accounts that are encrypted or not registered to the supplier or not per that listed in the Contract;
- Make payments in countries other than that of the supplier's residence;
- Make inadequately-documented payments;
- Create provisions against unjustified payments (in whole or in part);
- Make payments for services that have not been performed, either in full or in part; Commit the Company to verbal orders or contracts with consultants;
- Carry out any commercial or financial operations, either directly or through a third party, with entities (natural or legal persons) named in lists held by the Bank of Italy or with entities controlled by the latter, where such control relationships are known;
- Perform services for consultants and suppliers that are not adequately justified in the context of the contractual relationship established with them and to pay compensation that is not adequately justified in relation to the type of assignment to be carried out and the procedures in force within the local area.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Selection and management of personnel;
- Management of expense reports and entertainment expenses.

Personnel selection activities could present risks in relation to the **crime of corruption** in the event of, for example, a candidate close to or indicated by a public official, in order to obtain an undue advantage for the Company itself.

Personnel selection activities could also present risks in relation to the **crime of corruption amongst private individuals** in the event that, for example, a person in a senior position or subordinate of the Company hires an employee of a competing enterprise in exchange for information useful to the Company itself (industrial secrets, and so on), to the detriment of the counterparty.

Management of expense reports could present risks in relation to **offences of corruption**, the event that, for example, a person in a senior position or subordinate of the Company, in order to equip employees

with provisions to be used for corruptive purposes, reimburses fabricated expenses or expenses not falling within the normal activities of the employee.

Again, with reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment, function or specific mandate, are involved in the selection and management of the personnel **must**:

- Comply with all the provisions of the Company's policies and procedures;
- Operate in full compliance with the laws, regulations, Code of Ethics and principles of loyalty,
- Operate with fairness, clarity and transparency;
- Carry out selection activities aimed at ensuring that the choice of candidates is carried out on the basis of the professional and personal characteristics necessary for the execution of the work to be conducted and in the compliance with the requirements of equality in processing, independence and competence whilst avoiding favouritism of any kind;
- Operate in respect of personal dignity, the criterion of meritocracy and equal opportunities, without any discrimination based on sex, racial or ethnic origin, nationality, age, political views, religious beliefs, health status, sexual orientation, or economic-social conditions;
- Ensure segregation of the personnel selection process, adopting specific roles and responsibilities in relation to the activity of analysis of curricula and conduct of interviews, and the hiring stage;
- Hire staff only and exclusively under legal employment contracts and with remuneration consistent with the applicable Collective Agreement;
- Ensure that contracts are signed by entities with appropriate powers;
- In the process of welcoming all new hires into the company, ensure that the information transmitted is clear and adequate in order to enable the newcomer to receive the best instructions in a business reality that is still unknown;
- Ensure that a copy of the Code of Ethics and this Model are issued to the new employee upon hiring and that the employee formally undertakes to fully comply with the principles contained therein;
- Ensure an adequate training process for induction of the new hire, providing – amongst other things – suitable information regarding the Company's Model and Code of Ethics, as well as the occupational health and safety standards;
- Monitor due participation in training sessions;
- Ensure the existence of documentation certifying the proper conduct of the selection and recruitment process with details of the motivation underlying the choice of candidate;
- Ensure the collection, storage and retention of all documentation relating to the selection of personnel to be completed by the functions involved in the process;
- Ensure that the verification of possible conflicts of interest with regards to the candidate is carried out during the selection phase;
- Verify if the candidate has ever held a position as a public employee, in order to ensure compliance with the provisions of Legislative Decree no. 165/2001, Article 53, paragraph 16-ter (introduced by Law 190/2012 on "Anti-corruption");
- Where third parties have recourse to the selection of candidates, ensure that the process of selecting the personnel always takes place in compliance with that regulated with regards to the sensitive activity of Management of Purchasing Goods and Services and Third-Party Rapports in this Special Section and is carried out by assessing the professionalism and integrity of the counterparty;
- Ensure that the determination of remuneration and the framework for the position covered is made on the basis of the principle of conformity with the professional qualification of the person selected/hired and the standards of reference of the internal organisational and remuneration system and the labour market, as well as being proportionate to the actual utility of the job conferred for the development of the Company's activities;
- Define specific policies on fixed and variable remuneration according to the role held within the Company;
- Ensure that the provision of any incentives or premiums to staff is conducted on the basis of objective, quantitative, accountable and verifiable parameters;
- Ensure traceability of the incentive procedure, through the formalisation of the objectives and the relative finalisation;
- Ensure that the reimbursement of expenses incurred shall be requested through the computer systems used by the Company and will be via tools that ensure the traceability of financial flows (bank transfer or bank cheque);

- Verify that any costs incurred are inherent in the conduct of work, appropriate and adequately documented through the annexing of fiscally-valid supporting documentation;
- Ensure that expense reports are properly checked in compliance with internal regulations and authorised by entities with suitable powers;
- Ensure traceability of the various stages of the expense reimbursement management procedure through systematic filing of documentation with the Administration function in order to permit the reconstruction of responsibilities and reasoning behind the choices made whilst also respecting the provisions of taxation laws;
- Ensure that no abnormal charges are reimbursed;
- Communicate, without delay, to their hierarchical manager or management of the Company together with the Supervisory Body regarding any conduct aimed at obtaining an illicit advantage for the Company.

In the context of the aforementioned conduct, the following is **prohibited**:

- Operate according to the logic of favouritism;
- Hire or promise recruitment to employees of the Public Administration (or their relatives, relations, friends, and so on) who have participated in the Public Administration's authorisation processes or in inspection activities, vis-à-vis the Company;
- Promise hires/career advancements to resources close to or valued by public officials or private counterparties (such as competitors, suppliers, and so on) without aligning with the actual requirements of the company and not respecting the principle of meritocracy with the aim of producing an undue advantage for the Company;
- Reimburse expenses that:
  - Have not been duly authorised;
  - Are not adequately justified in relation to the type of activity carried out;
  - Are not supported by valid receipts or are not listed in the expense report.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of relations with agents.

The **management of relations with agents** could present risks in relation to the **offence of corruption** in the event that, for example, a subordinate or senior manager of the Company enters into fictitious commercial agreements or agreements at deliberately inappropriate values with agents in order to set aside funds for use in corrupt practices.

With reference to the above activities, following are the specific principles of conduct.
Addressees who, for reason of their assignment, function or specific mandate, are involved in the aforementioned activity shall be **obliged** to:

- Verify the identity of the other party, whether a natural or legal person;
- Ensure an adequate qualification process for agents, including verification of commercial and professional reliability along with compliance with the requirements of integrity through, for example, requesting a copy of the professional's resume or Chamber of Commerce certificates, register of pending charges, anti-mafia self-certification or other information commercially available;
- Respect the principles of transparency, professionalism, reliability, motivation and non-discrimination when choosing the counterparty;
- Ensure that the process of selecting agents always takes place in compliance with that governed by corporate procedures;
- Be sure of the identity of the counterparty;
- Ensure that the agreed remuneration and commissions fall within normal market conditions and are in any case, contractually defined on the basis of objective calculation criteria;
- Ensure that relationships with agents are set out in formal contracts containing clauses that specify:
  - That the third party declares compliance with the principles pursuant to Legislative Decree no. 231/2001 and adheres to the principles of the Code of Ethics adopted by the Company;
  - That the Agent declares having enacted all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced – where possible – its corporate structure with internal

procedures and systems that are entirely suited to such prevention;
- That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code;

- Pay out compensation in a manner that is always transparent, documentable and reconstructible ex post – in particular, verify the correspondence between the person receiving the payment and the person who provided the service;
- Promptly communicate to their hierarchical manager or management of the Company together with the Supervisory Body, including through existing communication tools in the Company, regarding any suspicious conduct or activities carried out by those operating on behalf of the counterparty.

In the context of the aforementioned conduct, the following is **prohibited**:

- Engage the Company with verbal contracts with the counterparty;
- Issue or accept invoices regarding non-existent transactions;
- Make payments and issue reimbursements for counterparties that are not adequately justified in relation to the type of activity carried out, that are not supported by fiscally-valid justification and are not listed on an invoice;
- Attest to the receipt of non-existent sales benefits;
- Create off-balance sheet funds for transactions contracted at higher than market conditions or invoices that are non-existent in whole or in part.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of cash flows;
- Management of intercompany relationships.

Non-transparent management of financial resources could present risks in relation to **offences of corruption** in the event whereby, for example, the Company is permitted to issue funds for corruptive purposes.

The **management of intercompany** reports could present risks in relation to **offences against the Public Administration and its holdings** and in the crime of **corruption between individuals** in the event that the Company uses financial resources in transactions with Group companies in order to generate provisions to be used for corruptive purposes.

Again, with reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment, function or specific mandate, are involved in the aforementioned activities shall be obliged to:

- Only authorise persons who have been identified prior and have a special proxy to manage and handle cash flows;
- Pay registered invoices, accompanied by the relevant orders and in any case approved by the applicant function who certifies the provision and consequently authorises the payment;
- Ensure that all provisions in bank accounts registered to the Company are adequately documented and authorised in accordance with the system of proxies in force;
- Ensure that payments or receipts paid out in cash are made within the limits permitted by current legislation;
- Ensure periodic balancing of bank account records;
- Ensure that transactions involving the application or use of economic resources (acquisition, management, transfer of money and values) or financial resources always have an express causation, are motivated by the requesting entity, and are documented and registered in accordance with the principles of professionalism and proper management and accounting, in addition to being aimed towards lawful and ethical activities;
- Ensure the detection and analysis of payments/receipts deemed abnormal in regards to any suspicious counterparty, the amount, type, object, frequency or entity;
- Immediately cease or, in any case, not execute collection and payment operations involving persons undertaking their activities, even in part, in States reported as being uncooperative according to the

indications of national and/or supranational bodies working towards combating money laundering and terrorism;
- Check the legality of payments in reference to the full coincidence of the payer/payee whilst the counterparties actually involved in the transaction, in particular, must be precisely verified as coinciding with the person to whom the order is registered and the person collecting the relative sums;
- Carry out appropriate checks on the holder of suppliers' bank accounts and duly give reasons for situations in which cash flows are not issued:
  - In the country of residence of the supplier and/or the Company;
  - In the country in which the provision takes place;
- Ensure that, for the management of inbound and outbound streams, only banking channels and other financial intermediaries that are accredited and subject to the European Union framework are utilised, or else credit/financial institutions located in a non-Community State imposing obligations equivalent to those established in the laws on laundering and including monitoring of compliance with such obligations;
- Ensure that the Company's payments and cash flows are always traceable and provable documentally;
- Ensure appropriate segregation between entities authorised to upload payment slips, approvers and those who manage sensitive data within the supplier records;
- Ensure that changes made to supplier records are approved and documented in accordance with the procedures in force;
- Make payments exclusively by bank transfer to the bank account indicated by the supplier in the relative contract – under no circumstances is the Company to make payments in cash or by means of securities to the bearer or to a person other than the counterparty and in a country other than that in which the provider has rendered its services;
- In the case of using petty cash, comply with the internal regulations adopted by the Company and the limits on using the cash as established under current legislation;
- Ensure that the use of petty cash is adequately documented and carried out by duly-authorised personnel;
- Ensure periodic balancing of the petty cash;
- Ensure proper and complete archiving of documentation by the functions involved in the process;
- Without delay, communicate to corporate management as well as the Supervisory Body regarding any critical information that might arise in the context of the activity in question.

Addressees who, for reason of their assignment, function or specific mandate, are involved in managing **intercompany** relationships shall also be obliged to:

- Ensure that intercompany relationships are regulated through specific disciplinary contracts, including:
  - Details of the contracted activities and the services provided;
  - The roles and responsibilities of the parties;
  - The agreed fees and the relevant criteria for determining them;
- Ensure that contracts entered into with Group Companies are signed by entities with suitable powers;
- Ensure traceability of all transactions with Group companies by archiving all relevant documentation.

In relation to the aforementioned conduct, it is **prohibited** to:

- Make payments or issue compensation for employees, suppliers, consultants or other third parties operating on behalf of the Company, whereby not adequately justified in the context of the constituted contractual relationship and not adequately documented;
- Make payments in cash or by means of securities to the bearer or an entity other than the counterparty and in a country other than the one in which the provider has rendered its services;
- Accept and execute payment orders from non-identifiable entities;
- Make payments to encrypted bank accounts or accounts not registered to the supplier or other than those contractually established;
- Generate funds before unjustified payments (in whole or in part), including through relationships with companies belonging to the Group;
- Make cash payments for amounts exceeding regulatory limits or via untraceable means of payment;
- Pay intercompany invoices relating to non-existent transactions in whole or in part;
- Receive payments from persons who have no contractional/commercial relationship with the Company;
- Make money transfers whereby there is not complete coincidence between the payer/payee and the counterparties actually involved in the transactions.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Handling of gratuities, donations and sponsorships.

The **management of gifts and donations** could present risks in relation to **corruption offences** in the event that a senior manager or subordinate of the Company grants donations or gifts of significant value to public or private counterparties, with the aim of engaging in corrupt practices and obtaining unlawful benefits. Addressees who, for reason of their assignment, function or specific mandate, are involved in the aforementioned activity shall be **obliged** to:

- Ensure that the value, nature and purpose of the gratuities are considered ethically correct, such as not to compromise the image of the Company;
- Check that the beneficiaries of the initiatives operate in compliance with the Company's principles;
- Ensure that donations and disbursements of any kind are made only whereby authorised by competent entities, formalised and accounted for ahead of time;
- Ensure that purchasing gratuities and entering into sponsorship and donation agreements are carried out in accordance with the corporate delegate and proxy system;
- Ensure that free sponsorships and disbursements of any kind occurs only whereby properly authorised, formalised and accounted for;
- Ensure that sponsorships are conducted by duly qualified entities and subject to the authorisation of the Managing Director;
- Check the legal nature of the beneficiaries, ensuring that initiatives are carried out only before individuals who demonstrate credibility and a good reputation and who orient their management criteria towards ethicality and transparency;
- Ensure the transparency and traceability of all documentation relating to the process of approving donations and dispersing gratuities (verification of the list of names);
- Ensure that relations with counterparties are formalised through appropriate contractual instruments (such as requests and/or sponsorship contracts);
- Verify, in the context of sponsorship contracts, the actual conduct of contracted activities;
- Verify the effective conduct of the subsidised initiatives (donations), with respect to the purposes (intended use) for which they have been granted, through compiling appropriate documentation;
- Ensure documentation relating to the process of issuing gratuities, donations, largesse and sponsorships is completely and correctly filed by the functions involved in the process;
- Ensure that the legality of payments is verified, with reference to the full coincidence of the recipients of payments and the counterparties actually involved;
- Ensure that any gratuities have a negligible (modest) value and are inspired by the principle of sobriety – with no prizes or benefits of a pecuniary nature or of more than a negligible value;
- Without delay, communicate to the corporate management as well as to the Supervisory Body regarding any critical matters that arise in the context of the management of the disbursement activities of sponsorships, donations and gratuities.

In the context of the aforementioned conduct, the following is **prohibited**:

- Promise or give gifts to Italian or foreign public officials, including sponsorships, for purposes other than institutional or service purposes;
- Offer or promise gifts or gratuities outside of corporate practices and exceeding normal courtesy;
- Sign sponsorship contracts at deliberately unreasonable values in order to provide undue benefit to a public or private counterparty;
- Offer or promise public servants or their family members – directly or indirectly – any form of gift or gratuitous benefit that may appear in any way related to the business relationship with the Company, be it aimed towards influencing the independence of judgement or to induce insurances of any advantage to the Company.

A.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 24, 25 and 25-ter (as specified above) and 25-decies of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body, in writing, any information concerning derogations or breaches of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

In addition, by way of mere example, the Addressees are required to transmit to the Body:

- The measures or information issued by judicial police bodies or any other authority from which the conduct of investigative activities regarding offences relevant to the purposes of the Decree is demonstrated, also whereby initiated against the unknown parties;
- Requests for legal assistance in the event of any initiation of legal proceedings for offences relevant to the Decree;
- Any information shining light on the disciplinary proceedings carried out and any sanctions imposed, the measures taken or the reasoned measures to file disciplinary proceedings against the Company personnel;
- Pertinent information regarding any violations of the regulations referred to in the Model.

A.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

Special Section B

Computer crimes, unlawful processing of data and offences relating to copyright infringement;

B.1 Function of Special Section B

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 24-bis and 25-novies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

B.2 Pertinent offences

For declarative completeness, below are all the offences that form the basis of the administrative responsibility of the institutions pursuant to Articles 24-bis and 25-ter and 25-novies of the Decree.

Computer crime and unlawful data processing

Forgery of electronic documents or papers with probative value (Article 491-bis of the Italian Criminal Code)
The regulation sanctions conduct falsifying electronic documents, having probative effect by extending the application of the provisions on material and documentary forgery enacted before the hypotheses of falsification of electronic documentation.

Illicit access to a computerised or telematic system (Article 615-ter of the Italian Criminal Code)
The standard protects electronic and telematic privacy, being the confidentiality of data stored in IT systems or transmitted via telematic systems. It sets out two separate offences: that of abusive access to a computer or telematic system protected by security measures, and that regarding persons who maintain such against the express or tacit will of those who have the right to exclude this.

The computer system is understood as the complex of physical (hardware) and abstract (software) components comprising processing apparatus. A telematic system is any communication structure in which the exchange of data and information is managed with computer and telecommunications technologies.

Such conduct arises when the agent breaches the security barriers of both the hardware and software. The law does not require the agent to have assumed knowledge of all or a conspicuous portion of the data stored in the hacked system. For the offence to be committed, it is sufficient that they have breached the protective barriers and have begun to become aware of the data contained therein.

Unlawful possession, dissemination and installation of equipment, codes and other means of accessing computer or telematic systems (615-quater of the Italian Criminal Code)
The offence in question consists, with a view to securing an advantage for oneself or for others, either of unlawfully obtaining or of unlawfully possessing, producing, reproducing, disseminating, importing, communicating, delivering or making available to others in any way, equipment, instruments, parts of equipment or instruments, codes, passwords or other means suitable for gaining access to another person's computer or telecommunications system protected by security measures, or in providing information or instructions capable of enabling a third party to gain access to another person's computer system protected by security measures.

Dissemination of equipment, devices or software aiming at damaging or discontinuing a computerised system (Article 615-quinquies of the Italian Criminal Code)
The regulation aims to preserve the proper functioning of computer technologies. It sanctions the conduct of anyone who procures, manufactures, reproduces, imports, disseminates, communicates, deliveries or, in any case, makes available to others any computer equipment, devices or programs for the purpose of unlawfully damaging an electronic or telematic system, the information, data or programs contained therein

or pertinent to such, or to encourage the total or partial interruption or alteration of its operation.

Reference is, amongst other things, made to viruses, being programs capable of modifying or deleting the data of a computer system.

Illicit interception, impediment or interruption of computerised or telematic communications (Article 617-quater of the Italian Criminal Code)
The standard in question protects the confidentiality of computer communications or the right to exclusivity of knowledge of the content of the latter, as well as conduct of undue capturing, and the revelation of content determined illegally.

The offending conduct alternately consists in fraudulently intercepting, preventing or disrupting communications between computer systems.

Installation of equipment suitable for intercepting, preventing or interrupting computerised or telematic communications (Article 617-quinquies of the Italian Criminal Code)
The offence is committed where an individual, with the aim of intercepting communications relating to a computer or telecommunications system or taking place between several systems, or of preventing or interrupting such communications, procures, possesses, produces, reproduces, disseminates, imports, communicates, delivers, otherwise makes available to others or installs equipment, programmes, codes, passwords or other means capable of intercepting, preventing or interrupting communications relating to a computer or telecommunications system, or taking place between several such systems.

Cyber-extortion (Article 629[3] of the Italian Criminal Code)
This offence applies to anyone who, through the acts referred to in Articles 615-ter, 617-quater, 617-sexies, 635-bis, 635-quater and 635-quinquies, or by threatening to commit them, compels another person to do or omit to do something, thereby securing an unjust profit for themselves or others to the detriment of another.

Damage to computerised information, data and computer programs (Article 635-bis of the Italian Criminal Code)
Except whereby the deed constitutes a more serious crime, the regulation punishes anyone who destroys, degrades, deletes, alters or suppresses informational data or computer programs.

The severity of the penalty is increased if the act is committed by violence to the person or by threat, as an abuse of the role as system operator.

Damage to public information, data and computer programmes or those of public interest (Article 635-ter of the Italian Criminal Code)
The provision penalises any person who commits an act intended to destroy, damage, delete, alter or suppress information, data or computer programmes of military interest or relating to public order, public safety, health, civil protection or otherwise of public interest, such a person shall be liable to imprisonment for a term of between two and six years. The penalty is increased: (i) if the offence is committed by a public official or a person entrusted with a public service, through abuse of powers or breach of the duties inherent in their office or service, or by a person practising, even unlawfully, the profession of private investigator, or through abuse of their status as a system operator; (ii) if the offender uses threats or violence to commit the offence, or if they are visibly armed; (iii) if the offence results in the destruction, deterioration, deletion, alteration or suppression of information, or the removal – including through reproduction or transmission – of data or computer programmes, or renders them inaccessible to their rightful owner.

Damage to computerised or telematic systems (Article 635-quater of the Italian Criminal Code)
Unless the deed constitutes a more serious offence, the regulation shall sanction anyone who, by means of the conduct referred to in Article 635-bis, destroys, damages, renders entirely or partially inoperable computer or telematics systems of others, or severely hinders their functioning through the introduction or transmission of data, information or programs.

The severity of the penalty is increased if the act is committed by violence to the person or by threat, as an abuse of the role as system operator.

Damage of computerised or telematic systems of public interest (Article 635-quinquies of the Italian Criminal Code)
The regulation sanctions the same conduct as referred to in the preceding point in the event that the deed is aimed at destroying, damaging, or rendering entirely or partially inoperable computer or telematic systems of public utility or to severely impede the operation thereof.

The severity of the penalty is increased if the act results in the destruction or damage of the computer or telematics system of public utility or such is rendered, in whole or in part, inoperable and if the deed is committed by violence to the person or by threat or abuse of the role of system operator.

Computer fraud of the entity providing electronic signature certification services (Article 640-quinquies of the Italian Criminal Code)
The regulation punishes any person who provides electronic signature certification services and who, in order to procure an unfair gain for themselves or others or to cause other damage, violates the obligations set out by law for issuing a qualified certificate.

Violation of the national cyber security regulations
The crime punishes any person making false statements or fail to communicate data or information relevant to the performance of controls by the Public Authorities responsible for the surveillance of national cyber security, in the three cases referred to by the regulation:
- The procedure for drawing up lists of networks on which the operation of an essential function or service depends, pursuant to Article 1(2)(b) of Legislative Decree on Cyber Security;
- Procedure for the procurement of ICT goods, systems and services to be used within the national security framework pursuant to Article 1(6)(a);
- The exercise of supervisory functions relating to the national security perimeter by the Prime Minister's Office and the Ministry of Economic Development pursuant to Article 1(6)(c).

Copyright infringement offences

These are offences established under Law 633/1941 to protect copyright. Namely:

Criminal protection of economic and moral copyright (Article 171[1][a-bis] and [3] of Law no. 633/1941)
This regulation curbs the conduct of those who, without being entitled to do so, for any purpose and in any form, render a work of protected ingenuity – or part thereof – available to the public by placing it in a system of telematic networks, by any type of connection.

The punishment is increased upon the conduct being committed over a work of others not intended for publication, that is by usurpation of the work's authorship or by deformation, mutilation or other modification of the work itself, whereby offensive to the honour or reputation of the author.

According to the second sub-paragraph, it is possible to squash the crime by paying a sum corresponding to half of the maximum financial penalty set out in the first sub-paragraph before the commencement of the proceedings or prior to the issuance of the sentencing decreeing the penalty, in addition to the costs of the proceeding.

This article indicts the so-called "peer-to-peer",[2] yet only cites the uploading of protected intellectual works to the internet and not also the subsequent activities of sharing and dissemination by which anyone can access the works present on the telematic network.

The object of the protection is the protected intellectual works, to be understood, according to the definitions:
- of Article 1 of Law no. 633/1941, according to which "Works of creative ingenuity belonging to literature, music, figurative arts, architecture, the theatre and cinematography, no matter the manner or the means or form of expression. Like literary works, computer programs are also protected under the Berne Convention for the Protection of Literary and Artistic Works ratified and implemented with Law no. 399 dated 20th June 1978, as are the databases constituting an intellectual creation of the author or arrangement of the material".[3]
- of Article 2575 of the of the Italian Civil Code, for which "The works subject to copyright are of creative

[2] Peer-to-peer is the exchange of protected works that occurs in file-sharing systems, in which each user is both a downloader and uploader in automatically sharing downloaded files even during the download phase.

ingenuity belonging to the sciences, literature, music or figurative arts, to architecture, theatre or cinematography, no matter the manner or form of expression."

- of Article 2575 of the of the Italian Civil Code, for which "The works subject to copyright[4] are of creative ingenuity belonging to the sciences, literature, music or figurative arts, to architecture, theatre or cinematography, no matter the manner or form of expression."

Criminal protection of software and databases (Article 171-bis of Law no. 633/1941)
The standard in question lays out two hypotheses of crime:

- In the first sub-paragraph, the conduct of those who duplicate for profit any computer programs or else for the same purposes imports, distributes, sells, holds for commercial or entrepreneurial purposes or rents programs contained in media not identified by the Società Italiana degli Autori ed Editori (SIAE, being the Italian Society of Authors and Publishers). The same conduct shall also be criminally prosecuted if inherent in any means intended solely to allow or facilitate the arbitrary removal or functional circumvention of devices aimed at protecting a computer program;
- In the second sub-paragraph, the conduct of those who – in seeking to profit from such – reproduce, transfer to other media, distribute, communicate, present or demonstrate in public the content of a database on non-marked SIAE media or perform the extraction or re-use of the database in violation of the legal provisions, or distribute, sell or lease a database.

Criminal protection of audio-visual works (Article 171-ter of Law no. 633/1941)
The first sub-paragraph of the standard in question punishes a range of conduct whereby carried out for non-personal use and for-profit purposes; in particular, the following are sanctioned:

- The abusive duplication, reproduction, transmission or dissemination in public via any process, in whole or in part, of a work of ingenuity intended for television, film or the sales or rental circuit, discs, tapes or similar media or any other media containing phonograms or videograms of assimilated musical, film or audiovisual works or sequences of moving images;
- The abusive reproduction, transmission or dissemination in public, via any process, in whole or in part, of works of a literary, dramatic, scientific or didactic nature, musical or dramatic/musical works, or multimedia, even if included in collective or composite works or databases;
- Beyond the cases of competition in duplication or reproduction, introduction into the territory of the State, possession for sale or distribution, distribution, placing on the market, granting as a rental or transfer in any capacity, public screening, broadcast by television via any process, broadcast by radio, with the aim of having the public listen to the duplications or abusive reproductions mentioned above;
- Holding for sale or distribution, placing on the market, sale, rental, transfer in any capacity, public projection, broadcast by radio or television via any process, of videotapes, music cassettes, any media containing phonograms or videograms of musical, film or audiovisual works or sequences of moving images, or other media for which it is prescribed, pursuant to copyright law, the affixing of a SIAE marking, without the marking or bearing forged or altered marking;
- The retransmission or dissemination via any means of an encrypted service received through an apparatus or parts of an apparatus for decoding transmissions with conditional access, in the absence of agreement with the legitimate distributor;
- Introduction into the territory of the State, holding for sale or distribution, distribution, sale, granting

[3] Article 2 specifies which works are subject to protection, providing that "Included, in particular, under the protection are: 1) literary, dramatic, scientific, didactic or religious works, be they in written or oral form; 2) musical works and compositions, with or without lyrics, dramatic-musical works and musical variations constituting original work in their own right; 3) choreographic and pantomimic works, of which there is set evidence in writing or otherwise; 4) the works of sculpture, painting, of the art of drawing, engraving and similar figurative arts, including scenography; 5) architectural drawings and works; 6) works on the art of film – silent or with sound – always whereby such are not merely documents protected under the regulations of Chapter 5 of Title 2; 7) photographic works and those expressed with similar procedures to that of photography always other than simple photography protected under the regulations of Chapter 5 of Title 2; 8) computer programmes – in any way expressed – provided they are original as a result of the author's intellectual creation. The ideas and principles underlying any component of a program, including those underlying its interfaces, remain excluded from the protection granted by this Act. The term 'programme' shall also include preparatory material for design of the programme; 9) the databases referred to in the second sub-paragraph of Article 1, intended as collections of works, data or other independent components systematically or methodically arranged and individually accessible by electronic means or otherwise. The protection of databases does not extend to their content and does not prejudice existing rights to such content; 10) works of industrial design that in and of themselves have a creative character and artistic value".

[4] The content subject to copyright is defined by Article 2577 of the Italian Civil Code, which sets out that "The author has the exclusive right to publish the work and to use it economically in any form and manner, within the limits and for the effects established by law. The author – even after the transfer of the rights provided for in the preceding paragraph – may claim authorship of the work and object to any deformation, mutilation or other modification of the work itself, which may be prejudice to their honour or reputation" and Article 12 of Law 633/1941, that establishes that the author has the exclusive right to publish the work and to economically avail of the work within the limits set by law.

for hire, transfer in any capacity, commercial promotion, installation of special decoding devices or elements allowing access to an encrypted service without payment of the due fee;
- The manufacture, import, distribute, sale, rent or transfer in any capacity, advertising for sale or rental, holding equipment, products or components for commercial purposes or the provision of services that have the prevailing purpose or commercial use of circumventing effective preventive technological measures or that are primarily designed, produced, adapted or manufactured with the purpose of making possible or facilitating the circumvention of such measures;
- The abusive removal or alteration of electronic information identifying the protected work, material or the author or any other holder of rights thereof under copyright law, or the distribution, import for distribution, broadcasting by radio or television, communication or making available to the public works or other protected materials from which such electronic information has been removed or altered.

The second paragraph of the standard in question punishes:
- The unfair reproduction, duplication, transmission, dissemination, sale, placing on the market, transfer via any capacity or import of more than fifty copies or samples of works protected by copyright or other relative rights;
- Communication to the public for profit and in violation of the provisions on the right to communicate the work to the public, through connections of any kind, of an intellectual work protected by copyright, or part thereof;[5]
- The conduct outlined in paragraph 1 being enacted by those who carry out business activities of reproduction, distribution, sale, marketing or import of works protected by copyright and relative rights;
- The promotion or organisation of illicit activities referred to in the first sub-paragraph.

The third paragraph establishes as a mitigating factor if the deed is particularly insubstantial, whilst the fourth paragraph provides certain incidental sentences, namely the publication of the conviction, the ban from a profession or art, temporary interdiction from the executive offices of legal entities and undertakings, and suspension for a period of one year from the concession or authorisation for radio and television broadcasting in exercising productive or commercial activities.

Criminal liability relating to media (Article 171-septies of Law 633/1941)
The standard under analysis establishes the application of the penalty imposed for the conduct referred to in paragraph 1 of Article 171-ter also for:
- The producers or importers of the media not subject to the SIAE marking, who do not communicate to the SIAE within 30 days of the date of placing on the market of the national territory or the importation of data necessary for the unique identification of the media;
- Anyone who falsely declares the fulfilment of the obligations arising from copyright and related rights legislation.

Criminal liability relating to conditional access to audio-visual transmissions (Article 171-octies of Law 633/1941)
The standard in question curbs the conduct of those who – for fraudulent purposes – produce, put up for sale, import, promote, install, modify, use apparatus or parts of apparatus for public and private use aimed at decoding conditional access to audiovisual transmissions carried out by ether, satellite of cable means, be it in either analogue or digital form. All audiovisual signals transmitted by Italian or foreign broadcasters are subject to conditional access in such a form as to render the same exclusively visible to closed groups of users selected by the subject issuing the signal, regardless of the imposition of a fee for the use of such a service.

[5] Such conduct is very similar to that outlined in Article 171, paragraph 1, letter a-bis) but is distinguished from the latter in that it foresees the specific purpose being for profit and the communication to the public in place of making the same available to the public.

B.3 Areas of Major Risk

The Company's main areas of risk, with reference to cybercrime and unlawful data processing or copyright infringement offences, can be attributed to:

- Cybersecurity management.

Addressees are required to adapt their behaviour to that set out in this document.

B.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, **it is obligatory** to ensure that the carrying out of such activities takes place in absolute compliance with:

- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- The standards, regulations and internal provisions.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 24-bis and 25-novies of Legislative Decree no. 231/2001 cited prior.

Below is a list exemplifying the means of committing offences with reference to the following activities:

- Cybersecurity management.

Cybersecurity management could present risks in relation to the configuration of **computer crime** in the event whereby, for example, a person in a senior position or subordinate of the Company uses the computer tools subject to the Company's information assets to commit one of the offences cited in Article 24-bis of Legislative Decree no. 231/2001.

Cybersecurity management could present further risks in relation to **copyright infringement offences** in the event whereby, for example, a person in a senior position or subordinate of the Company installs software without having acquired its licenses, with the aim of achieving economic savings.

Addressees who, for reason of their assignment, function or mandate are involved in the management of the IT security shall be **obliged** to:

- Ensure compliance with all the provisions of the Company's policies and procedures;
- Strictly observe the regulations established by law and the internal working instructions concerning the security of the Company's information systems and the processing of any personal data, as well as for copyright matters;
- Ensure that access to information systems is nominative, limited and protected by authentication tools – only being possible by entering a personal username and password, for which periodic update procedures are established;
- Define policies and ways to create passwords to access the corporate network, applications, information assets, as well as any critical or sensitive systems (such as minimum length of passwords, complexity regulations, expiration);
- Update passwords with maximum expiration of 180 days;
- Ensure that user-ID codes for accessing the applications and the network are individual and unique;
- Carefully safeguard personal credentials for access to the Company's information systems, preventing third parties from becoming aware of such;
- Promptly communicate to the IT Function upon the recruitment of new staff, indicating the characteristics of the new user (role, offices and user privileges), in order to activate the new users;
- Promptly communicate any terminations of employment relationships (resignations, redundancies) in

order to manage the outgoing user profile and promptly delete system access credentials;
- Ensure that all new users are activated by the IT Function only as a result of a formalised request from the Human Resources Function;
- Ensure the timely suspension of users associated with personnel who have left the Company;
- Ensure that the individual user be informed of the correct management of their workstation and of all assigned IT equipment;
- Guarantee, at an application level, that administrator profiles are assigned exclusively to entities with specific powers and that their activity is properly tracked;
- Allow access to the Company's local network only to users with corporate accounts and for strictly professional purposes;
- Remove any files and software that may be considered as a threat to the security of the system or any material acquired or installed in violation of corporate procedures;
- Carry out periodic verification of the type of data saved on the corporate network or on the company workstations;
- Remove any files that are not relevant to the work activity whereby located on the local disk or network;
- Ensure that the physical security of the servers and that access to their premises is reserved only to authorised personnel, providing that exceptions or exemptions in terms of additional authorisations must be approved by persons with suitable powers, whilst any external maintenance personnel are to be accompanied inside the technical premises by IT personnel;
- Ensure that data backups are periodically stored and that the media are properly secured, being stored and protected by fire-retardant systems;
- Ensure that new software installations are carried out exclusively by the authorised functions after acquiring the pertinent licenses;
- Ensure that the network is protected by periodically-updated antivirus/antispam software;
- Where possible, implement traffic-monitoring and security-event tracking mechanisms on the networks (such as anomalous access in terms of frequency, mode, temporality);
- Ensure that the transmission network of corporate data is protected by appropriate access restriction tools (firewalls and proxies);
- Refrain from any conduct that could compromise the security, confidentiality and integrity of corporate and third-party information or data;
- Refrain from any conduct aimed at breaching or circumventing the protections of the corporate computer system of the Company or others (be they public or private entities);
- Define access regulations to business servers based on user profile types, implementing a ban on data modification by unauthorised parties;
- Use only software for which a valid license has been obtained;
- Request permission before accessing sites considered at risk;
- Ensure that periodic verification of the efficiency and effectiveness of the cybersecurity management system are carried out;
- Define a periodically-updated business continuity and disaster recovery plan;
- Ensure that all documentation concerning each individual activity and the changes made is archived in order to ensure the traceability of activities, in accordance with internal regulations;
- Ensure that the user promptly reports the event regarding the theft, damage or loss of computer devices, in such a way that appropriate measures for intervention may be adopted in a suitable timeframe;
- Periodically check:
  - That the software installed matches the number of licences paid for to the relevant manufacturer, and, on a random basis, that the software installed matches that authorised by the department itself;
  - That the content on the corporate network does not infringe copyright or rights relating to the use of protected intellectual property;
  - That software or database licenses are purchased and used in compliance with the contractual terms;
  - That software programs and databases with user licenses are utilised within the limits and conditions established under current legislation and the license itself, including for research, extraction, processing, reprocessing and publishing of the data contained therein;
- Where third parties are used to manage cybersecurity, ensure that all relationships are formalised through written contracts bearing clauses that require strict observance of the principles set out under Legislative Decree no. 231/2001 and in the Code of Ethics adopted by the Company. In the contracts to be entered into, clauses shall be included that specify:
  - Where possible and in accordance with the provisions of the corporate procedures – that the third party declares compliance with the principles set out in Legislative Decree no. 231/2001, and adheres

to the principles of the Code of Ethics;
- That the third party declares having completed all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced — where possible — its corporate structure with internal procedures and systems that are entirely suited to such prevention;
- That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code.

In the context of the aforementioned conduct, the following is **prohibited**:

- Store on or download from magnetic/optical media files to the corporate PC that are of no relevance to the job being performed;
- Use computer resources (such as stationary or portable computers) or network resources assigned by the Company for personal or non-work purposes;
- Alter any public or private electronic documents for evidentiary purposes;
- Access a computer or telematic system without authorisation or withhold such against the express or tacit will of those entitled to exclude such (with the prohibition including both access to internal information systems and access to the information systems of public or private competing entities for the purpose of obtaining information on commercial or industrial developments);
- Obtain, reproduce, disseminate, communicate, or bring to the knowledge of third parties any codes, keywords or other means suitable for accessing a computer or telematic system of others protected by security, or otherwise provide information or instructions to allow a third party access to a computer system protected by security measures;
- Procure, produce, reproduce, import, disseminate, communicate, deliver or in any case, make available to others any computer equipment, devices or programs for the purpose of unlawfully damaging a computer or telematic system, the information, data or programmes contained therein or pertinent thereto, or to encourage the total or partial interruption to or alteration of its operation (with the prohibition including the transmission of viruses with the purpose of damaging the information systems of competing entities);
- Illicitly intercept, prevent or interrupt computer or telematic communications;
- Destroy, degrade, delete, alter or suppress information, data and computer programs (the prohibition includes unauthorised entry to the information system of competing companies, with the purpose of altering information or data of the latter);
- Destroy, degrade, delete, alter or suppress information, data and computer programs used by the State, other public entity or body pertinent thereto or in any case of public utility;
- Install additional software/programs other than those existing and/or authorised;
- In the context of one's work activities and/or through the use of the Company's resources, engage in conduct of any kind aimed at affecting intellectual property rights of others;
- Introduce into the territory of the State, hold for sale, put up for sale or otherwise put into circulation – in order to profit from such – goods made by usurping copyright or patents of third parties;
- Disseminate – through telematic networks – a work of intellectual property or part thereof;
- Install and/or execute any type of computer programs other than those authorised by the Company, even if it is duly-licensed or test software (the so-called "shareware"), or software that is free and freely-downloadable from the Internet (so-termed "freeware");
- Collect from the Internet, copy and/or store on one's personal computer any kind of information (such as, but not limited to, audio, video and executable files) not necessary for work activities;
- Use any type of removable storage media or communication technology for storing or sending information externally whereby pertaining to the working relationship, except upon proven service needs;
- Leave one's personal computer unattended and accessible, or allow use by unauthorised persons, especially after passing through the authentication phase;
- Delete the screensaver password request that is automatically set upon prolonged worker inactivity on their workstation, in order to prevent misuse upon temporary absences;
- Duplicate, import, distribute, sell, lease, disseminate, transmit to the public, hold for commercial purposes or otherwise with the aim of profiting from computer programs, databases or other property for which the obligations arising from copyright law and rights relative to their exercise have not been fulfilled.

B.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 24-bis e 25-novies of Legislative Decree no. 231/2001, shall promptly communicate

to the Supervisory Body, in writing, any information concerning derogations or breaches of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

B.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.
Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

Special Section C

Offences against industry and commerce, as well as offences relating to non-cash payment instruments and fraudulent transfer of funds.

C.1 Function of Special Section C

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 25-bis(1) and 25-octies(1) of Legislative Decree 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

C.2 Pertinent offences

For the sake of completeness, below are all types of offence giving rise to the administrative liability of legal entities pursuant to Articles 25-bis(1) and 25-octies(1) of the Decree.

Crimes against industry and trade

Disturbance of the freedom of industry and commerce (Article 513 of the Italian Criminal Code)
This applies to any person who uses violence or fraudulent means to prevent or disrupt the operation of an industry or trade, whereby the deed does not constitute a more serious offence.

Illicit competition with threats or violence (Article 513-bis of the Italian Criminal Code)
This applies to anyone who engages in commercial, industrial or any other productive activity, who enacts violence or threat aimed towards the competition.
The conduct of “unfair competition” is carried out when violence or threats are exerted against the competitor in a direct or indirect manner, operating, for example, against third parties (customers, collaborators, and so on).

Fraud against national industries (Article 514 of the Italian Criminal Code)
This applies to any person, by putting up for sale or otherwise putting industrial products in circulation on domestic or foreign markets, with names, trademarks or distinctive signs that are counterfeit or altered, causing harm to the national industry.

Fraudulent trading (Article 515 of the Italian Criminal Code)
This applies to anyone who, in exercising a commercial activity or an outlet open to the public, passes off to the buyer one movable good as another, being another movable good of origin, provenance, quality or quantity other than that declared or agreed upon, whereby the deed does not constitute a more serious crime.

Sale of non-genuine food substances sold as genuine (Article 516 of the Italian Criminal Code)
This applies to anyone who puts up for sale or otherwise places on the market non-genuine food substances as genuine.

Sale of industrial products with misleading signs (Article 517 of the Italian Criminal Code)
This applies to anyone who offers for sale or otherwise puts into circulation intellectual works or industrial products, with national or foreign names, trademarks or distinctive signs, to deceive the buyer on the origin, provenance or quality of the work or product, whereby the deed is not covered by any other legal provision.

Manufacture and trade of goods manufactured by encroaching upon industrial propriety rights (Article 517-ter of the Italian Criminal Code)
This applies to anyone who, upon becoming aware of the existence of an industrial property right, produces or industrially uses objects or other goods manufactured by usurping an industrial property right or in any case, in violation of the same, without prejudice to the application of Articles 473 and 474 of the Italian Criminal Code.

Counterfeiting geographical indications or appellations of agricultural food products (Article 517-quater of the Italian Criminal Code)
This applies to anyone who counterfeits or otherwise alters geographical indications or designations of origin of agricultural-food products or, in order to profit from such, introduces into the territory of the State, holds for sale, puts up for sale with a direct offer to consumers or otherwise distributes the same products with counterfeit indications or names.

Offences relating to non-cash payment instruments and fraudulent transfer of valuables

Misuse and falsification of non-cash payment instruments (Article 493-ter of the Italian Criminal Code)
The offence, which was included in the list of offences giving rise to administrative liability on the part of legal entities by Legislative Decree 184/2021 applies where an individual, with the intention of obtaining a financial gain for themselves or for others, unlawfully uses – without being the holder – credit or payment cards or any other similar document that enables the withdrawal of cash or the purchase of goods or the provision of services or any other means of payment other than cash.

Similarly, any person who, with the intention of obtaining a financial gain for themselves or others, forges or alters the instruments or documents referred to above, or who possesses, transfers or acquires such instruments or documents of unlawful origin or which have in any way been forged or altered, as well as payment orders produced using them, shall be liable to punishment.

Possession and distribution of computer equipment, devices or programmes intended to commit offences involving non-cash payment instruments (Article 493-quater of the Italian Criminal Code)
The relevant criminal provision punishes any person who, with a view to using them or enabling others to use them in the commission of offences relating to non-cash payment instruments, manufactures, imports, exports, sells, transports, distributes, makes available or in any way procures for themselves or others equipment, devices or computer programmes which, by virtue of their technical construction or design, are primarily designed to commit such offences, or are specifically adapted for such purpose.

Fraudulent transfer of valuables (Article 512-bis of the Italian Criminal Code)
The relevant criminal provision punishes anyone who falsely attributes to others the ownership or control of money, property or other assets with the aim of circumventing the legal provisions on asset-related preventive measures or smuggling or of facilitating the commission of any of the offences referred to in Articles 648 (handling stolen goods), 648-bis (money laundering) and 648-ter (use of money, property or assets of lawful origin), with such a person being liable to imprisonment for a term of between two and six years.

Computer fraud aggravated by the transfer of money, monetary value or virtual currency (Article 640-ter[2] of the Italian Criminal Code)
Article 25-octies(1) of Legislative Decree 231/2001(b), introduced by Legislative Decree 184/2021 introduced stricter penalties for organisations in the event of aggravated computer fraud being committed pursuant to Article 640(2) of the Italian Criminal Code (an alleged offence for which legal entities were already liable even before the introduction of Article 25-octies – see Part B of the Special Section above).

In particular, the legislation provides that, where cyber fraud is aggravated by the transfer of money, monetary value or virtual currency, the organisation may be subject to a financial penalty of up to 500 units.

Other offences against public trust, against property or otherwise harming property, whereby involving non-cash payment instruments (Article 25-octies[1][2] of Legislative Decree 231/2001)
Article 25-octies(1) of Legislative Decree 231/2001(b), introduced by Legislative Decree 184/2021 extended the liability of legal entities to cover any offence against public trust, against property or otherwise likely to cause financial loss, as provided for in the Italian Criminal Code, where such offences involve payment instruments other than cash.

The offences for which this form of corporate liability may arise include, provided the conditions set out above are met, all those set out in Title VII of the Italian Criminal Code (including, for example, the offences of forgery of a public document and impersonation) and in Title XIII of the Italian Criminal Code (including, for example, the offences of theft, robbery and extortion).

C.3 Areas of Major Risk

The Company's main areas of risk, with regard to offences against industry and commerce, as well as offences relating to non-cash payment instruments and the fraudulent transfer of funds, can be summarised as follows:

- Management of commercial activities;
- Management of production activities;
- Management of certifications and accreditations;
- Management of cash flows;
- Management of intercompany relationships;
- Management of Shareholders' Meetings and extraordinary transactions.

Addressees are required to adapt their behaviour to that set out in this document.

C.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:

- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- The standards, regulations and internal provisions.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 25-bis.1 of Legislative Decree no. 231/2001 cited prior. Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of commercial activities.

The **management of commercial activities** could present risks in relation to the **crime of fraud in trading** in the event that, example, a person in a senior position or subordinate of the Company delivers to the customer a product of different quality other than that declared or established in the agreement.

With reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment or function or mandate, are involved in the **management of commercial activities**, in addition to what is provided for in the Special Section A – "Offences against the Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make representations or to make false statements to the Judicial Authority", are **obliged** to:

- Ensure that all products marketed comply with the stated characteristics and the requirements of the regulations;
- Verify the completeness and correctness of the technical documentation in support of the products.

In the context of the aforementioned conduct, the following is **prohibited**:
- Market products that do not meet the stated characteristics and do not satisfy the requirements set out in regulations.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of production activities;
- Management of certifications and accreditations.

The **management of production activities** could present risks in relation to the **crime of fraud in trading** in the event that, for example, the Company puts to market a product with characteristics other than those declared or otherwise of a quality other than that stated.

The **management of production activities** could present risks in relation to the configuration of **crimes in the manufacture and trade** of goods produced by usurping industrial property rights in the event that, for example, the Company manufactures or uses products by usurping another's industrial property rights.

Certification management could present risks in relation to the configuration of **crimes against industry and commerce** in the event that, example, the Company indicates production conditions of its products other than the conditions in place.

With reference to the above activities, following are the specific principles of conduct.

Addressees who, for reason of their assignment, function or mandate, are involved in the aforementioned activities shall be obliged to:

- Ensure compliance with quality control processes;
- Ensure that checks are carried out throughout the entire production process;
- Ensure traceability of quality checks carried out during the production
- process;
- Carry out regular checks on compliance of suppliers of raw materials and production services with quality regulations;
- Ensure compliance with internal, Community and international regulations for the protection of industrial property rights, patents, designs or models;
- Only use products or trademarks for which third-party industrial property rights exist whereby based on agreements formalised in writing with the rightful owner for their exploitation and in any case, within the limits of such agreements;
- Verify the absence of possible infringements of third-party rights in product development activities;
- In the event of an application for a patent, ensure the possession of the requirements for the submission of the application ahead of time;
- Upon resorting to third parties in the management of activities, ensure that relations with such are formalised through written contracts containing clauses specifying:
  - That the third party declares compliance with the principles pursuant to Legislative Decree no. 231/2001 and adheres to the principles of the Code of Ethics adopted by the Company;
  - That the third party declares having completed all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced — where possible — its corporate structure with internal procedures and systems that are entirely suited to such prevention;
  - That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code.

In the context of the aforementioned conduct, the following is **prohibited**:

- Use or market products with third-party industrial property rights in the absence of agreements with its holders, or in breach of the terms and conditions set out in such agreements;
- Adopt any conduct aimed at, in general, the production and marketing of products protected by third-party industrial property rights.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of cash flows;
- Management of intercompany relationships;
- Management of Shareholders' Meetings and extraordinary transactions.

Cash flow management could present risks in relation to the **offence of fraudulent transfer of assets** in the event that the Company fictitiously transfers funds with the actual aim of circumventing the application of an asset-based preventive measure, even where the preventive proceedings have not yet been initiated.

The **management of intercompany relationships** may present risks in relation to the **offence of fraudulent transfer of assets** in the event that the Company fictitiously transfers assets or property to an affiliated company with the actual aim of circumventing the application of an asset-protection measure, even where the asset-protection proceedings have not yet been initiated.

The **management of extraordinary transactions**, as well as the relative administrative obligations, could present risks in relation to the **offence of fraudulent transfer of assets** in the event that, for example, the Company were to fictitiously transfer ownership or control of company shares to third parties in order to circumvent the application of confiscation, seizure or other asset-related preventive measures, even where the preventive proceedings have not yet been initiated.

For the Codes of Conduct governing the management of the aforementioned activities, please refer to the following Special Sections: Special Section A - "Offences against the Public Administration and its assets, offences of corruption between private individuals and incitement to corruption between private individuals, and the offence of inducing a person not to make statements or to make false statements to the judicial authorities"; Special Section D - "Corporate Offences and Tax Offences".

C.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 24-bis e 25-octies(1) of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body regarding any derogations, breaches or suspected violations of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

C.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

Special Section D

Corporate offences and tax offences.

D.1 Function of Special Section D

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 25-ter and 25-quinquiesdecies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

D.2 Pertinent offences

For completeness, below are all the criminal offences that form the basis of the administrative responsibility of the institutions pursuant to Articles 25-ter and 25-quinquiesdecies of the Decree.

Corporate offences

False corporate communications (Article 2621 of the Italian Civil Code)
False communications consist in the conduct of Directors, General Managers, Managers in charge of drafting corporate accounting documents, Auditors and Liquidators who, with the intention to deceive members or the public and in order to achieve an unfair benefit for themselves or others, cite material facts that do not correspond with the truth – even if subject to evaluation – in Financial Statements, reports or other corporate communications established by law and addressed to shareholders or to the public or to omit information whose communication is required by law in regards to the economic, asset or financial position of the Company in a manner that is able to mislead the recipients on the above situation, causing financial damage to the company, shareholders or creditors. It is also punishable whereby the information concerns assets owned or administered by the company on behalf of third parties.

Minor violations (Article 2621-bis of the Italian Civil Code)
Unless such constitutes a more serious offence, the sentence of six months to three years imprisonment shall apply if the deeds referred to in Article 2621 of the Italian Civil Code are of minor magnitude, taking into account the nature and dimensions of the company and the modalities or effects of the conduct.

Unless constituting more serious offence, the same penalty as referred to in the preceding paragraph shall apply upon the deeds referred to in Article 2621 of the Italian Civil Code pertaining to companies that do not exceed the limits indicated by the second paragraph of Article 1 of Royal Decree 267/1942. In such a case, the crime is subject to a complaint by the Company, its shareholders, creditors or other recipients of the corporate communication.

False corporate communications of listed companies (Article 2622 of the Italian Civil Code)
This concerns the conduct of the Directors, General Managers, Managers in charge of drafting corporate accounting documents, Auditors and Liquidators of companies issuing financial instruments subject to trading in a regulated market in Italy or other country of the European Union, which, in order to achieve an unfair gain for themselves or others, in the balance sheets, reports or other corporate communications directed to shareholders or the public, knowingly present untrue material facts or omits relevant material facts whose communication is imposed by the law on the economic, capital or financial status of the company or group to which the company belongs, concretely aimed at misleading others.

Hindering supervisory activities (Article 2625 of the Italian Criminal Code)
The crime of impeding control measures is committed in the event that, through the concealment of documents or other apposite artifice, the conduct of the monitoring activities is prevented or simply obstructed, being legally attributed to shareholders and other corporate bodies.

The offence shall be deemed to be attributable to the company only in the event that the impediment or

the mere obstacle has caused damage to the shareholders, given the explicit reference to the second sub-paragraph of such a provision, contained in Legislative Decree no. 231/2001.

Illicit return of contributions (Article 2626 of the Italian Civil Code)
The offence arises whereby directors who, beyond cases of legitimate reduction in share capital, reinstate – including via falsification – the contributions to shareholders or release them from the obligation to execute such, reducing the integrity and effectiveness of the share capital to guarantee the rights of creditors and third parties.

Illegal breakdown of profits and reserves (Article 2627 of the Italian Civil Code)
The offence punishes the conduct of any director who apportions profits or balances on profits that have not actually been achieved or that are legally intended for the reserve.
This offence could also arise through the allocation of reserves, even whereby not construed as profits, that cannot be legally distributed.

Illicit transactions in shares or quotas of the parent company (Article 2628 of the Italian Civil Code)
The offence shall be committed upon administrators purchasing or underwriting shares or own shares or quotas of the parent company outside the cases permitted by law and which results in injury to the integrity of the share capital and reserves not distributable by law.

Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code)
Transactions to the detriment of creditors shall consist in the conduct of directors who, in violation of the legal provisions to protect creditors, apply reductions to the share capital or arrange mergers with other companies or demergers, causing damage to creditors.

Failure to disclose conflict of interest (Article 2629-bis of the Italian Civil Code)
The offence in question is configured when a member of the Board of Directors or corporate management board with securities listed with regulated Italian or other State markets of the European Union or disseminated amongst the public to a significant extent pursuant to Article 116 of the Consolidated Law on Financial Intermediation, as set out in Legislative Decree 58/1998, or of a supervised entity under the Consolidated Text of the laws on banking and credit, referred to in Legislative Decree no. 385/1993, of the aforementioned Consolidated Text referred to in Legislative Decree no. 58/1998, of Law 576/1982 or of Legislative Decree no. 124/1993 violates the regulations on the interests of directors as set out in the Civil Code, with damages to the same or third parties.

More specifically, the regulation refers to Article 2391, paragraph 1 of the Italian Civil Code, which requires members of the Board of Directors to communicate (to the other members of the Board and to the Auditors) in regards to any interest that they themselves, on their own behalf or for third parties, have in a certain operations of the company, specifying its nature, terms, origin and scope.

Fictitious creation of capital (Article 2632 of the Italian Civil Code)
The offence pertains to the conduct of directors and contributing shareholders who, even in part, form or increase the share capital in a fraudulent way through allocations of shares or quotas to an extent that exceeds the amount of overall share capital, the mutual undersigning of shares or quotas, major over-valuation of the injections of assets in kind or credits or the assets of the company in the event of transformation.

Illicit allotment of corporate assets by liquidators (Article 2633 of the Italian Civil Code)
The offence occurs upon the allocation of corporate assets between shareholders before the payment of company creditors or the provision of sums necessary to satisfy such, which results in damage to the creditors. Active subjects are the liquidators whilst compensating creditors for damages constitutes a means of extinguishing the crime prior to any legal ruling.

Illicit influence over shareholders' meetings (Article 2636 of the Italian Civil Code)
The offence occurs upon anyone, through falsified or fraudulent acts, determining a majority in the meeting for the purpose of procuring an unfair profit for themselves or others.

It should be recalled that the institution's responsibility arises only when the conduct pursuant to the Article concerned is carried out in the interest of the Authority. Such renders it difficult to conceive the crime

in question which, as a rule, is conducted to favour the interests of the party and not of the "institution".
Agiotage (Article 2637 of the Italian Civil Code)
The realisation of this offence involves the dissemination of false information, being the enacting of simulated or other artificial operations, specifically aimed at causing a significant alteration to the price of unlisted financial instruments or for which a request for admission to trading on a regulated market has not been submitted, or to significantly impact upon the reliance of the public in the capital stability of banks or banking groups.

Hindering the activities of public supervisory authorities (Article 2638 of the Italian Civil Code)
The offence is committed in the event that certain entities (directors, general managers, auditors, liquidators of companies or entities and, in general, those subjected to the public authorities of surveillance ex lege) present – in communicating to public supervisory authorities that which is legally required – material facts that do not align with the actual facts, even if subject to evaluations, or else wholly or partially concealed using fraudulent means, deeds that were required to be communicated regarding the asset, economic or financial position of the company, including where the information concerns property owned or administered by the company on behalf of third parties, in which case the offence is committed in the event that criminal conduct is specifically aimed at obstructing the activity of public supervisory authorities.

False or omitted statements for the issue of the preliminary certificate (Article 54 of Legislative Decree 19/2023)
The provision provides that anyone who, with the intention of making it appear that the conditions for the issue of the preliminary certificate referred to in Article 29 have been met, draws up documents that are wholly or partly false, alters genuine documents, makes false statements or omits relevant information, shall be liable to imprisonment for a term of between six months and three years.

Tax offences

Fraudulent declaration by use of invoices or other documents for non-existent transactions (Article 2 of Legislative Decree no. 74/2000)

The provision penalises any person who, with the aim of evading income tax or value-added tax, uses invoices or other documents relating to non-existent transactions to include fictitious liabilities in any of the tax returns relating to those taxes.

The deed is committed upon the use of invoices or other documents for non-existent transactions when such invoices or documents are recorded in the mandatory books or held for the purpose of evidence in terms of financial administration.

The regulation also stipulates that if the total amount of fictitious liabilities is less than 100,000 euro, a more severe penalty will be imposed.

The subject matter of the criminal sanctions under Article 2 of Legislative Decree 74/2000 is represented by any discrepancy between the commercial reality and its documentary representation. Consequently, the offence may be committed in cases of objective non-existence, subjective non-existence, 'qualitative' over-invoicing, or the legal non-existence of the service indicated in the accounting document.

In accordance with Article 6(1-bis) of Legislative Decree 74/00, the unlawful conduct referred to in Article 2 of Legislative Decree 74/00 are punishable even if merely attempted, provided that they are committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

Fraudulent declaration via other means (Article 3 of Legislative Decree no. 74/2000)
Beyond the cases established by Article 2 of Legislative Decree no. 74/2000, the regulation punishes with imprisonment of three to eight years anyone who, with the aim of evading income tax or value added tax, objectively or subjectively completes falsified transactions or uses false documents or other fraudulent means capable of obstructing the determination of amounts due and misdirecting the financial administration in order to evade income or value added taxes, indicating in any of the statements relative to the said taxes asset items at less than the actual amount or fabricated debit items or receivables deemed to

be fabricated, when jointly:

- The tax evaded is higher, with reference to an item of individual taxes, than €30,000;
- The total amount of assets subtracted from taxation, including by indicating fabricated items of liability, is more than five per cent of the total amount of assets indicated in the declaration or in any case, exceeds one million, five-hundred thousand euro or whereby the total amount of fabricated receivables and withholdings to diminish the taxation is more than five percent of the amount of the tax itself or in any case thirty thousand euro.

According to the regulation, the deed is considered to have been committed upon the use of falsified documents when such documentation is recorded in mandatory records or held for evidentiary purpose before the financial administration.

For the purposes of applying the standard in question, the mere breach of invoicing and asset entry obligations regarding assets in the books or the mere indication in invoices or entries of gains lower than those actually achieved are not considered fraudulent means.

With regard to the concepts of "objectively or subjectively simulated transactions" and "fraudulent means", the relevant definitions are set out in Article 1 of Legislative Decree 74/00

- (G-bis): transactions are deemed to be objectively or subjectively simulated if they are merely apparent, other than those governed by Article 10-bis of Law No. 212 dated 27th July 2000, and are carried out with the intention of not executing them in whole or in part, or if they involve fictitious intermediaries;
- (G-ter): fraudulent means include both active and passive acts carried out in breach of a specific legal obligation, which result in a false representation of reality.

In accordance with Article 6(1-bis) of Legislative Decree 74/00, the unlawful conduct referred to in Article 3 of Legislative Decree 74/00 are punishable even if merely attempted, provided that they are committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

False declarations (Article 4 of Legislative Decree 74/2000)[6]
Punishment applies to whoever in order to evade taxes on income or VAT, indicates in a tax return assets for a total amount that is lower the real one or fictitious liability items when, jointly:

- The tax evaded is higher, with reference to an item of individual taxes, than €100,000;
- The total value of assets omitted from taxation, including through the declaration of non-existent liabilities, exceeds 10% of the total value of assets declared in the tax return, or, in any event, exceeds €2,000,000.

In accordance with paragraph 1-bis, for the purposes of establishing the offence, no account shall be taken of any incorrect classification or valuation of assets or liabilities, nor of any errors in the application of the criteria relating to accrual, relevance and the deductibility of costs, provided that such assets or liabilities objectively exist.

Finally, paragraph 1-ter specifies that valuation estimates which, when considered as a whole (i.e. the threshold must not be based on any single estimate), differ by less than 10% from the correct figures are excluded from the scope of criminal liability.

In accordance with Article 6(1-bis) of Legislative Decree 74/00, the unlawful conduct referred to in Article 4 of Legislative Decree 74/00 are punishable even if merely attempted, provided that they are committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

Omission of tax return statements (Article 5 of Legislative Decree 74/2000)[7]
The provision penalises any person who, with the intention of evading income tax or value added tax, fails

[6] The offence of making a false declaration, punishable under Article 4 of Legislative Decree no. 74/2000 and included amongst the predicate offences referred to in Article 25-quinquiesdecies of Legislative Decree 231/2001 and Legislative Decree no. No. 75 dated 14th July 2020, concerning the “Implementation of Directive (EU) 2017/1371 on combating fraud affecting the Union’s financial interests by means of criminal law” (the “PIF Directive”), may give rise to the administrative liability of the organisation if committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

to submit – despite being obliged to do so – one of the returns relating to those taxes, where the amount of tax evaded exceeds, in respect of any one of those taxes, €50,000.
The tax return statement submitted within 90 days of the expiry of the time limit, or not signed or not prepared on a printed form conforming to the prescribed model shall not be considered to be omitted.

Issue of invoices or other documents for non-existent transactions (Article 8 of Legislative Decree no. 74/2000)
The regulation punishes anyone who, in order to allow third parties to evade income or value-added taxes, emits or issues invoices or other documents for non-existent operations.

For the purposes of applying the standard in question, emitting or issuing multiple invoices or documents for non-existent transactions during the same taxation period shall be regarded as a single felony.
Finally, the legislation establishes that if the incorrect amount stated on invoices or documents, per tax period, is less than €1,000,000, a more severe penalty applies.

Concealment or destruction of accounting documentation (Article 10 of Legislative Decree 74/2000)
Except whereby the deed constitutes a more serious crime, the regulation punishes anyone who, in order to evade income or value-added taxes or to facilitate the avoidance of such by third parties, conceals or destroys in whole or in part the accounting entries or documents required to be retained, so as not to allow the reconstruction of income or volume of business dealings.

Unlawful compensation (Article 10 of Legislative Decree 74/2000)[8]
This offence covers two distinct types of undue set-off, each subject to different penalties, involving the use of credits to which the party is not entitled (para. 1) or through the use of non-existent receivables (para. 2).

In both cases, the offence is only deemed to have been committed once the threshold of €50,000,000 per annum has been exceeded.
For the purposes of this provision, "non-existent credits" means:

- Credits for which the objective or subjective requirements specifically set out in the relevant legislation are not met, either in whole or in part;
- Credits in respect of which the objective and subjective requirements are the subject of fraudulent representations, carried out by means of documents that are materially or ideologically false, or by means of pretences or subterfuges.

The term "unjustified credits", rather, refers to:
- Credits used in breach of the conditions of use laid down by the laws in force or, in the case of any excess, those used in excess of the limits set by the relevant regulations;
- Credits which, although they meet the subjective and objective requirements specifically set out in the relevant legislation, are based on facts that do not fall within the scope of the rules governing the recording of such credits, due to the absence of further elements or specific characteristics required for the credit to be recognised;
- Credits utilised without having complied with the prescribed administrative formalities, the failure to fulfil which expressly results in forfeiture.

Fraudulent evasion of taxes (Article 11 of Legislative Decree no. 74/2000)
The regulation punishes anyone who, in order to avoid payment of income or value-added taxes or administrative interest or penalties relative to such taxes for a total amount of more than fifty thousand euro, falsely cedes or carries out other fraudulent deeds on their own or other goods able to render the compulsory collection procedure wholly or partially ineffective.

[7] The offence of failure to declare, punishable under Article 5 of Legislative Decree 74/2000 and included amongst the predicate offences referred to in Article 25-quinquiesdecies of Legislative Decree 231/2001 and Legislative Decree no. 75 dated 14th July 2020, concerning the “Implementation of Directive (EU) 2017/1371 on combating fraud affecting the Union’s financial interests by means of criminal law” (the “PIF Directive”), may give rise to the administrative liability of the organisation if committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

[8] The offence of unauthorised offsetting, punishable under Article 10-quater of Legislative Decree 74/2000 and included amongst the predicate offences referred to in Article 25-quinquiesdecies of Legislative Decree 231/2001 and Legislative Decree no. 75 dated 14th July 2020, concerning the “Implementation of Directive (EU) 2017/1371 on combating fraud affecting the Union’s financial interests by means of criminal law” (the “PIF Directive”), may give rise to the administrative liability of the organisation if committed as part of cross-border fraudulent schemes linked to the territory of at least one other Member State of the European Union, resulting in, or likely to result in, total damage amounting to €10,000,000 or more.

If the total amount of tax, penalties and interest exceeds €200,000, stricter penalties apply.

Finally, the provision penalises anyone who, with the aim of obtaining for themselves or for others a partial payment of taxes and related charges, states in the documentation submitted for the purposes of the tax settlement procedure assets amounting to less than the actual figure or fictitious payables totalling more than €50,000.

D.3 Areas of Major Risk

The Company's main areas of risk, with reference to corporate crimes and tax offences are attributable to:

- Management of relations with the Public Administration;
- Management of accounting and drafting of Financial Statements;
- Management of tax aspects;
- Management of Shareholders' Meetings and extraordinary transactions;
- Management of commercial activities;
- Management of the procurement of goods and services and rapports with third-parties;
- Management of relations with agents;
- Management of expense reports;
- Management of intercompany relationships;
- Handling of gratuities, donations and sponsorships.

Addressees are required to adapt their behaviour to that set out in this document.

D.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:

- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- The standards, regulations and internal provisions.

In general, **it is forbidden** enact conduct or contribute to the execution of conduct that may fall within the present offences referred to in Articles 25-*ter* and 25-*quinquiesdecies* of Legislative Decree no. 231/2001 cited prior.

Below is a list exemplifying the main means of committing offences with reference to the following activities:

- Management of relations with the Public Administration.

The management of relationships with public officials in the event of audits and inspections could present risks in relation to the **offence of hindering the activities of public supervisory authorities** whereby, for example, the directors present material facts not responding to the truth when communicating with public supervisory authorities with whom they are legally required to liaise, having the intent to hinder their activity.

For specific principles of conduct in relation to the aforementioned sensitive area, please refer to that contained in Special Section A – "Offences against the Public Administration and its holdings, crimes of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" of this Organisation, Management and Control Model.

Addressees who, for reason of their appointment, function or mandate, are involved in the management of relations with public entities and Supervisory Authorities and in the handling of administrative obligations and inspection activities are further **required to**:

- Establish relations with the Supervisory Authorities, with the utmost transparency, collaboration and availability as well as in full respect of the institutional role they hold and the legal provisions in force, the general principles and rules of conduct referred to in the Code of Ethics and in this Special Section;
- Clearly define the roles and responsibilities in the context of sending reports to the Supervisory Authorities;
- Ensure that the documentation to be submitted to the Supervisory Authorities is produced by persons who are people competent in the matter and who have been duly identified prior;
- Ensure that all legally-required communications, per the regulations concerning supervisory bodies or authorities, are carried out promptly and correctly in a truthful and complete manner;
- Ensure that the management of the process is carried out by the functions with suitable powers.

In the context of the aforementioned conduct, it is forbidden to submit untruthful declarations to the Supervisory Authorities, presenting documents that do not align with reality in whole or in part.

Below is a list exemplifying the means of committing offences with reference to the following activities:
- Management of accounting and drafting of Financial Statements;
- Management of tax aspects.

Activities related to accounting management and balance sheet preparation could present risks in relation to the **crime of false corporate communications** in the event that, for example, the approval of an untrue balance sheet also occurs due to incorrect management, registration, aggregation and valuation of accounting data.

Accounting management may present risks in relation to **corporate crimes** if the Company modifies the accounting data in the corporate systems in order to misrepresent the balance sheet, economic or financial position through the inclusion of non-existent balance sheet items or untrue values.

Accounting management could present risks in relation to the **crime of concealment of accounting documents** in the event that, for example, the legal representative of the Company, in order to evade income or value-added tax, conceals documents that must necessarily be retained, with the aim of impeding the Authority from reconstructing the Company's income and turnover.

The **management of taxation and declarations** drawn up for tax purposes could present risks in relation to the **crime of fraudulent declaration** by use of invoices or other documents for non-existent transactions in the event that, for example, the Company were to utilise various types of fabricated debit items within the yearly declaration, thus on the basis of the entry of both invoices for non-existent transactions and of the use of other documentation that are also representative of false accounting.

Addressees who, by reason of their appointment, function or mandate, are involved in the management of the accounts, in drafting Financial Statements and the relative annexes thereto, or in the management of taxation, **are required** to:

- Ensure the proper keeping of documentation and all accounting and tax records as required by current legislation;
- Maintain correct, transparent and collaborative conduct, in compliance with legal regulations, applicable accounting standards and internal regulations, in all activities aimed at the formation of the statutory balance sheet and other corporate communications, in order to provide truthful and correct information on the economic, capital, financial and fiscal situation of the company Cotonificio Albini S.p.A.;
- Observe the rules of clear, correct, complete and timely registration in the activities of accounting deeds connected to the Company's management;
- Ensure compliance with the regulations concerning the segregation of tasks between the person carrying out the operation, the person registering such in the accounting records and the person who carries out the control thereof;
- Identify the roles and responsibilities regarding the keeping, retention and updating of the budget dossier, from the approval of the Board of Directors and the Shareholder's Meeting, to the filing and publication (including electronic) of the same through to archiving;
- Carry out the assessment and registration of economic capital items in compliance with the criteria

of reasonableness and prudence, clearly illustrating in the relevant documentation the criteria to have guided the determination of the value of the asset;
- Ensure the correct application of the accounting standards for the definition of statutory Financial Statements and a correct operating procedure for their accounting;
- Ensure the strictest accounting transparency at all times and under any circumstances;
- Ensure the documentability of transactions and accounting disclosure in order to be able to reconstruct the transactions shown in the accounting records with a reasonable level of detail;
- Ensure the necessary training in the main legal and accounting concepts and legal issues on the budget, addressed to those responsible for the functions involved in drafting the budget and other relative documents, taking care of both the training of new hires and the carrying out of periodic refresher courses in particular;
- Ensure that the closure of the accounts and their modalities and timing are regulated by instructions given to the internal functions, indicating the data and information to be provided to the function in preparing documents within the process;
- Strictly observe all regulations established by law to protect the integrity and effectiveness of the share capital so as not to impact the guarantees of creditors and third parties in general;
- Ensure compliance with corporate regulations regarding the preparation of the statutory Financial Statements;
- Ensure that drafts of the Financial Statements are made available to the directors with reasonable time before the Board of Directors meeting approving the budget;
- Ensure the smooth functioning of the Company and its corporate bodies, guaranteeing and facilitating any form of internal control over corporate management as set out by law;
- Ensure compliance with the obligations (both in terms of declarations and payments) and the deadlines defined by taxation law;
- Promptly and correctly, in a truthful and complete manner, communicate that required by the law, regulations and corporate rules in the time required;
- Ensure traceability of the steps of the decision-making process relating to the management of fiscal compliance, as well as all documentation, documents and supporting information sources used;
- Ensure the proper processing of taxation with regards to income, allowances and deductions in accordance with tax law;
- Ensure compliance with the obligations set out under legislation on direct and indirect taxes;
- Ensure that the main new tax regulations are promptly disseminated to staff involved in the management of taxation;
- Ensure that tax obligations are fulfilled or supported by duly-selected external professionals;
- Where recourse is made to third parties (companies, consultants, professionals, and so on) to manage the activities, ensure that relations with such are formalised through written contracts reporting clauses specifying — where possible and in accordance with the provisions of the company procedures in place — that the third party declares compliance with the principles set out under Legislative Decree no. 231/2001, and adheres to the principles of the Code of Ethics;
- Ensure the correct and complete archiving of all procedural documentation in compliance with the deadlines laid down in the legislation of reference;
- Establish relations with the Supervisory Authorities – including tax authorities – with the utmost transparency, collaboration and availability as well as in full respect of the institutional role they hold and the legal provisions in force, the general principles and rules of conduct referred to in the Code of Ethics and in this Special Section;
- Comply with the Supervisory Authorities with the utmost diligence and professionalism, in order to provide clear, accurate, complete, faithful and truthful information, so as to avoid situations of conflict of interest and to promptly inform them in the manner deemed most appropriate;
- Report to their hierarchical manager or corporate management and, at the same time, to the Supervisory Body, in regards to the existence of errors or omissions in the accounting process of operating events or any conduct not in line with the above previsions.

In the context of the aforementioned conduct, the following is **prohibited**:

- Operate with a view to provide misleading information with reference to the actual representation of the Company, providing an improper representation of the Company's economic, patrimonial, financial and tax status;
- Omit data and information legally required on the Company's economic, capital and financial status.

Below is a list exemplifying the means of committing offences with reference to the following activities:
- Management of Shareholders' Meetings and extraordinary transactions.

The **management of Shareholders' Meetings and extraordinary transactions** could present risks in relation to the commission of **corporate offences**, in the event that, for example, the Company's Directors or Statutory Auditors were to carry out unlawful transactions relating to the share capital, the Financial Statements or the proper conduct of Shareholders' Meeting resolutions, to the detriment of creditors or individual shareholders.
The **management of extraordinary transactions, as well as relative administrative obligations**, could give rise to risks in relation to the offence of falsification of a preliminary certificate should the Company, in the course of cross-border extraordinary transactions and in order to give the impression that the conditions for the issue of the certificate provided for in Article 29 of Legislative Decree No. 19/2023 have been met, draws up documents that are wholly or partly false, alters genuine documents, makes false statements or omits relevant information. The **management of extraordinary transactions** could give rise to risks in relation to the commission of tax offences – **the offence of fraudulent evasion of tax** in the event, for example, that the legal representative were to carry out fictitious transactions or transactions at unrealistic values, with the aim of concealing and/or rendering assets unassailable, thereby preventing them from being seized by the tax authorities.

All corporate obligations (summons, company records, administrative obligations, and so on) must be handled in accordance with the modalities and timelines established by law.
The Company ensures compliance with the regulations regarding segregation of tasks amongst those involved in the management of shareholder activities and capital operations.

All documentation must be filed by the functions involved in the process, based on the requirements of the corporate regulations and the standards of reference.

Addressees who, for reason of their assignment, function or mandate, are involved in the management of the corporate secretariat and extraordinary operations, are **obliged** to ensure the smooth functioning of the Company and Corporate Bodies, certifying and facilitating any form of internal control over company management established by law, as well as the free and correct formation of the shareholder will.
With reference to extraordinary transactions (typically referring to borrowing and financing, underwriting and increasing share capital, granting guarantees and sureties, issuing financing and underwriting bonds, acquisitions of business branches or equity holdings, other extraordinary transactions such as mergers, splits, injections, or otherwise), the parties involved are to ensure that the competent entity – be it the Board of Directors or other formally-delegated party – has adequate supporting information in order to be able to make an informed decision.

For each extraordinary financial operation to be decided upon, at the request of the Board of Directors, the documentation necessary to assess its feasibility and the strategic and economic viability must be prepared. Such necessary documentation may cover the following aspects:

- Qualitative and quantitative description of the target (feasibility study, financial analysis, studies and statistics on the market of reference, comparisons between various production alternatives of the operation);
- Characteristics and subjects involved in the operation, including through an analysis of compliance of the same;
- Technical structure, principal collateral agreements and guarantees, as well as financial coverage of the transaction;
- Means for determining the economic conditions of the transaction and indicating any external consultants/intermediaries/advisors involved;
- Impact on the prospective economic, financial and capital status;
- Assessments as to whether the transaction is appropriate and in the Company's best interests
- to be decided upon by parties with the appropriate powers.
- The Company ensures that administrative and accounting obligations related to operations on capital are managed with the utmost diligence and professionalism, avoiding situations involving conflict of

interest.

In the context of the aforementioned conduct, the following is **prohibited**:

- To conduct, at Shareholder's Meetings, simulated or fraudulent acts intended to
- To disrupt the normal process by which the Shareholder's Meetings reaches a decision;
- Operate with a view to provide misleading information with reference to the actual representation of the Company, providing an improper representation of the Company's economic, patrimonial, financial and tax status;
- Omit data and information legally required on the Company's economic, capital and financial status;
- Return contributions to shareholders or release them from the obligation to execute such, beyond any instance of legitimate reduction in share capital;
- Divvy up profits (or advance payments on profits) not actually earned or earmarked for the statutory reserve, as well as allocate reserves that cannot legally be distributed;
- Diminish the share capital, mergers or demergers in violation of the statutory provisions protecting creditors;
- In any way proceed with the fabricated formation or increase in share capital;
- Carry out transactions in order to circumvent tax regulations;
- Authorise the transition to credit losses without the requirements for such being satisfied;
- Alter or destroy financial and accounting documents and information available on the net through unauthorised access or other actions aimed at such purposes;
- Submit untruthful statements to the Supervisory Authorities, displaying documents that do not wholly or partially align with reality.

Below is a list exemplifying the means of committing offences with reference to the following activities:

- Management of commercial activities.

The **management of commercial activities** could present risks in relation to **tax crimes** in the event that the Company issues fabricated credit notes in order to evade income and value-added taxes.

The management of commercial activities could also present risks in relation to tax crimes in the event that the Company issues invoices for non-existent transactions in order to facilitate a third party's evasion of income and value-added taxes.

For the principles of conduct related to the activity of "Management of Commercial Activities", please refer to the provisions of Special Section A – "Offences against Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" referred to in this Organisation, Management and Control Model.

Addressees who, for reason of their assignment, function or mandate, are involved in the aforementioned activities shall be obliged to:

- Ensure the proper keeping of documentation and all accounting and tax records as required by current legislation;
- Maintain proper, transparent and collaborative behaviour, in compliance with legal regulations, applicable accounting standards and internal regulations;
- Observe the rules of clear, correct, complete and timely registration in the activities of accounting deeds connected to the Company's management;
- Ensure compliance with the regulations concerning the segregation of tasks between the person carrying out the operation, the person registering such in the accounting records and the person who carries out the control thereof;
- Ensure the strictest accounting transparency at all times and under any circumstances;
- Ensure the documentability of transactions and accounting disclosure in order to be able to reconstruct the transactions shown in the accounting records with a reasonable level of detail.

In the context of the aforementioned conduct, it is forbidden to:

- Operate with a view to provide misleading information with reference to the actual representation of the Company, providing an improper representation of the Company's economic, patrimonial, financial and tax status;
- Omit data and information legally required on the Company's economic, capital and financial status.

Below is a list exemplifying the means of committing offences with reference to the following activities:
- Management of the procurement of goods and services and rapports with third-parties;
- Management of relations with agents;
- Management of expense reports;
- Management of intercompany relationships;
- Handling of gratuities, donations and sponsorships.

The **management of purchasing goods and services** and the management of contractors present risks in committing the **crime of fraudulent declaration by use of invoices or other documents for non-existent transactions** if, for example, it were possible to enter into the books — in order to evade taxes on income or value-added taxes – invoices or other documents for non-existent transactions and consequently the legal representative were to list fabricated debit items on the tax declaration forms.

The **management of relations with agents** could present risks in relation to the commission of **tax offences**, particularly where, within the context of such relationships, invoices are used for transactions that are wholly or partly non-existent or where agents are used to falsely register income in order to evade tax.

The **management of expense claims** could present risks in relation to the **offence of making a fraudulent declaration through the use of documents relating to non-existent transactions** should it be the case that, with a view to evading income tax and/or value added tax, expense claims relating to non-existent expenditure (in whole or in part) were reimbursed and, consequently, the legal representative included fictitious liabilities in the tax returns relating to those taxes.

Handling intercompany relationships could present risks, for example, in relation to the **crime of fraudulent reporting through the use of invoices for non-existent transactions** if the Company were to record invoices issued by Group companies for services not rendered (in whole or in part) or invoices whose services are rendered by entities other than those resulting from the accounting documentation with the aim of evading taxes.

The **management of gratuities and donations** could present risks in relation to the **crime of fraudulent reporting with invoices or other documents for non-existent transactions** if, for example, it were possible to enter into the books — in order to evade taxes on income or value-added taxes – invoices or other documents for non-existent transactions and consequently the legal representative were to list fabricated debit items on the tax declaration forms.

For the principles of conduct relating to these activities, please refer to that included in Special Section A – "Offences against Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" referred to in this Organisation, Management and Control Model.

Addressees who, for reason of their assignment, function or mandate, are involved in the aforementioned activities shall **also be obliged** to:

- Ensure the proper keeping of documentation and all accounting and tax records as required by current legislation;
- Maintain proper, transparent and collaborative behaviour, in compliance with legal regulations, applicable accounting standards and internal regulations;
- Observe the rules of clear, correct, complete and timely registration in the activities of accounting deeds connected to the Company's management;
- Ensure compliance with the regulations concerning the segregation of tasks between the person carrying out the operation, the person registering such in the accounting records and the person who

carries out the control thereof;
- Ensure the strictest accounting transparency at all times and under any circumstances;
- Ensure the documentability of transactions and accounting disclosure in order to be able to reconstruct the transactions shown in the accounting records with a reasonable level of detail.

In the context of the aforementioned conduct, the following is **prohibited**:

- Operate with a view to provide misleading information with reference to the actual representation of the Company, providing an improper representation of the Company's economic, patrimonial, financial and tax status;
- Omit data and information legally required on the Company's economic, capital and financial status.

D.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 25-ter e 25-quinquiesdecies of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body regarding any derogations, breaches or suspected violations of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

D.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

Special Section E

Crimes against the person and crimes of employing third-country nationals without a legal residence permit;

E.1 Function of Special Section E

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 25-quinquies and 25-duodecies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

E.2 Pertinent offences

Below are all the criminal offences that form the basis of the administrative responsibility of the Entities pursuant to 25-*quinquies* and 25-*duodecies* of the Decree.

Crimes against the individual person

Reduction to or retention in slavery or servitude (Article 600 of the Italian Criminal Code)
This provision punishes anyone who exercises powers over a person corresponding to those of the right to ownership or whoever reduces or maintains a person in a state of continuous subjection, forcing them to work or provide sexual services or to beg or in any case carry out illegal activities that involve exploitation or undergoing the removal of organs.

The reduction to or maintenance of the state of subjection occurs when the conduct is implemented through violence, threat, deception, abuse of authority or by taking advantage of a situation of vulnerability or of physical or psychological inferiority, or a situation of necessity, or by giving sums of money or other advantages to the person over whom they have authority.

Trafficking in persons (Article 601 of the Italian Criminal Code)
The provision punishes anyone who introduces into or transfers out of the territory of the State, transports, cedes authority over the person, hosts one or more persons under the conditions referred to in Article 600, being to carry out the same conduct on one or more persons by deception, violence, threat, abuse of authority or taking advantage of a situation of vulnerability or of physical or psychological inferiority, or a situation of necessity, or by promising or giving sums of money or other advantages to the person over whom they have authority in order to induce or force them to complete work, sexual deeds or begging or otherwise to carry out illicit activities involving exploitation or to undergo organ removal.

Purchase and sale of slaves (Article 602 of the Italian Criminal Code)
The provision punishes anyone who, except in the cases specified in Article 601, purchases, disposes of or transfers a person who is in one of the circumstances referred to in Article 600.

Unlawful intermediation and exploitation of labour (Article 603-bis of the Italian Criminal Code)
Unless the act constitutes a more serious offence, this provision punishes anyone who:

1. Recruits labour for the purpose of assigning them to work for third parties under conditions of exploitation, taking advantage of the worker's state of need;
2. Uses, hires or employs labour, including through the brokerage activity referred to in point 1), subjecting workers to conditions of exploitation and taking advantage of their state of need.

For the purposes of this Article, the existence of one or more of the following conditions shall constitute an indication of exploitation:

1. The repeated payment of remuneration in a manner that is clearly not in line with the national or terri-

torial collective agreements entered into by the most representative trade unions at a national level, or in any case disproportionate to the quantity and quality of the work carried out;
2. The repeated violation of the regulations relating to working hours, rest periods, weekly rest days, mandatory leave, holidays;
3. Violations of the regulations on workplace safety and hygiene;
4. Subjecting the worker to degrading working conditions, surveillance methods or housing situations.

Crime of employment of third-country nationals without a legal resident permit

Provisions against illegal immigration (Article 12[3], [3-bis], [3-ter] and [5] of Legislative Decree No. 286/1998)
Unless the deed constitutes a more serious crime, anyone who – in violation of the provisions of the consolidated text on immigration – promotes, directs, organises, funds or carries out the transport of foreigners into the territory of the State or completes other acts aimed at unlawfully procuring entry into the territory of the State or of another State of which the person is not a citizen or has permanent residence, shall be punished in the event that:

a. The deed pertains to the illegal entry or residence of five or more persons in the territory of the State;
b. Any person transported has been exposed to threats to their life or safety in order to obtain entry or unlawful residence;
c. Any person transported has been subjected to inhuman or degrading treatment in order to obtain unlawful entry or residence;
d. The deed is committed by three or more persons in conjunction with each other or using international transport services, or by using documents that have been counterfeited or altered or otherwise unlawfully obtained;
e. Those committing the deeds have access to weapons or explosive materials.

The same criminal provision punishes anyone who, with the aim of deriving an unjust profit from a foreign national's unlawful status or in the context of activities involving the unlawful entry of foreign nationals, facilitates their continued presence within the territory of the State in breach of the provisions of the Consolidated Act on Immigration.

Fixed-term and indefinite work (Article 22[12-bis] Legislative Decree no. 286/1998)
The offence is configured when the employer hires a worker:
- Without a residence permit;
- Whose residence permit has expired and renewal has not been requested under the statutory terms;
- Whose residence permit has been revoked or cancelled.

The aforementioned crime entails the administrative responsibility referred to in the Decree whereby:
- More than three workers recruited;
- Concerning minors of non-working age;
- Intermediated workers are exposed to situations of serious danger, as regards the characteristics of the acts to be carried out and the working conditions.

E.3 Areas of Major Risk

The Company's main areas of risk with regard to crimes against individual personality and the crime of employment of third-country nationals whose residence is not legal are attributable to:
- Management of the procurement of goods and services and rapports with third-parties;
- Selection and management of personnel;
- Management of relations with agents.

Addressees are required to adapt their behaviour to that set out in this document.

E.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as

defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:

- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- The standards, regulations and internal provisions.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 25-quinquies and 25-duodecies of Legislative Decree no. 231/2001 cited prior.

Below is a list exemplifying the means of committing offences with reference to the following activities:

- Management of the procurement of goods and services and rapports with third-parties.

The **management of the procurement of goods and services and the management of contractors** could present risks in relation to the configuration of crimes against the individual person in the hypothesis in which, for example, a person in a senior position or subordinate of the Company enters into commercial agreements with persons using child labour or workers kept in conditions of slavery or servitude.

The **management of the procurement of goods and services and the management of contractors** could present potential risks in relation to the offence of employing third-country nationals who are residing in the country illegally, should the Company, for example, enter into commercial agreements with parties that employ third-country nationals without a residence permit.

In the **management of the procurement of goods and services and the management of contractors**, the Company must include clauses in its contracts specifying:

- That the company concerned declares compliance with the principles pursuant to Legislative Decree no. 231/2001 and adheres to the principles of the Code of Ethics adopted by the Company;
- That the company concerned declares having enacted all necessary acts of compliance and precautions aimed at preventing the above offences, having reinforced – where possible – its corporate structure with internal procedures and systems that are entirely suited to such prevention;
- That the company concerned declares to only employ personnel hired under valid employment contracts, in full compliance with the legislation;
- That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code.

For the principles of conduct relating to the “Management of Purchases of Goods and Services Rapports with Third-Parties”, please refer to the provisions of Special Section A – “Offences against Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority”.

Below is a list exemplifying the means of committing offences with reference to the following activities:
- Selection and management of personnel.

The **staff recruitment** process could give rise to risks in relation to the **offence of employing third-country nationals not legally in the country** should, for example, the Company’s employer hire foreign workers who do not hold a residence permit.

The activity of **personnel management** could present risks in relation to the **offence of unlawful labour brokering and labour exploitation** in the event that, for example, the Company were to pay its workers remuneration that is disproportionately low in relation to the quantity and quality of the work performed, or were to repeatedly breach the regulations concerning working hours, rest periods, weekly rest, compulsory

leave and annual leave.
Addressees who, for reason of their assignment or function or specific mandate, are involved in the aforementioned activities, in addition to the provisions of Special Section A – "Offences against Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" of this Model, are **required** to:

- Ensure compliance with the regulations relating to working hours, rest periods, weekly rest days, mandatory leave and holidays;
- Ensure that the external companies involved in the selection of staff are agencies listed in the register established at the Ministry of Labour and that comply with Corporate Policies;
- Ensure remuneration that is in line with:
  - National or territorial collective bargaining agreements entered into by the most representative trade unions at a national level;
  - The quantity and quality of the work provided and according to the role held within the Company;
- - Prohibit any type of bullying, as well as all situations that may subject personnel to working conditions, surveillance methods or situations of degrading housing;
- Adopt the necessary measures in order to render the working environment adequate in terms of safety and/or hygiene;
- Ensure all workers employed, regardless of their citizenship, operate under the same health and safety conditions;
- Always ensure that the employment relationship is governed via a detailed and written contract;
- Verify the fairness of the remuneration paid;
- Ensure working conditions respecting personal dignity, equal opportunities and a suitable working environment, in compliance with the collective contractual legislation of the sector and the social security, taxation and insurance legislation;
- Verify that candidates who are nationals of third countries:
  - Are in possession of a valid residence and work permit (which has not expired nor been revoked or cancelled);
  - In the event of an expired residence permit, have submitted an application for renewal within the time limit established under legislation (documented by the relative postal receipt);
- Monitor the validity of the documents of employees who are nationals of third states and request their renewal prior to the date of expiry indicated on the residence permit;
- Ensure the complete and correct entry in a specific list regarding the recruitment of third-country nationals, as well as of third-country agency workers.

With regard to any impact on occupational health and safety and working conditions in the broad sense, reference is made to the prevention protocols defined in Section F of the Special Section of the Model – "Crimes of manslaughter or grievous bodily harm through negligence, committed in violation of the rules on health and safety at work".

In the context of the aforementioned conduct, the following is **prohibited**:
- Employ staff, including for temporary contracts, without complying with existing regulations on social security, taxation, insurance, immigration and so on;
- Tolerate forms of illegal employment or child labour or labour exploitation;
- To employ non-EU staff who do not meet the requirements set out in the
- the law governing residence and employment within the country;
- Pay remuneration in a manner that is clearly not in line with the national or territorial collective agreements entered into by the most representative trade unions at a national level, or in any case in a manner that is disproportionate to the quantity and quality of the work carried out;
- Violate the regulations relating to working hours, rest periods, weekly time off, mandatory leave and holidays;
- Subject the worker to degrading working conditions, surveillance methods or housing situations.

Below is a list exemplifying the means of committing offences with reference to the following activities:
- Managing relations with agents.

The **management of relationships with agents** could present risks in relation to the configuration of

crimes against the individual person in the hypothesis in which, for example, a person in a senior position or subordinate of the Company enters into commercial agreements with persons using child labour or workers kept in conditions of slavery or servitude.

For the principles of conduct relating to these, in addition to the provisions of Special Section A – "Offences against the Public Administration and its assets, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of induction not to make statements or to make mendacious statements to the Judicial Authority" Organisation, Management and Control Model, it is also **necessary** to:

- Introduce clauses in contracts specifying:
  - That the company concerned declares compliance with the principles pursuant to Legislative Decree no. 231/2001,
  and adheres to the principles of the Code of Ethics;
  - That the company concerned declares having fulfilled all necessary obligations and taking caution aimed at preventing the offences referred to above;
  - That any lack of truthfulness in the above declarations could constitute cause for termination of the contract pursuant to Article 1456 of the Italian Civil Code
- establish in any contracts/agreements with third parties the Company's right to carry out the control activities deemed necessary.

In the context of the aforementioned conduct, the following is **prohibited**:
- Tolerate forms of illegal employment or child labour or labour exploitation;
- Subject the worker to degrading working conditions, surveillance methods or housing situations.

E.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 25-quinquies e 25-duodecies of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body, in writing, any information concerning derogations or breaches of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

E.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

Special Section F

Crimes of manslaughter or grievous bodily harm through negligence, committed in violation of the rules on health and safety at work.

F.1 Function of Special Section F

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 25-septies of Legislative Decree no. 231/2001.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

F.2 Pertinent offences

Below are the criminal offences that form the basis of the administrative responsibility of the institutions pursuant to Articles 25-septies of the Decree.

Crimes of manslaughter or grievous bodily harm through negligence, committed in violation of the rules on occupational health and safety

Manslaughter (Article 589 of the Italian Criminal Code)
Manslaughter is committed in all cases in which the agent, acting lawfully, performs an act that results in the death of a person due to negligence, recklessness, imperiousness or breach of any law, regulation, order or discipline.

Grievous bodily harm (Article 590, paragraph 3, of the Italian Criminal Code)
This applies to anyone responsible for causing serious or grievous personal injury to others.

The personal injury is considered grievous **(Article 583 of the Italian Criminal Code)**:
- If a disease derives from a deed that endangers the life of the injured party, being an illness or inability to complete ordinary duties for more than forty days;
- If the deed results in the permanent weakening of a sense or organ.

The personal injury is considered extremely grievous **(Article 583 of the Italian Criminal Code)** if it results in:
- A disease that is certainly or probably incurable;
- The loss of a sense;
- The loss of a limb or mutilation that renders the limb unusable, or else loss of the use of an organ or ability to procreate, or permanent and serious difficulty to speak;
- Deformation, being the permanent scarring of the face.

F.3 Areas of Major Risk

The most significant risk areas of the Company, with reference to the crimes of manslaughter and serious and very grievous bodily harm committed with violation of the regulations on health protection and occupational safety, as identified in the Risk Assessment Document (DVR), to which reference is made for thorough examination, can be traced to:
- Management of the procurement of goods and services and rapports with third-parties;
- Management of worker health and safety.

Addressees are required to adapt their behaviour to that set out in this document.

F.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:
- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- The standards, regulations and internal provisions.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 25-septies of Legislative Decree no. 231/2001 cited prior.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of the procurement of goods and services and rapports with third-parties.

The **management of the procurement of goods and services and the management of contractors** could present risks in relation to **offences concerning occupational health and safety** should the Company, in order to achieve cost savings, enter into commercial agreements that do not comply with the relevant regulations.

Addressees who, for reason of their assignment or function, are involved in the management of the aforementioned activities shall be **obliged** to:
- Comply with the principles of conduct set out in Special Section A – "Offences against Public Administration and its holdings, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" referred to in this Organisation, Management and Control Model;
- Assess, during the selection process, the ability of contractors or self-employed workers to ensure the protection of the health and safety of both workers employed directly by them and those of the Company;
- For contractors and subcontractors, set up procedures able to verify documentation attesting to the employment status of their employees, with the involvement of the Head of the Prevention and Protection Service for the Interference Risk Assessment Document;
- Ensure that the procedures for managing and coordinating contracts are formalised in writing with express references to the obligations referred to in Article 26 of Legislative Decree no. 81/2008;
- Ensure that all procurement contracts indicate the costs related to job security by citing from which date the employee representative and worker trade union organisations can gain access upon request;
- Verify the technical-professional suitability of contracting companies or self-employed persons in connection with the work to be entrusted by tender or through a work or administration contract including — but not only — according to the modalities established in Article 26 paragraph 1 of Legislative Decree no. 81/2008. Specifically required, amongst other things, are:
  - The certificate of registration with the Chamber of Commerce, Industry and Crafts (CCIAA);
  - The consolidated document of contributory regularity (also referred to as "DURC" – being the Consolidated Document of Contributory Regularity) referred to in the Ministerial Decree dated 24th October 2007 – "Consolidated Document of Contributory Regularity";
  - A list of all staff with specific tasks who are to enter the sites for work reasons and their residence permit for non-EU staff where appropriate;
  - A list of safety devices supplied to workers;
  - Specific documentation certifying the conformity of machinery and/or equipment, and/or provisional works with regard to the machinery or equipment that will be utilised in the work covered by the tender contract;
  - Training provided on occupational health and safety;
- Provide the above-listed subjects with information regarding:
  - Specific risks existing in the environment in which they operate;
  - Prevention and emergency measures adopted in relation to the activities carried out;
- - Draw up (where required and in cooperation with the contractor/subcontractor), a
- "Consolidated Interference Risk Assessment Document", with the aim of:
  - Cooperating in the implementation of measures to prevent and protect against risks of workplace accidents in activities covered by the contract;
  - Coordinating the prevention and protection against risks to which workers are exposed, reciprocally providing information, including in order to eliminate risks due to interference between the work of various undertakings involved in the execution of the project overall;

- In the event of subcontracting, requiring express authorisation issued by persons with the appropriate powers, in accordance with the Company's framework for delegations of authority and proxy;
- Subjecting contractors to periodic inspections to verify compliance with the agreed regulatory and compliance standards and to record the results of these inspections in the appropriate documents;
- Formalise and track checks carried out on mandatory documentation in line with the regulations of reference whenever contractors access the Company's facilities.

All Addressees involved in safety management are to inform the Supervisory Body of any abnormal or non-compliant situations, as defined in this section of the Model and in the Code of Ethics.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Occupational health and safety management.

The **Occupational Health and Safety Management System** could present risks in relation to the configuration of **serious or very serious grievous bodily injury** in the cases whereby, for example, the Company does not provide all the necessary tools to face the identified occupational health and safety risks, in order to achieve economic benefits.

So as to ensure the most suitable presiding over health and safety issues, the Company has adopted its own organisational structure with specific tasks and responsibilities in health, safety and the environment, formally defined in accordance with the organisational and functional structure of the company, starting from the employer through to the individual employee, with particular regard to the specific figures operating in this area (Head of Prevention and Protection Service, Occupational Physician, Workers' Safety Representatives, Service Workers of Prevention and Protection, Emergency Teams, First Aid and Fire-fighting).

With reference to the above activities, following are the specific principles of conduct.

To the Addressees, as identified above, and to all persons with responsibilities in managing the obligations established in the regulations on the protection of **workplace health and safety**, is required to operate in compliance with applicable regulations and **ensure** within their own competence:
- The definition of the objectives for worker health and safety and the continuous identification of any risks;
- An appropriate level of information/training amongst general managers, employees, temporary workers and suppliers/contractors, including in regards to the consequences arising from any failure to comply with legal regulations and the rules of conduct and control as defined by the Company;
- Accident and disease prevention and emergency management;
- The adequacy of human resources – in terms of the number and professional qualifications – and material resources necessary to achieve the objectives set by the Company for worker health and safety;
- The application of disciplinary measures in the event of violations of the behavioural principles defined and communicated by the Company, in accordance with the Disciplinary System enucleated in the Organisation, Management and Control Model adopted by the Company and to which reference is made (General Section, Chapter 6).

  Whilst not limited to disciplinary wrongdoings and infringements, such constitute a violation of the obligations referred to in Article 59 paragraph 1 letter a) of Legislative Decree no. 81/2008, according to which workers must:
- Observe the provisions and instructions issued by the employer, managers and supervisors regarding collective and personal protection;
- Appropriately use the protective equipment available to them;
- Immediately report to the employer or person in charge regarding any conditions of danger of which they become aware, taking direct action in cases of urgency and within their competences and without prejudice to the obligation set out below, to eliminate or reduce situations of serious and pending danger, informing the workers' safety representative;
- Not to remove or modify the safety, signalling or control devices without authorisation;
- Not to carry out operations or manoeuvres that are not within their competence or which may jeopardise their own safety or that of other workers;
- Participate in education and training programmes organised by the Employer also through accredited external consultants.

In general, all Addressees of the Model must respect that defined by the Company in order to safeguard worker health and safety and to promptly communicate to the structures identified and in the predefined manner regarding any signs of risk or danger (such as near accidents or near misses), accidents (regardless of their severity) and violations of corporate regulations.

Specific control principles
Addressees involved in handling these activities must ensure the below checks are carried out for each of the parties under their respective competence.

- The designation of those in charge, the definition of their powers and the management of emergencies: the functions and duties of the Head of the Prevention and Protection Service, the Supervisors, the Workers' Safety Representatives and the emergency management staff, as well as the duties and responsibilities of the Occupational Physician and the various roles with responsibilities in the field of Workplace Health and Safety;
- Managers, internal supervisors, any external consultants and the persons designated in relation to workplace health and safety (including the Head of the Prevention and Protection Service, Occupational Physician, any technical staff, etc.) must be selected on the basis of their professionalism and competence, with the choices made being adequately justified;
- The subjects forming part of the corporate security organisation chart, within their own competence, define the roles, responsibilities and faculties of those who manage, execute and verify activities that influence health and safety risks;
- Entities in the corporate security organisation chart must exercise, for the area under their competence, all their powers and fulfil all obligations under the laws and regulations on safety, accident prevention and environmental hygiene applicable to the Company.

Definition of the objectives for the worker health and safety, identification and continuous assessment of any risks

The Employer, with the support of the Head of the Prevention and Protection Service as well as the Occupational Health Physician, must:

- Define the objectives and programmes for the continuous improvement of prevention and safety and health protection measures and conditions;
- Periodically carry out a formalised analysis of existing environmental risks and impacts. The risk assessment is to be repeated whenever organisational and operational changes and technical modifications occur and must describe prevention and protection measures as well as the Personal Protective Equipment, in addition to the programme of measures considered appropriate in order to implement concrete means for reducing the extent of any identified risks. With regard to the risk assessment activity, a Risk Assessment Document shall be drawn up per the methodologies and criteria specified in the document and with the content requested under the legislation of reference. Such documentation examines the individual areas in which the relevant activities are conducted in order to safeguard the hygiene, health and safety of workers.

The adequacy of the Risk Assessment Document is constantly monitored by the Employer, the Occupational Physician, the Head of the Prevention and Protection Service and the Workers Safety Representative through the reports received by the subjects themselves according to the specific activities assigned to each and, in any case, revised and – if necessary, updated – in the event of:

- Oganisational changes or new business structures;
- New statutory provisions;
- Where the results of health surveillance show the need for such;
- As a result of significant injuries;
- Requests from the control bodies;
- In any case, at least every two years.

Operational safety management
The Employer, with the support of the Head of the Prevention and Protection Service, must ensure:

- Appropriate signage is put up in the workplace and employees are provided with adequate personal protective equipment;
- Appropriate coordination of the various contractors or self-employed workers operating on the Company's premises, including through regular meetings between the Head of the Prevention and Protection

Service and the managers of the contractors and the self-employed workers;
- Workers use equipment, tools, machinery, means of transport and other work equipment correctly, in accordance with the instructions provided and existing procedures, as well as all existing safety devices, including PPE, where applicable;
- Machinery is maintained in accordance with the user manual, taking care to ensure that maintenance is completed at appropriate intervals by competent personnel and that every maintenance operation is documented.

Training and information on worker health and safety
Subject to all the considerations set out in the introduction, the Employer, with the support of the Head of the Prevention and Protection Service, shall, in accordance with the relevant legislation, ensure:
- Continuous education/training programmes are organised and provided to workers, including those who perform their activities with limited frequency;
- Specific training programmes are organised for and provided to workers.
- Staff are trained and aware of personal protective equipment, that such equipment is used where required, and that they are fully aware of their obligations regarding the protection of their own health and safety, as well as that of their colleagues and third parties. In view of the relevance of the training activities in this field, the training schedules are aligned with the requirements of the State-Regions Agreement.

Relations with third parties
The Employer, with the support of Head of the Prevention and Protection Service, shall:
- Assess during the selection process the ability of suppliers to ensure the protection of the health and safety of workers employed by the supplier to complete the necessary tasks and those of the Company;
- Formally communicate to suppliers regarding the conduct and control regulations adopted by the Company, as defined in this Model.

Health monitoring
It is the responsibility of the Employer, the Head of the Prevention and Protection Service and the Workers' Safety Representatives to monitor the conduct of health surveillance by the Occupational Physician by providing the appropriate space for carrying out the activities under their competence and for filing the documentation that emerges from such activities.

It is the responsibility of the Occupational Physician, whereby not at the expense of the mandatory checks provided by law, to assess the adequacy and possibly update the monitoring programme according to any prior needs, as well as to collaborate on drafting/updating the Risk Assessment Document.

The outcome of all medical analyses is formalised in the findings on suitability/unsuitability, in the manner set out by the legislation.

All Addressees involved in safety management are to inform the Supervisory Body of any abnormal or non-compliant situations, as defined in this section of the Model and in the Code of Ethics.

Periodic audits on the safety management system

The Head of the Prevention and Protection Service shall ensure the conduct of periodic audits on the safety management system in compliance with the conduct and control regulations defined in this Model.

The Employer:
- Approves the annual verification plan that must include operations aimed at certifying compliance with standards and the correct implementation by all shareholders of the organisation;
- Verifies the Audit Report and in particular, the findings (non-conformity and/or any observations) and the relevant action plan (as defined by the area/department subject to verification with the support of the person who carried out the audits), indicating the actions necessary to eliminate the non-conformities found as well as the entity responsible for their implementation and the necessary time-frames;
- Approves the plan of action.

Control and corrective actions
The Employer, with the support of the Head of the Prevention and Protection Service, must:
- Ensure the correct and complete application of internal procedures and information systems for all identification, investigation and improvement activities following accidents and near-accidents;
- Ensure that health and safety indicators are recorded and monitored;

The Head of the Prevention and Protection Service, the Occupational Physician and any third-party experts must plan, carry out, document and record the verification and technical inspection of workplaces and work activities on an ongoing basis, and any non-conformities identified must be rectified without delay.

F.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 25-septies of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body, in writing, any information concerning derogations or breaches of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

The Employer is obliged to promptly transmit to the Supervisory Body any information regarding:
- The occurrence of accidents or complaints of occupational diseases;
- Changes and updates to the Risk Assessment Document;
- The minutes of periodic meetings;
- The training schedule and preparation of training provided in the field of workplace health and safety;
- Inspection visits by Public Administration officials and relative findings arising as a result of such verification and investigations;
- Any violations by the responsible functions (established internally or by the competent authorities) relating to the obligations required by the health and safety legislation with regards to the working environment and related corrective actions adopted.

F.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

SPECIAL SECTION G

Offences relating to handling stolen goods, money laundering and the use of money, property or benefits of unlawful origin, as well as self-laundering; organised crime offences; smuggling offences

G.1 Function of Special Section G

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must follow in handling activities at risk related to the criminal offences referred to in Article 25-octies and 25-ter and 25-sexiesdecies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

G.2 Pertinent offences

Below are the cases of criminal offences applicable to the Company and which form the administrative responsibility of the institutions pursuant to Articles 25-octies and 24-ter and 25-sexiesdecies of the Decree.

Receiving, laundering and using money, goods or assets of unlawful origin, as well as self-laundering

Receiving stolen goods (Article 648 of the Italian Criminal Code)
The offence of handling stolen goods punishes anyone who purchases, receives, conceals or assists in the purchase, receipt or concealment of money or property derived from any crime or offence punishable by imprisonment for a term of not more than one year or not less than six months. Such conduct is aimed at making a profit for the person concerned or a third party. In order to exist, it is necessary that the offender did not participate in the commission of the crime from which the stolen money or received goods derived.

Money laundering (Article 648-bis of the Italian Criminal Code)
The offence of money laundering is committed whenever a person substitutes or transfers money, property or other benefits derived from a criminal offence or carries out other transactions in relation to them. In order to be such, the conduct must be such as to hinder the identification of the illicit provenance of money, property or other utilities. As with receiving stolen goods, money laundering also subsists outside the criminal cases from which money, property or other benefits arise.

The offence is also committed where the act involves money or property derived from an offence punishable by a term of imprisonment of not more than one year or not less than six months.

The conduct of “exchange” includes any activity aimed at affecting the criminal compendium by separating any possible connection with the crime. Concrete operating methods may consist in banking, financial and commercial transactions, through which the economic benefits of illicit origin are exchanged with other lawful acts; or with the exchange of banknotes in different currencies, with speculation on foreign exchange and the investment of monies in government bonds, equities and so on.

The “transfer” coincides with moving unlawful values of illegal origin from one subject to another (such as a change in owner of a property or securities).

Finally, the more general “performing any other operations” formula refers to any activity aimed at obstructing the identification of illicit origin.

Using money, assets or benefits of unlawful origin (Article 648-ter of the Italian Criminal Code)
The crime of using money punishes anyone who, beyond cases of complicity in the crime and beyond instances of the aforementioned recovery and laundering, employs in economic or financial activities money, property or other benefits criminally obtained.

The punishable conduct is described with the verb “employ”, which does not have a precise technical merit and finishes with a particularly broad scope, being able to draw on any form of utilising money, property or other benefits from crime regardless of any objective or outcome to the benefit of the agent.

The offence is also committed where the act involves money or property derived from an offence punishable by a term of imprisonment of not more than one year or not less than six months.

Self-laundering (Article 648-ter.1 of the Italian Criminal Code)
The crime sees punished anyone who – having committed or concurring to commit an offence with criminal intent – employs, replaces or transfers in economic, financial, entrepreneurial or speculative activities, the money, goods or other benefits arising from the commission of such crime, in such a way as to effectively hinder the identification of their criminal origin.
The offence is also committed where the act involves money or property derived from an offence punishable by a term of imprisonment of not more than one year or not less than six months.
Through such a regulation, the perpetrator of the presupposed crime (being the felony that determines the unlawful provenance of the property) can also be called to answer for subsequent actions aimed at re-entering the good (be it money, tangible goods or other benefits) in the economic-business circuit.

Organised crime offenses

Criminal association (Article 416 of the Italian Criminal Code)
The crime punishes those who promote, form or organise associations of three or more persons with the aim of committing multiple offences.

Mafia-type associations, including foreign associations (Article 416-bis)
This applies to anyone who is part of a Mafia-type association formed by three or more people.

The association is of a Mafia nature when those who take part avail of the force of intimidation of the associative bond and the condition of subjection and the code of silence that results therefrom in order to commit further crimes, to directly or indirectly acquire the management or control of economic activities, concessions of authorisations, contracts and public services or to achieve unfair profit or gain for themselves or others or else to prevent or impede the free exercise of voting or to procure votes for themselves or others during electoral sessions.

The provisions of Article 416-bis of the Italian Criminal Code also apply to the Camorra and other associations, however they are referred to locally, which avail of the intimidating force of the associative bond to pursue purposes corresponding to those of Mafia-type associations.

All crimes if committed availing of the conditions established in Article 416-bis of the Italian Criminal Code to facilitate the activity of associations envisaged in the same Article (Law 203/91)

Political-mafia electoral exchange (Article 416-ter of the Italian Criminal Code)
The offence punishes those who obtain the promise of votes through the so-termed “mafia method”, in exchange for issuing money.

Kidnapping for the purpose of extortion (Article 630 of the Italian Criminal Code)
The crime is committed when certain people abduct a person for the purpose of achieving – for themselves or others – an unfair gain as the price of release.

Association aimed at illicit trafficking of narcotic or psychotropic substances (Article 74 of Presidential Decree 309/1990)
The crime punishes those who promote, constitute, direct, organise or finance associations of three or more persons with the aim of committing various crimes amongst those set out in Article 73 of Presidential Decree 309/1990.

Crimes of illegal manufacture, importation, placing for sale, transfer, possession and carrying in a public place or a place open to the public, weapons of war or parts thereof, of explosives, and illegal arms and more common firearms (Article 407, paragraph 2, letter a], number 5], of the Italian Code of Criminal Procedure).

The organisation may also be held liable for a number of offences referred to in Article 407(2)(a)(5) of the Italian Code of Criminal Procedure, relating to the unlawful manufacture, importation into the country, offering for sale, possession and circulation of military weapons and explosives, illegal weapons and multiple common firearms.

Smuggling crimes

Smuggling by failure to declare (Article 78 of Legislative Decree No. 141/2024)
The provision penalises anyone who, by failing to submit a customs declaration:

- Introduces, circulates within the customs territory or removes from customs supervision, by any means and for any reason, non-Union goods;
- Causes Union goods to be taken out of the customs territory for any reason whatsoever.

The criminal penalty also applies to anyone in possession of non-Union goods who refuses or is unable to prove the lawful origin of the goods.

The offence set out in the relevant criminal provision, as well as all those established by Articles 79, 80, 81, 82 and 83, is punishable only if the amount of at least one of the boundary fees due or unduly received, considered separately, or of the boundary fees unduly claimed for repayment, exceeds €10,000 or, if that threshold is not exceeded, if one of the following aggravating circumstances applies:

1. The perpetrator is caught red-handed during the offence or immediately afterwards;
2. The offence is connected with another offence against public trust or against the public administration;
3. The defendant is a member of a criminal organisation set up to commit smuggling offences and the offence committed falls within the scope of the organisation's purpose;
4. The amount of at least one of the boundary fees due, considered separately, exceeds €100,000.

Smuggling by means of false declaration (Article 79 of Legislative Decree No. 141/2024)
This offence applies to anyone who declares the quality, quantity, origin and value of goods, as well as any other information required for the application of the tariff and the assessment of duties, in a manner that does not correspond to the facts as established.

Smuggling in the handling of goods by sea, air and across border lakes (Article 80 of Legislative Decree No. 141/2024)
This offence applies to the pilot-in-command of an aircraft or the shipmaster who:
- Lands, loads or tranship non-Union goods within the territory of the State without presenting them to the nearest office of the Agency;
- At the time of departure, does not have on board any non-Union goods or goods intended for export with duty drawback, which should be present on board according to the manifest, the summary declaration and other customs documents;
- Transports non-EU goods within the territory of the State without being in possession of the consignment note, the summary declaration and other customs documents where these are required.

The same penalty also applies to:
- The master of a vessel who, in breach of the prohibition imposed by the Authority, whilst carrying non-Union goods, sails close to the national coastline or drops anchor, lies at anchor or otherwise establishes contact with the territory of the State in such a way as to facilitate the unloading or loading of those goods;
- The pilot of an aircraft who, whilst carrying non-Union goods, lands outside a customs airport and fails to report the landing to the authorities by the following working day.

Smuggling involving the unauthorised use of imported goods for which duties have been wholly or partially reduced (Article 81 of Legislative Decree 141/2024)
This provision penalises any person who assigns, in whole or in part, to non-Union goods – imported duty-free or with a reduction in duties – a destination or use other than that for which the duty exemption or reduction was granted.

Smuggling in the export of goods eligible for duty drawback (Article 82 of Legislative Decree No. 141/2024)
This offence punishes anyone who uses fraudulent means with the aim of obtaining an undue refund of duties levied on the importation of raw materials used in the manufacture of goods intended for export.

Smuggling in the context of temporary export and special use or processing regimes (Article 83 of Legislative Decree No. 141/2024)
This offence applies to anyone who, in the context of temporary export operations or under the special-use or inward processing procedures, with the aim of evading the payment of customs duties that would otherwise be due, subjects the goods to artificial manipulation or employs other fraudulent means.

Smuggling of manufactured tobacco (Article 84 of Legislative Decree 141/2024)
The law imposes penalties on anyone who imports, sells, distributes, purchases or possesses, for any reason whatsoever, a quantity of contraband manufactured tobacco exceeding 15 conventional kilograms within the territory of the State.

Criminal organisation engaged in the smuggling of manufactured tobacco (Article 86 of Legislative Decree 141/2024)
The offence is committed when three or more persons form an association with the aim of committing more than one offence relating to manufactured tobacco, amongst those provided for in Article 84 of the Consolidated Customs Act (see above) or in Article 40-bis of the Consolidated Act on Excise Duties (see below).

The penalty applies both to those acting as promoters, founders or directors of the association and to its funders, organisers and mere participants.

Attempted offence (Article 87 of Legislative Decree 141/2024)
For all the offences described above, the provision in question treats an attempted offence in the same way as a completed offence, with the result that the penalties provided for customs offences are extended to cover conduct that is merely preparatory to their commission (provided that the acts are suited to and unequivocally aimed at committing the punishable customs offence).

Evasion of the assessment or payment of excise duty on energy products (Article 40 of Legislative Decree 504/1995)
The norm punishes anyone who:
- Illegally manufactures or refines energy products;
- Evades, by any means, the assessment or payment of excise duty on energy products, including natural gas;
- Uses exempt products or those eligible for reduced rates for purposes subject to tax or to a higher rate of tax;
- Carries out unauthorised blending operations resulting in products subject to a higher rate of excise duty than that paid on the individual components;
- Regenerates denatured products to make their use in applications subject to higher tax easier and more difficult to detect;
- Holds denatured energy products under conditions other than those prescribed for eligibility for preferential treatment;
- Possesses or uses products obtained from clandestine manufacturing or unauthorised blending.

The offence is only deemed to have been committed if the quantity of energy products evading excise duty assessment or payment exceeds 1,000 kilograms or, in the case of natural gas, 10,000 kilograms (below these thresholds, the penalty imposed is of an administrative nature).

An attempt is punishable with the same penalty as that prescribed for the completed offence.

Evasion of the assessment or payment of excise duty on manufactured tobacco (Article 40-bis of Legislative Decree No. 504/1995)
This offence applies to any person, except in the cases referred to in Article 84 of Legislative Decree 141/2024 (Consolidated Act on Customs Matters): any person who, by any means or in any manner, evades the assessment or payment of excise duty on the manufactured tobacco products referred to in Title I,

Chapter III-bis, of the Consolidated Act on Excise Duties.

The offence is deemed to have been committed only if the quantity of manufactured tobacco exceeds 15 conventional kilograms or, where that threshold is not exceeded, if the aggravating circumstances referred to in Article 40-ter of the Consolidated Law apply (such as the use of means of transport belonging to persons not involved in the offence, the use of weapons or the commission of the offence through the commission of offences against public trust and do on). If these requirements are not met, the penalty imposed is of an administrative nature.

An attempt is punishable with the same penalty as that prescribed for the completed offence.

Sale of tobacco products without authorisation or purchase from persons not authorised to sell (Article 40-quinquies of Legislative Decree No. 504/1995)
The provision penalises the unauthorised sale of manufactured tobacco in quantities exceeding 5 kilograms, as well as the purchase, from a person not authorised to sell it, of manufactured tobacco in quantities exceeding 10 kilograms.

Illegal production of alcohol and alcoholic beverages (Article 41 of Legislative Decree 504/1995)
The provision penalises the unauthorised manufacture of alcohol or alcoholic beverages (which, as specified in the provision itself, refers to manufacture carried out in premises or using equipment that has not been previously declared or inspected, or which has been constructed or altered in such a way as to prevent the product from being detected).

Association for the purpose of the clandestine manufacture of alcohol and alcoholic beverages (Article 42 of Legislative Decree No. 504/1995)
The provision penalises the act of three or more persons forming a criminal organisation (association) for the purpose of the illicit manufacture of alcohol or alcoholic beverages. The penalty is imposed simply for having set up the criminal organisation and applies even if, following the unlawful agreement, no actual manufacturing took place.

Evasion of assessment and payment of excise duty on alcohol and alcoholic beverages (Article 43 of Legislative Decree No. 504/1995)

The norm punishes those who:
- Withholds, by any means, alcohol or alcoholic beverages from the assessment or payment of excise duty;
- Holds denatured alcohol under conditions other than those prescribed, or uses it for purposes other than those for which the exemption was granted.

An attempt is punishable with the same penalty as that prescribed for the completed offence.

Tampering with devices, markings and labels (Article 46 of Legislative Decree 504/1995)
The provision penalises anyone who, with the intention of concealing the product from inspection:
- Falsifies, alters, removes, damages or renders inoperable measuring instruments, seals, stamps, hall-marks, verification marks or other devices, impressions or markings prescribed by the tax authorities or affixed by the Guardia di Finanza;
- Uses counterfeit or altered seals, stamps, markings, verification marks or other imprints or markings prescribed by the tax authorities or affixed by the Guardia di Finanza, or uses them without authorisation.

In addition to the acts mentioned above, the offence also covers the unauthorised possession of devices, seals, stamps or marks identical to those used by the tax authorities or the Guardia di Finanza, even if counterfeit.

Shortages and surpluses in the storage and movement of excisable products (Article 47 of Legislative Decree No. 504/1995)
The legislation introduces a criminal penalty for:
- Any shortfalls identified during the audit of tax deposits, where these exceed the permitted reduction by more than 10%;
- Any shortfalls found on arrival of goods transported under a duty suspension arrangement, where these

exceed 10% in addition to the permitted loss;
- Surplus products in tax warehouses and surplus denatured products that do not fall within the permitted tolerance limits or are not supported by the required documentation (unless the legitimate origin of the products and the proper payment of tax can be demonstrated).

Traffic offences (Article 49 of Legislative Decree 504/1995)
The penalties laid down for evading the assessment or payment of excise duties also apply to transport operations carried out without the required documentation or with a document that is false or altered or which does not enable the parties involved in the transport operation to be identified.

The offence is punishable only if:
- The lawful origin of the goods and the proper payment of tax have not been demonstrated;
- The products differ in quantity from the figures recorded in the computerised system or in the accompanying documents by more than 1%, if the quantity is greater, or by more than 2% in excess of the permitted loss under current customs regulations, if the quantity is less.

Should any of the conditions set out in the preceding points apply, the penalty imposed is purely administrative in nature.

G.3 Areas of Major Risk

The Company's main areas of risk, with reference to the crimes of receiving, laundering and using funds, goods or other benefits gained illegally, as well as self-laundering and organised crimes nd smuggling can be traced to:
- Management of commercial activities;
- Management of public funding and contributions;
- Management of the procurement of goods and services and rapports with third-parties;
- Management of cash flows;
- Management of intercompany relationships;
- Management of tax aspects;
- Selection and management of personnel;
- Managing relations with agents;
- Management of Shareholders' Meetings and extraordinary transactions;
- Management of customs and excise duties.

G.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:
- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- The Code of Ethics;
- Specific internal procedures.

In general, it is **prohibited** to engage in behaviour or to contribute to conduct that may fall within the scope of Articles 25-quater, 24-ter and 25-sexiesdecies of Legislative Decree 231/2001 cited prior.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of commercial activities;
- Management of public funding and contributions;
- Management of purchasing goods and services;
- Management of cash flows;
- Management of intercompany relationships;

- Selection and management of personnel;
- Management of relations with agents.

The **management of commercial activities** could present risks in relation to the configuration of **smuggling offences** in the event that, example, the Company exports goods abroad in violation of the customs regulations envisaged by the Decree.

The **management of commercial activities** could present risks in relation to **smuggling offences** in the event that, for example, in order to obtain exemption from customs duties, the preferential origin of the goods is declared – including through the submission of false documentation – even though the relevant requirements are not met.

The **management of public funding** could present risks in relation to **organised crime offences** where, for example, the Company – through artifice or deception, with the complicity and support of any additional third parties (such as consultants, and so on), misleads a Public Official in order to obtain undue financing or uses such resources for purposes other than those for which the same were requested and obtained.

Handling government funding could present risks in relation to the **crime of self-laundering** in the event whereby the Company, having committed the crime of fraud against the State in order to obtain a public contribution, employs, replaces or transfers in economic, financial, entrepreneurial or speculative activities, the money, goods or other benefits arising from the commission of such crime, in such a way as to effectively hinder the identification of their criminal origin.

The **management of the procurement of goods and services and the management of contractors** could present risks in relation to **organised crime offences**, should the Company enter into fictitious contracts or contracts with deliberately inflated values with subjects linked to criminal organisations, with a view to obtaining financial and/or tax benefits.

The **management of purchases of goods and services** could present risks in relation to the **crime of relocation** in the event that the Company proceeded with purchasing goods of illicit provenance in order to obtain an undue advantage.

The **management of the procurement of goods and services and the management of contractors** could present risk profiles in relation to the commission of **smuggling offences** in the event that, for example, a senior or subordinate member of the Company were to import goods from abroad in breach of the customs regulations laid down in the Decree.

Managing financial resources and, in particular, the receipt of payments, could present risks in relation to the crime of **receiving, laundering and using funds** in the event that, for example, the Company accepts money from illegal activities.

Non-transparent management of financial resources could present risks in relation to the commission of the **crime of self-laundering** in the event that, for example, it is possible to set aside unlawfully-sourced financial provisions to be employed, replaced or transferred in economic, financial, entrepreneurial or speculative activities, in such a way as to effectively hinder the identification of their criminal origin.

The **non-transparent management of financial flows** could present risks in relation to **organised crime offences** in the event that, example, the Company makes undue payments for entirely or partly non-existent provisions to third parties linked to criminal or mafia associations in order to facilitate their illegal activity.

Managing intercompany relationships could present risks in relation to the **crime of self-laundering** in the event that, for example, the Company provides unlawfully-sourced financial provisions to be employed, replaced or transferred in economic, financial, entrepreneurial or speculative activities with other Group companies, in such a way as to effectively hinder the identification of their criminal origin.

The **management of intercompany relations**, with specific reference to commercial dealings with foreign subsidiaries, could present risks in relation to **smuggling offences** in the event that, for example, in order to obtain exemption from customs duties, the preferential origin of the goods is declared – including through

the submission of false documentation – even though the relevant requirements are not met.

The **selection of staff** could present risks in relation to **organised crime offences** in the event that the Company, in order to receive an undue advantage, proceeds with the selection of a person selected by or associated with a criminal organisation.

The **selection and management of agents** could present risk in relation to **organised crime offences** should the Company select agents who are affiliated with or have links to a criminal organisation.

For specific principles of conduct in relation to:
- Management of commercial activities;
- Management of public funding and contributions;
- Management of the procurement of goods and services and rapports with third-parties;
- Management of cash flows;
- Management of intercompany relationships;
- Selection and management of personnel;
- Management of relations with agents.

Reference is made to that outlined under Special Section A – "Offences against the Public Administration and its assets, offences of corruption between private individuals and incitement to corruption between private individuals and the crime of induction not to submit statements or to make misleading statements to the Judicial Authority".

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of customs and excise duties.

The **management of customs and excise duties** could present risks in relation to offences of **smuggling** should the Company, in the course of its import/export activities, breach the customs regulations set out in the Decree.

The **management of customs activities** could present potential risks in relation to the **offence of smuggling** in the event that, for example, the goods are submitted for the required customs declaration using fraudulent means designed to mislead the customs authorities regarding the details of the assessment, or by making false declarations concerning the quantity, quality, origin and value of the goods.

The **administration of excise duties** could give rise to risks in relation to the offence of **evasion of the assessment or payment of excise duty on energy products** should the Company, by any means, evade the payment of excise duty.

The **management of customs and excise duties** could present risks in relation to the offence of **criminal association**, should the Company be involved in a criminal organisation aimed at evading the payment of border duties and excise duties on goods.

Addressees who, by virtue of their role, position or mandate, are involved in the management of the aforementioned activity **are required** to:
- Observe the instructions and procedures applicable to the area of competence;
- Entrust the management and monitoring of customs and excise activities to those with the necessary expertise;
- Ensure strict compliance with EU and Italian legislation on customs and excise matters;
- Ensure the correct compilation of customs declarations, with timely verification of each consignment, the availability of all documents and the accuracy of the information concerning the nature, characteristics, intended use of the goods and the origin of the goods;
- Fulfil promptly, correctly and in good faith all the obligations, including the transmission of declarations and communications, as well as the settlement and payment of customs duties, taxes and fees, as provided for in customs legislation;
- Fulfil all obligations relating to excise duties in a timely, correct and good-faith manner;

- Ensure that the documentation to be submitted to the customs authorities is duly prepared as regards to import and export of goods;
- Verify the origin of the goods and whether the transport documents reflect the country of origin and the movement flow as regards to the import of goods;
- Verify that all supporting documents relating to records, compliance and communications with the customs authorities are true, authorised and filed, for the periods laid down by the legislation in force, in an orderly manner and in such a way as to be able to carry out checks at any given time;
- Check that the documents accompanying the consignment tally with the purchase order issued and, in particular, with the information certifying the value, quantity, origin and classification of the goods;
- Verify the compliance of the goods received with the customs support documentation;
- Verify the compliance of the data indicated in the customs document with the data indicated n the invoice and in the accompanying documents, with particular reference to the customs tariffs, country of origin and value of the goods;
- Verify the indication on the invoice (or other documentary medium) of all necessary and compulsory information for import activities, and the correct and complete Customs declarations concerning the nature, characteristics, intended use of the goods and the origin of the goods;
- In the case of goods with preferential origin, ensure traceability of the origin of the goods and their raw materials;
- In the event that the documentation to be submitted to the Customs Authority is produced - in whole or in part - with the support of third parties (freight forwarders, customs agents etc.), ensure that the selection of the same is always carried out in compliance with the provisions of Special Section A of this model;
- Introduce clauses in contracts with suppliers and third parties (customs agents, etc.) specifying:
  - That the company concerned declares that it complies with the principles set out in Legislative Decree 231/2001, and that it adheres to the principles of the Code of Ethics;
  - That the company concerned declares, where possible, that it has taken all necessary measures and precautions to prevent the offences referred to above, having equipped its organisational structure with internal procedures and systems that are entirely adequate for such prevention;
  - That any falsehood in the aforementioned declarations could, for all intents and purposes, constitute a serious breach of contract, within the meaning of Article 1456 of the Italian Civil Code;
  - That the firm undertakes to comply with certain company policies relevant to the work they are required to carry out on behalf of the Company.
- In the event where the freight forwarder's invoice for customs duties is anomalous, require the freight forwarder to produce accounting documents showing that the amount of that invoice is consistent with the amounts actually paid to the customs authorities by way of duties or other charges due for the import of the goods;
- Ensure traceability of relations with customs authorities and Public Administration in general;
- Communicate, without delay, to their hierarchical manager or management of the Company together with the Supervisory Body regarding any conduct aimed at obtaining an illicit advantage for the Company.

In the context of the aforementioned conduct, it is forbidden to:
- Submit untruthful statements by presenting documents that do not correspond with reality in whole or in part or by omitting the presentation of true documentation;
- Behave deceptively towards the Authorities in such a way as to mislead its assessment and calculation of customs duties;
- Fail to comply properly with the obligations arising from the performance of import and export operations.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of tax aspects;
- Management of Shareholders' Meetings and extraordinary transactions.

Taxation management could present risks in relation to the configuration of the **crime of self-laundering** in the event that, for example, a person in a senior position or subordinate of the Company uses invoices or other documents for non-existent transactions, in order to evade income or value added taxes, listed in one of the annual declarations relating to such taxable fabricated items and thus constitutes an unlawful provision to employ, replace or transfer from the same subject in economic, financial, entrepreneurial or

speculative activities in such a way as to effectively hinder the identification of their criminal origin.

The **management of Shareholders' Meetings and extraordinary transactions** could present risks in relation to the offences of **receiving stolen goods, money laundering and the use of money, property or benefits of unlawful origin** , as well as **self-laundering** should the Company's Directors, Statutory Auditors or Shareholders carry out transactions using money derived from unlawful activities.

For specific principles of conduct in relation to "Tax Management", please refer to the provisions of Special Section D – "Corporate and Tax Offences".

G.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 25-octies and 24-ter of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body regarding any derogations, breaches or suspected violations of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

G.6 Sanctions

The conduct of the Addressees to violate (or elude) this Special Section shall be considered as a disciplinary wrongdoing in accordance with the provisions of the Disciplinary System referred to in the General Section of this Model (Chapter 6).

Special Section H

Environmental offences.

H.1 Function of Special Section H

This Special Section aims to illustrate the responsibilities, the criteria and behavioural norms to which the Addressees of this Model – as defined in the General Section – must respect in handling activities at risk related to the criminal offences referred to in Article 25-undecies of Legislative Decree no. 231/2001, in compliance with the principles of maximum transparency, timeliness and collaboration, as well as traceability of activities.

Specifically, this Special Section is intended to define:
- The principles of conduct to be observed by the Addressees in order to properly apply the requirements of the Form;
- The flows of information to the Supervisory Body.

H.2 Pertinent offences

For completeness, below are all the criminal offences that form the basis of the administrative responsibility of the institutions pursuant to Articles 25-undecies of the Decree.

Environmental offences

Environmental pollution (Article 452-bis of the Italian Criminal Code)
The regulation punishes anyone who abusively causes significant and measurable impairment to or deterioration of:
1. The air, water or extensive or significant portions of the soil or subsoil;
2. An ecosystem, agricultural biodiversity, flora or fauna.

When pollution occurs in a natural area that is protected or under landscape, environmental, historical, artistic, architectural or archaeological protection, or results in damage to a protected animal or plant species, the severity of the penalty is increased.

Environmental disaster (Article 452-quater of the Italian Criminal Code)
The regulation punishes anyone who abusively causes an environmental disaster. Alternately constituting an environmental disaster are:
1. Irreversible alteration of the balance of an ecosystem;
2. Altering the equilibrium of an ecosystem, the rectification of which is particularly burdensome and achievable only via exceptional measures;
3. Offence to public safety on account of the relevance of the deed due to the extent of the impairment or its detrimental effects or to the number of persons impacted or exposed to danger.

When the disaster occurs in a natural area that is protected or under landscape, environmental, historical, artistic, architectural or archaeological protection, or results in damage to a protected animal or plant species, the severity of the penalty is increased.

Offences against the environment (Article 452-quinquies of the Italian Criminal Code)
The regulation punishes anyone who commits through their own fault any of the deeds referred to in the preceding paragraphs (Articles 452-bis and 452-quater of the Italian Criminal Code).

Traffic and abandonment of highly radioactive material (Article 452-sexies of the Italian Criminal Code)
The regulation punishes — except whereby the deed constitutes a more serious offence — anyone who abusively cedes, buys, receives, transports, imports, procures for others, holds, transfers, abandons or illegitimately dispossesses of highly radioactive material.
The penalty is increased when:
- The act gives rise to a danger to the life or safety of persons, or a risk of harm or deterioration:
  - The air, water or extensive or significant portions of the soil or subsoil;
  - An ecosystem, agricultural biodiversity, flora or fauna.
- The offence is committed on contaminated or potentially contaminated sites, or in any case on the

access roads to such sites and their associated areas.

Hindering supervisory activities (Article 452 of the Italian Criminal Code);
Unless the act constitutes a more serious offence, the provision punishes any person who, by denying access, erecting obstacles or artificially altering the condition of the premises, prevents, hinders or circumvents environmental monitoring and inspection activities or occupational health and safety inspections or compromises their outcomes.

Aggravating circumstances (Article 452-octies of the Italian Criminal Code)
An increase to the penalty is foreseen whereby the association referred to in Article 416 of the Italian Criminal Code is directed – exclusively or concurrently – for the purpose of committing certain crimes against the environment referred to in Title VI-bis of the Italian Criminal Code.

The severity of the penalty is increased when the association referred to in Article 416-bis of the Italian Criminal Code is aimed at committing any of the crimes laid out in Title VI-bis or upon the acquisition of management or control of economic activities, concessions, authorisations, procurement or public services in environmental matters.

The punishment is increased if public officers or persons in charge of a public service exercising functions or performing services in environmental matters are part of the association.

Failure to make restitution (Article 452-terdecies of the Criminal Code)
Unless the act constitutes a more serious offence, the provision punishes any person who, being obliged to do so by law, by order of a court or by a public authority, fails to carry out the clean-up, restoration or rehabilitation of the site.

Activities organised for the purpose of illicit waste trafficking (Article 452-quaterdecies of the Italian Criminal Code)
The regulation punishes – unless the act constitutes a more serious offence – anyone who, in order to achieve an unfair profit and through multiple operations and the set-up of continuous means and activities organises, cedes, receives, transports, exports, imports or otherwise illegally handles large quantities of waste.

The penalty is increased when:
- The act gives rise to a danger to the life or safety of persons, or a risk of harm or deterioration:
  - The air, water or extensive or significant portions of the soil or subsoil;
  - An ecosystem, agricultural biodiversity, flora or fauna.
- The offence is committed on contaminated or potentially contaminated sites, or in any case on the access roads to such sites and their associated areas.

Killing, destruction, capture and taking of specimens of protected wild animal or plant species (Article 727-bis of the Italian Criminal Code)
The regulation punishes anyone who:
- Save whereby the deed constitutes a more serious offence, anyone who kills, catches or holds specimens belonging to a protected wildlife species, beyond the cases permitted;
- Anyone who, beyond the cases permitted, destroys, extracts or holds specimens belonging to a protected wild plant species;

Exception is made whereby the action affects a negligible amount of such specimens and has a negligible impact on the conservation status of the species.

Destruction or adverse modification of habitats within a protected site (Article 733-bis of the Italian Criminal Code)
The regulation punishes anyone who, beyond the cases permitted, destroys a habitat within a protected site or otherwise deteriorates such by compromising its state of conservation.

Criminal penalties (Article 137, paragraphs 2, 3, 5, 11 and 13, Legislative Decree no. 152/2006)
The norm punishes anyone who:
- Triggers or in any case carries out new discharges of industrial wastewater containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex

5 to the Part 3 of Legislative Decree no. 152/2006, without authorisation, or else continue to carry out or maintain such discharges after authorisation has been suspended or revoked;
- Releases industrial wastewater containing the hazardous substances included in the families and groups of substances indicated in Tables 5 and 3/A of Annex 5 to the Part 3 of Legislative Decree no. 152/2006, without complying with the requirements of the authorisation or the other prescriptions of the competent authority pursuant to Article 107, paragraph 1 and Article 108, paragraph 4;
- In relation to the substances indicated in Table 5 of Annex 5 to Part 3 of Legislative Decree no. 152/2006, exceeds the limit values set out in Table 3 in regards to the discharge of industrial wastewater or, in the case of discharge in the soil, exceeds the limits under Table 4 of Annex 5 to Part 3 of Legislative Decree no. 152/2006, or the more restrictive limits laid out by the autonomous regions or provinces or by the competent Authority pursuant to Article 107(1);
- Does not observe the prohibitions on discharge pursuant to Articles 103 and 104 and who shall be punished by detention for up to three years.

The regulation also punishes the discharge of substances or materials released into sea waters by vessels or aircraft, whereby there is an absolute prohibition of spillage imposed under the provisions contained in the international conventions in force and ratified by Italy, unless in such quantities as to be quickly rendered harmless via physical, chemical and biological processes, which naturally occur at sea and whereby in the presence of prior authorisation by the competent authority.

Disposal of non-hazardous waste in specific cases (Article 255-bis of Legislative Decree 152/2006)
This provision penalises any person who, in breach of the provisions of Article 192(1) and (2), Article 226(2) and Article 231(1) and (2), abandons or deposits non-hazardous waste or discharges it into surface water or groundwater, if:
- The act gives rise to a danger to the safety of persons, or a risk of harm or deterioration of:
  - The air, water or extensive or significant portions of the soil or subsoil;
  - An ecosystem, agricultural biodiversity, flora or fauna.
- The offence is committed on contaminated or potentially contaminated sites, or in any case on the access roads to such sites and their associated areas.

Business owners and heads of organisations shall also be punished if, in any of the circumstances described above, they abandon or dispose of non-hazardous waste in an uncontrolled manner, or discharge it into surface water or groundwater in breach of the prohibition set out in Article 192(1) and (2).

Illegal dumping of hazardous waste (Article 255-ter of Legislative Decree 152/2006)
This provision penalises the same types of conduct as those described in Article 255-bis but in relation to waste classified as ‘hazardous’ under environmental legislation.

Unauthorised waste management activities (Article 256[1][a] and [b], 3, 5 and 6 of Legislative Decree no. 152/2006)
The norm punishes anyone who:
- Carries out a collection, transport, recovery, disposal, trade or brokering of waste in the absence of the required authorisation, registration or communication referred to in Articles 208, 209, 210, 211, 212, 214, 215 and 216 of Legislative Decree no. 152/2006;
- Creates or operates an unauthorised landfill;
- Carries out or manages an unauthorised landfill destined, even in part, for the disposal of hazardous waste;
- In breach of the prohibition set out in Article 187, carries out unauthorised waste mixing activities;
- temporarily stores hazardous sanitary waste at the site of production, in violation of the provisions set out under Article 227(1)(b).

Unauthorised incineration of waste (Article 256-bis(1) and 3-bis of Legislative Decree 152/2006)
The law imposes penalties on anyone who sets fire to rubbish that has been abandoned or dumped in an uncontrolled manner.
Higher penalties apply where a fire is started using hazardous waste or where aggravating circumstances apply, as set out in Articles 255-bis and 255-ter.

Pollution of the soil, subsoil, surface water or groundwater (Article 257, Legislative Decree no.

152/2006)
The norm punishes anyone who:
- Causes the pollution of soil, subsoil, surface water or groundwater by exceeding the risk threshold concentrations, whereby not taking actions for remediation in accordance with the project approved by the competent authority in the context of the procedure referred to in Articles 242 and Legislative Decree no. 152/2006;
- Omits the communication referred to in Article 242 of Legislative Decree No. 152/2006.

The act of polluting referred to in the first point is aggravated by the use of hazardous substances.

Violation of reporting requirements, of obligatory record-keeping and forms (Article 258[4][2] of Legislative Decree no. 152/2006)
The regulation imposes penalties on anyone who transports hazardous waste without the form referred to in Article 193 (FIR – identification form) or without the documents specified therein.

Illegal shipment of waste (Article 259(1) of Legislative Decree 152/2006)
This provision imposes penalties on anyone who carries out a shipment of waste constituting an illegal shipment within the meaning of Article 2(35) of Regulation (EC) No. 1013/2006 of the European Parliament and Council of 14th June 2006 and Article 3(26) of Regulation (EU) 2024/1157 of the European Parliament and Council of 11th April 2024. The conduct is aggravated upon dispatching hazardous waste.

Negligent offences relating to waste (Article 259-ter of Legislative Decree 152/2006)
If any of the offences referred to in Articles 255-bis, 255-ter, 256 and 259 is committed through negligence, the penalties provided for in those Articles shall be reduced by between one-third and two-thirds.

False information as to the nature, composition and chemical and physical characteristics of waste in a waste analysis certificate; filing a false waste analysis certificate into the SISTRI; omission or fraudulent alteration of the paper copy of the SISTRI form – handling area in waste transportation as per Article 260-bis paragraph 6, paragraph 7 and paragraph 8 of Legislative Decree no. 152/2006

The regulation punishes:
- Any person who in the preparation of a waste analysis certificate used in the context of the waste traceability control system provides false details on the nature, composition and chemical-physical characteristics of the waste and those who include a false certificate in the data to be supplied for the purpose of waste traceability;
- Any conveyor failing to accompany the transport of waste with a hard copy of the SISTRI form for the handling and, where necessary on the basis of current legislation, a copy of the analytical certificate identifying the characteristics of the waste, with the conduct being aggravated upon transporting hazardous waste;
- Any person who, during transport, avails of a waste analysis certificate containing false details on the nature, composition or chemical-physical characteristics of the waste transported;
- The conveyor accompanying the transport of waste with a hard copy of the SISTRI form for handling that has been fraudulently altered, with the conduct being aggravated in the case of hazardous waste;

Sanctions (Article 279, paragraph 5, of Legislative Decree no. 152/2006)
The regulation punishes those who, in operating an establishment, violate the emission limit values or the requirements established by the authorisation, Annexes I, II, III or V to the fifth part of Legislative Decree no. 152/2006, the plans and programmes or the legislation referred to in Article 271, or the requirements otherwise imposed by the competent authority, which also results in the air quality limit values set out by current legislation being exceeded.

Article 1(1) and (2) of Law 150/1992
The regulation punishes those who, unless the deed constitutes a more serious offence, breach the provisions of Council Regulation (EC) no. 338/97 dated 9th December 1996, along with subsequent implementations and modifications, in regards to specimens belonging to the species listed in Annex A to that Regulation, as amended:
- Imports, exports or re-exports specimens, under any customs procedure, without the required certificate

or licence or with a certificate or licence that is invalid within the meaning of Article 11(2a) of Council Regulation (EC) No. 338/97 dated 9th December 1996, as subsequently implemented and amended;
- Fails to comply with the requirements for safeguarding specimens, specified in a licence or certificate issued in accordance with Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended;
- Uses the aforementioned specimens in a manner other than the provisions contained in the authorisation or certification measures issued together with or subsequent to the import licence or certificates;
- Transports or have transported, including on behalf of third parties, specimens without the prescribed licence or certificate issued in accordance with Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended and, in the case of export or re-export from a contracting third country, the Washington Convention, issued in accordance with the Convention, or without sufficient proof of their existence;
- Trades artificially-reproduced plants contrary to the requirements established in accordance with Article 7(1)(b) of Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended;
- Possesses, uses for profit, buys, sells, exhibits or holds for sale or commercial purposes, offers for sale or otherwise cedes specimens without the required documentation.

The offence is considered more serious in the event of a repeat offence and where the offence is committed in the course of business activities.

Article 2, paragraphs 1 and 2, of Law 150/1992
The regulation punishes anyone who, unless the deed constitutes a more serious offence, breaches the provisions of Council Regulation (EC) no. 338/97 dated 9th December 1996, along with subsequent implementations and modifications, in regards to specimens belonging to the species listed in Annexes B and C to that Regulation, as amended:
- Imports, exports or re-exports specimens, under any customs procedure, without the required certificate or licence or with a certificate or licence that is invalid within the meaning of Article 11(2a) of Council Regulation (EC) No. 338/97 dated 9th December 1996, as subsequently implemented and amended;
- Fails to comply with the requirements for safeguarding specimens, specified in a licence or certificate issued in accordance with Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended;
- Uses the aforementioned specimens in a manner other than the provisions contained in the authorisation or certification measures issued together with or subsequent to the import licence or certificates;
- Transports or has transported, including on behalf of third parties, specimens without the prescribed licence or certificate issued in accordance with Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended and, in the case of export or re-export from a contracting third country, the Washington Convention, issued in accordance with the Convention, or without sufficient proof of their existence;
- Trades artificially-reproduced plants contrary to the requirements established in accordance with Article 7, paragraph 1, letter b), of Council Regulation (EC) no. 338/97 dated 9th December 1996, along with any successive implementations and amendments, and by Commission Regulation (EC) no. 939/97 dated 26th May 1997, as amended;
- Possesses, uses for profit, buys, sells, exhibits or holds for sale or commercial purposes, offers for sale or otherwise cedes specimens without the required documentation, limited to species referred to in Annex B to the regulations of Procedure.

The offence is considered more serious in the event of a repeat offence and where the offence is committed in the course of business activities.

Article 3-bis of Law no. 150/1992
The regulation punishes the conduct of forgery or alteration of certificates, licenses, import notices, declarations, communications of information in order to acquire a license or certificate, of the use of false or altered certificates or licenses (Criminal Code offences referred to by Article 3-bis[1] of Law 150/1992).

Article 6(4) of Law no. 150/1992
The law punishes those who possess live specimens of mammals and reptiles of wild and live specimens of mammals and reptiles from reproductions in captivity that pose a danger to public health and safety.

Use of substances damaging the stratospheric ozone and the environment (Article 3[6] of Law 549/1993)
The regulation punishes those who violate the provisions that call for the cessation and reduction of the employment (production, use, marketing, import and export) of substances that are harmful to the ozone.

Malicious pollution (Article 8, paragraphs 1 and 2, of Legislative Decree no. 202/2007)
The norm punishes the malevolent spilling of pollutants into the sea. Conduct is considered as aggravated whereby the breach causes permanent or particular damage to water quality or to animal or plant species or sections thereof.

Offences of pollution (Article 9, paragraphs 1 and 2, of Legislative Decree no. 202/2007)
The norm punishes grievous spills of pollutants into the sea. Conduct is considered as aggravated whereby the breach causes permanent or particular damage to water quality or to animal or plant species or sections thereof.

Illicit combustion of waste (Article 256-bis of Legislative Decree no. 152/2006)
The regulation punishes anyone who:
- Sets fire waste that has been abandoned or dumped without being checked;
- Deposits or abandons waste, or renders it subject to cross-border trafficking for subsequent illicit combustion.

The standard, although not specifically referred to under Article 25-undecies of Legislative Decree no. 231/2001, is of particular relevance in the matter of administrative responsibility as, in the event of the commission (or attempted commission) of the above-cited crime, it constitutes liability – autonomously with respect to that of the parties involved – for the party accountable (natural person) for the undertaking or the person responsible for the activity, in any case facilitated by a lack of supervision, foreseeing the application of the interdictive sanctions set out under Article 9, paragraph 2, of the Decree.

H.3 Areas of Major Risk

The Company's main areas of risk, with reference to environmental crimes, are attributable to:
- Management of the procurement of goods and services and rapports with third-parties;
- Management of environmental impact activities.

Addressees are required to adapt their behaviour to that set out in this document.

H.4 Principles of Conduct

The following lists some of the general principles to be considered as applicable to the Addressees, as defined in the General Section of this Model.

In general, it is **necessary** to ensure that the management of such activities takes place in absolute compliance with:
- Laws and regulations in force;
- Principles of loyalty, fairness and clarity;
- Code of Ethics.

In general, it is **forbidden** to carry out conduct or contribute to the implementation of conduct that may fall within the present offences referred to in Articles 25-undecies of Legislative Decree no. 231/2001 cited prior.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of the procurement of goods and services and rapports with third-parties.

The **management of purchases of goods and services** could present risks in relation to the commission of **environmental crimes** in the event that, for example, a person in a senior position or subordinate of the Company enters into contracts with carriers, disposers or intermediaries that are not qualified and/or not equipped with the necessary legal authorisations, in order to obtain economic savings for the Company.
For the principles of conduct relating to the activity of "Management of purchases of Goods and Services and Rapports with Third-Parties", please refer to the provisions of Special Section A – "Offences against the Public Administration and its holdings, crimes of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" referred to in this Organisation, Management and Control Model.

Below is a list exemplifying the main means of committing offences with reference to the following activities:
- Management of environmental impact activities.

Waste management could present risks in relation to **environmental crimes** in the event that:
- The Company, in order to achieve economic savings on transport and waste disposal costs, enters into contracts with carriers, disposers or intermediaries that are not qualified and/or not equipped with the necessary statutory authorisations;
- A person in a senior position or subordinate of the Company, also in agreement with carriers, disposers or intermediaries, continuously classifies/confers waste incorrectly in order to obtain economic benefits;
- A person in a senior position or subordinate of the Company, in cooperation with carriers, disposers or intermediaries, falsifies mandatory forms and registers, in order to obtain economic benefits resulting from an incorrect classification of waste and/or weights thereof;
- A person in a senior position or subordinate of the Company, in order to obtain economic benefits, disposes of waste independently and illegally (such as pouring liquids into the sewerage system, transport and storage of waste in unauthorised landfills).

Emissions into the atmosphere could present risks in relation to **environmental crimes** in the event that:
- Also in agreement with the suppliers of the systems and/or maintenance activities, the Company does not carry out the planned maintenance in order to obtain economic savings, releasing harmful substances into the atmosphere;
- The Company does not determine the emissions released into the atmosphere or does not take necessary corrective action in the event that emissions exceed those established by law in order to achieve economic savings;
- The Company falsifies atmospheric emission checks in order to be within the limits laid out in the legislation of reference.

Water discharge management could present risks in relation to **environmental crimes** in the event that:
- The Company continuously discharges pollutants into its effluent in order to reduce disposal costs.
- The Company does not conduct or falsifies controls on waste water in order to appear to be in compliance with the legal limits and to achieve economic savings;
- The Company does not carry out the necessary maintenance activities on sewage treatment plants in order to achieve economic savings.

Addressees who, for reason of their assignment or function, are involved in the aforementioned process shall be obliged to:
- Operate in full compliance with the laws, regulations in force, the Code of Ethics, applicable policies and procedures, and the principles of loyalty, fairness, clarity and transparency in all interactions with public and private counterparties, including in the context of any inspections carried out by public authorities, whilst operating in accordance with the provisions of Special Part A - Offences against the Public Administration and its assets, offences of corruption between private individuals and incitement to corruption between private individuals and the offence of inducing a person not to make statements or to make false statements to the judicial authorities, as set out in this Model;
- Be constantly updated on the current regulations and to comply therewith;
- Ensure that the management of activities with an environmental impact are coordinated by

- staff with appropriate powers;
- Define appropriate control measures to contain pollution upon the occurrence of environmental emergencies;
- Promptly notify the competent authorities of any event that has the potential to contaminate, or is in the process of contaminating, the soil, subsoil, surface water and/or groundwater, in accordance with the procedures and timeframes laid down by current legislation;
- Identify the nature and characteristics of the waste and assign the proper classification in order to define the correct methods for storage and disposal, according to the statutory provisions;
- Ensure that personnel involved in waste management activities, whose tasks may have significant environmental impacts, are able to carry out their assigned duties – To this end, all staff must receive appropriate information regarding the correct procedures for completing their tasks;
- Regulate product disposal responsibilities through specific contracts with qualified environmental service providers, with the suitable authorisations and selected in compliance with the provisions of Special Section A – "Offences against the Public Administration and its holdings, crimes of corruption between private individuals and incitement to corruption between private individuals and the crime of inducement not to make statements or to make false statements to the Judicial Authority" referred to in this Model.
- Verify that intermediaries, transporters and final disposal operators hold the necessary authorisations, where the disposal operator is not the same as the operator itself; Specifically, the aforementioned contracts must contain clauses specifying:
  - That the company concerned declares compliance with the principles pursuant to Legislative Decree no. 231/2001 and adheres to the principles of the Code of Ethics adopted by the Company;
  - That the company concerned declares having enacted all necessary acts of compliance and precautions aimed at preventing the offences underlying administrative responsibility of the entities, having reinforced – where possible – its corporate structure with internal procedures and systems that are entirely suited to such prevention;
  - That the company concerned declares having the authorisations required by law to carry out its business;
  - That any lack of truthfulness in the above declarations could constitute cause for termination of the present contract pursuant to Article 1456 of the Italian Civil Code;
- That the authorisations of operators to whom the Company entrusts transport and waste disposal activities have been verified;
- That the mandatory documentation (registers/forms) shall be completed;
- That the authorisations of the means used for processing waste shall be verified;
- That the submission by the final disposer of the fourth copy of the form duly completed and signed shall be verified;
- That the relevant registers established under the legislation, shall be promptly updated where applicable;
- That the necessary measures to avoid pollution of the soil, subsoil and surface water or groundwater shall be identified;
- That the activities that may involve emissions to the atmosphere shall be identified whilst ensuring that the necessary authorisations are obtained and maintained, where required;
- That the discharge/emission points are identified and updated plus that periodic checks on emissions and discharges are carried out in accordance with the procedures and timeframes set out in the environmental authorisations;
- That the filing of all procedural documentation shall be carried out by the parties involved;
- That the necessary support is given to the authority in its monitoring and inspection activities relating to potential remediation works.
- With regard to the possible temporary storage of waste:
  - The site is shown on the floor plan;
  - In the event of entrusting waste management activities to third parties, all requirements referred to in the above points are respected by third parties.
- Staff employed at the Company must also comply with:
  - The particulars provided in the internal procedures with regard to theircompetence;
  competence;
  - Managing all business collection, temporary storage, transport and delivery activities (such as spare parts replaced by miscellaneous equipment and systems and assets to be decommissioned due to conclusion or remodelling – like computers, computer parts and furniture – even whereby carried out by third parties) in compliance with the provisions of environmental legislation.

In the context of the aforementioned conduct, the following is **prohibited**:

- Confer waste to landfills that are unauthorised or do not have the appropriate authorisations on the basis of the type of refuse;
- Use waste collection, transport and disposal suppliers that do not have the appropriate authorisations;

- Spill hazardous substances into forecourts, down manholes and so on, generating soil and subsoil pollution;
- Deposit or abandon waste;
- Set fire to waste that has been abandoned or dumped without being checked;
- Breach the requirements set out in the environmental authorisations held by the Company.

H.5 Flows of information to the Supervisory Body

The Addressees of this Model who, in carrying out their activities, have to handle pertinent activities within the meaning of Articles 25-undecies of Legislative Decree no. 231/2001, shall promptly communicate to the Supervisory Body, in writing, regarding any information concerning derogations or breaches of which they become aware with respect to the standards of conduct governed therein, the pertinent legal regulations and the principles set out in the Code of Ethics.

H.6 Sanctions

In the event of any violation of the provisions contained in this Special Section, the disciplinary sanctions established in the Company's Organisation, Management and Control Model shall apply in accordance with the applicable National Collective Bargaining Agreement or the Contract signed on each occasion.

Any violation of the requirements contained therein or conduct of third parties not compliant with such shall be sanctioned by the competent bodies in accordance with internal corporate regulations, according to that set out in the clauses of the applicable contracts.

ALBINI GROUP

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